

# Arion Bank Covered Bonds

Investor Report: October 2012



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	2,532	3,371	5,902
Average Loan Balance	13	11	12
Average Customer Balance	20	16	18
No. of Loans	198	298	496
No. of Borrowers	125	214	331
No. of Properties	126	214	332
WA Legal Maturity (in months)	420	383	399
WA Seasoning (in months)	13	12	13
WA LTV	70,7%	62,5%	66,1%
WA Interest Rate	4,4%	6,5%	5,6%

\*Indexed mortgages linked to the consumer price index in Iceland as published by Statistics Iceland (Hagstofa Islands: [www.hagstofa.is](http://www.hagstofa.is)). Non Indexed are fixed rate mortgages

LTV Ranges	Balance	Percent
Less than 40%	675	11,4%
40 - 50%	513	8,7%
50 - 60%	598	10,1%
60 - 70%	617	10,4%
70 - 80%	3,500	59,3%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	5,902	100,0%

Property Type	Balance	Percent
Residential	5,749	97,4%
Other	153	2,6%
Total	5,902	100,0%

Payment Frequency	Balance	Percent
Monthly	5,902	100,0%
Total	5,902	100,0%

Valuation Type	Balance	Percent
FMR	4,836	81,9%
Contract	874	14,8%
External	192	3,2%
Total	5,902	100,0%

Ranking Order	Balance	Percent
1. Rank	5,372	91,0%
2. Rank	530	9,0%
Total	5,902	100,0%

Interest Rate Type	Balance	Percent
6.45% Non-Indexed	3.083	52,2%
4.3% Indexed	2.030	34,4%
7.55% Non-Indexed	288	4,9%
5.4% Indexed	211	3,6%
3.85% Indexed	128	2,2%
4.2% Indexed	44	0,7%
3.75% Indexed	44	0,7%
4.19% Indexed	26	0,4%
4.7% Indexed	17	0,3%
4.85% Indexed	17	0,3%
4.95% Indexed	12	0,2%
5.3% Indexed	3	0,0%
Total	5.902	100,0%

Arrears	Balance	Percent
Not in Arrears	5.737	97,2%
0 - 30 days default	6	0,1%
30 - 90 days default	160	2,7%
more than 180 days default	0	0
Total	5.902	100,0%

Area	Balance	Percent
Capital Area excl. Reykjavik	2.664	45,1%
Reykjavik	2.077	35,2%
Norðurland Eystra	529	9,0%
Vesturland	248	4,2%
Suðurland	166	2,8%
Norðurland Vestra	96	1,6%
Austurland	66	1,1%
Suðurnes	57	1,0%
Total	5.902	100,0%

Maturity	Balance	Percent
Less than 15 years	39	0,7%
15 - 20 years	18	0,3%
20 - 25 years	2.166	36,7%
35 - 40 years	3.678	62,3%
Total	5.902	100,0%

Planned frequency for updates of this summary: 12 times per year.  
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