

# Arion Bank Covered Bonds

Investor Report: December 2015



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	30.001	12.027	42.029
Average Loan Balance	13	12	13
Average Customer Balance	17	13	19
No. of Loans	2.348	977	3.325
No. of Borrowers	1.798	909	2.243
No. of Properties	1.813	919	2.265
WA Legal Maturity (in months)	400	381	394
WA Seasoning (in months)	22	19	21
WA LTV	65,6%	60,0%	64,0%
WA Interest Rate	4,0%	7,3%	4,9%

\*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%	2.742	6,5%
40 - 50%	3.005	7,1%
50 - 60%	7.032	16,7%
60 - 70%	12.761	30,4%
70 - 80%	16.489	39,2%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	42.029	100,0%

Property Type	Balance	Percent
Residential	42.029	100,0%
Total	42.029	100,0%

Payment Frequency	Balance	Percent
Monthly	42.029	100,0%
Total	42.029	100,0%

Valuation Type	Balance	Percent
FMR	29.932	71,2%
Contract	9.843	23,4%
External	1.686	4,0%
Internal	513	1,2%
Offer	55	0,1%
Total	42.029	100,0%

Ranking Order	Balance	Percent
1. Rank	33.374	79,4%
2. Rank	8.648	20,6%
3. Rank	7	0,0%
4. Rank	0	0
Total	42.029	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	5.299	12,6%
3.65% Indexed	4.860	11,6%
3.6% Indexed	3.898	9,3%
7.45% Non-Indexed	3.881	9,2%
3.9% Indexed	3.091	7,4%
7.05% Non-Indexed	2.751	6,5%
4.3% Indexed	2.598	6,2%
Other	15.651	37,2%
Total	42.029	100,0%

Arrears	Balance	Percent
Not in Arrears	41.280	98,2%
0 - 30 days default	53	0,1%
30 - 90 days default	696	1,7%
90 - 180 days default	0	0
more than 180 days default	0	0
Total	42.029	100,0%

Area	Balance	Percent
Reykjavik	18.307	43,6%
Capital Area excl. Reykjavik	15.809	37,6%
Norðurland Eystra	3.174	7,6%
Suðurland	1.821	4,3%
Vesturland	1.226	2,9%
Austurland	863	2,1%
Norðurland Vestra	401	1,0%
Suðurnes	340	0,8%
Vestfirðir	88	0,2%
Total	42.029	100,0%

Maturity	Balance	Percent
Less than 15 years	947	2,3%
15 - 20 years	1.856	4,4%
20 - 25 years	8.845	21,0%
25 - 30 years	3.279	7,8%
30 - 35 years	2.154	5,1%
35 - 40 years	24.928	59,3%
40 - 45 years	20	0,0%
Total	42.029	100,0%

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