

Arion Bank Covered Bonds

Investor Report: November 2016



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	36.663	26.926	63.589
Average Loan Balance	13	11	12
Average Customer Balance	17	13	18
No. of Loans	2.805	2.462	5.267
No. of Borrowers	2.131	2.090	3.631
No. of Properties	2.153	2.100	3.662
WA Legal Maturity (in months)	393	368	382
WA Seasoning (in months)	27	30	28
WA LTV	63,7%	53,8%	59,5%
WA Interest Rate	4,0%	7,2%	5,3%

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

LTV Ranges	Balance	Percent
Less than 40%	8.158	12,8%
40 - 50%	7.395	11,6%
50 - 60%	10.006	15,7%
60 - 70%	19.479	30,6%
70 - 80%	18.551	29,2%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	63.589	100,0%

Property Type	Balance	Percent
Residential	63.589	100,0%
Total	63.589	100,0%

Payment Frequency	Balance	Percent
Monthly	63.589	100,0%
Total	63.589	100,0%

Valuation Type	Balance	Percent
FMR	54.097	85,1%
Contract	7.159	11,3%
External	1.922	3,0%
Internal	343	0,5%
Offer	67	0,1%
Total	63.589	100,0%

Ranking Order	Balance	Percent
1. Rank	51.471	80,9%
2. Rank	12.072	19,0%
3. Rank	45	0,1%
4. Rank	1	0,0%
Total	63.589	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	8.933	14,0%
7.45% Non-Indexed	7.097	11,2%
3.65% Indexed	7.040	11,1%
7.05% Non-Indexed	4.932	7,8%
3.6% Indexed	3.684	5,8%
3.9% Indexed	3.163	5,0%
4.3% Indexed	2.621	4,1%
Other	26.118	41,1%
Total	63.589	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	62.141	97,7%	5.177
0 - 30 days default	1.012	1,6%	68
30 - 90 days default	381	0,6%	22
90 - 180 days default	55	0,1%	10
more than 180 days default	0	0	4

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Area	Balance	Percent
Reykjavik	27.056	42,5%
Capital Area excl. Reykjavik	24.399	38,4%
Norðurland Eystra	4.485	7,1%
Suðurland	2.757	4,3%
Vesturland	2.099	3,3%
Austurland	1.203	1,9%
Norðurland Vestra	884	1,4%
Suðurnes	613	1,0%
Vestfirðir	93	0,1%
Total	63.589	100,0%

Maturity	Balance	Percent
Less than 15 years	2.000	3,1%
15 - 20 years	4.772	7,5%
20 - 25 years	11.636	18,3%
25 - 30 years	5.433	8,5%
30 - 35 years	6.602	10,4%
35 - 40 years	33.136	52,1%
40 - 45 years	9	0,0%
Total	63.589	100,0%

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