

# Arion Bank Covered Bonds

Investor Report: March 2021



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	128.253	109.516	237.769
Average Loan Balance	19	17	18
Average Customer Balance	23	19	24
No. of Loans	6.770	6.632	13.402
No. of Borrowers	5.602	5.696	9.952
No. of Properties	5.630	5.712	9.995
WA Legal Maturity (in months)	401	381	392
WA Seasoning (in months)	37	21	29
WA LTV	57,1%	53,9%	55,6%
WA Interest Rate	3,1%	4,4%	3,7%

\*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%	46.411	19,5%
40 - 50%	33.039	13,9%
50 - 60%	39.310	16,5%
60 - 70%	76.786	32,3%
70 - 80%	42.222	17,8%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	237.769	100,0%

Property Type	Balance	Percent
Residential	237.748	100,0%
Other	21	0,0%
Total	237.769	100,0%

Payment Frequency	Balance	Percent
Monthly	237.701	100,0%
Other	23	0,0%
Annual	3	0,0%
Semi-Annual	42	0,0%
Total	237.769	100,0%

Valuation Type	Balance	Percent
FMR	154.863	65,1%
Contract	66.026	27,8%
Internal	15.090	6,3%
External	1.648	0,7%
Offer	141	0,1%
Total	237.769	100,0%

Ranking Order	Balance	Percent
1. Rank	204.906	86,2%
2. Rank	31.773	13,4%
3. Rank	1.038	0,4%
4. Rank	38	0,0%
5. Rank	8	0,0%
6. Rank	5	0,0%
Total	237.769	100,0%

Interest Rate Type	Balance	Percent
2.54% Indexed	54.215	22,8%
3.44% Non-Indexed	52.634	22,1%
4.49% Non-Indexed	19.961	8,4%
3.09% Indexed	16.388	6,9%
3.8% Indexed	12.889	5,4%
Other	81.682	34,4%
Total	237.769	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	234.798	98,8%	13.296
0 - 30 days default	84	0,0%	6
30 - 90 days default	2.887	1,2%	138

\*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

Area	Balance	Percent
Reykjavik	93.027	39,1%
Capital Area excl. Reykjavik	79.783	33,6%
Suðurland	19.155	8,1%
Norðurland Eystra	17.972	7,6%
Vesturland	10.759	4,5%
Suðurnes	7.931	3,3%
Austurland	4.824	2,0%
Norðurland Vestra	3.829	1,6%
Vestfirðir	489	0,2%
Total	237.769	100,0%

Maturity	Balance	Percent
Less than 15 years	9.373	3,9%
15 - 20 years	15.192	6,4%
20 - 25 years	29.645	12,5%
25 - 30 years	28.102	11,8%
30 - 35 years	24.482	10,3%
35 - 40 years	130.975	55,1%
Total	237.769	100,0%

Arion Bank is regulated by the Icelandic Financial Supervisory Authority ([www.fme.is](http://www.fme.is)).

This report has been automatically generated by Arion Bank's Risk Management. The information within are obtained from different sources, not all of which are controlled by Arion Bank, but which Arion Bank deems to be reliable. Whilst reasonable care has been taken to ensure that the contents of this publication are not untrue or misleading, no representation is made as to its accuracy or completeness and no liability is accepted for any loss arising from reliance on it. Arion Bank endeavours to ensure that the information is accurate and up-to-date, and reserves the right to make corrections to the content at any time, without prior notice. However, Arion Bank cannot guarantee that such information is complete or that it has not been modified by an outside party, by means of a virus or system intrusion, for example.

The report is prepared for general circulation and general information only, but it is not intended for any person in the United States. This publication may not be re-produced in whole or in part without permission.

The report shall under no circumstances be used or considered as an investment advice or investment research, or an offer to sell, or a solicitation of any offer to buy any securities. It does not have regard to the specific investment objectives, financial situation or the particular needs of any person who may receive the report. Arion Bank accepts no liability whatsoever for any direct or consequential loss arising from the use of this publication or its contents.

Contact:  
Investor Relations: [samskiptasvidj@arionbanki.is](mailto:samskiptasvidj@arionbanki.is)  
Head of Funding: [EirikurMagnusJensson@arionbanki.is](mailto:EirikurMagnusJensson@arionbanki.is)