

NIBC Bank N.V. ("NIBC") is looking to onboard a new **strategic investor** to further accelerate its Dutch residential mortgage market growth via a forward flow arrangement through its **originate-to-manage ("OTM") platform**

## BENEFITS OF PARTNERING WITH A LEADING PLAYER IN THE DUTCH MORTGAGE MARKET



**Alignment of interest with NIBC which invests in the same mortgages for its own book**  
NIBC invests in mortgage receivables with identical underwriting criteria and (special) servicing



**Ability to leverage on an established business model with tailored approach**

Our OTM platform offers full transparency and exposure to an attractive asset class, allowing investors to invest in a customised mortgage portfolio based on their risk-reward profile



**NIBC can support the investor by offering balance sheet support**

By taking up certain loan parts, enabling investors to focus on their appetite



**NIBC is highly experienced in the Dutch mortgage business**

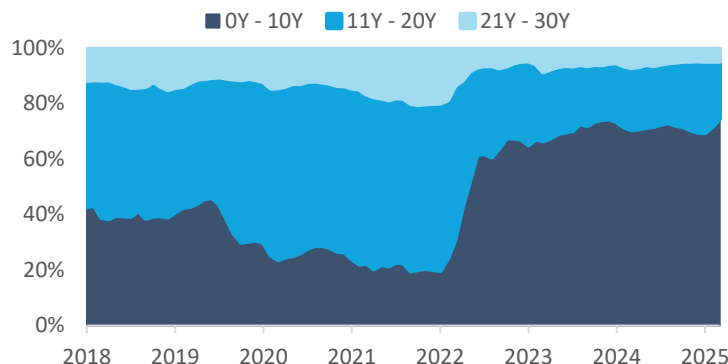
We have been originating Dutch mortgages for over 25 years and are experienced in originating, servicing and managing Dutch residential mortgage portfolios, as well as offering various services to external investors

## SIZEABLE DUTCH MORTGAGE MARKET WITH AN ATTRACTIVE RISK-RETURN PROFILE

### Mortgage market

- Dutch residential mortgage loans form a sizeable asset class, corresponding to a total outstanding amount of roughly EUR 840bn
- The market is highly regulated and characterised by standardised underwriting criteria
- Various domestic and international institutional investors are active in the market
- Recent interest rate developments have led to an increased proportion of shorter fixed rate periods for new origination

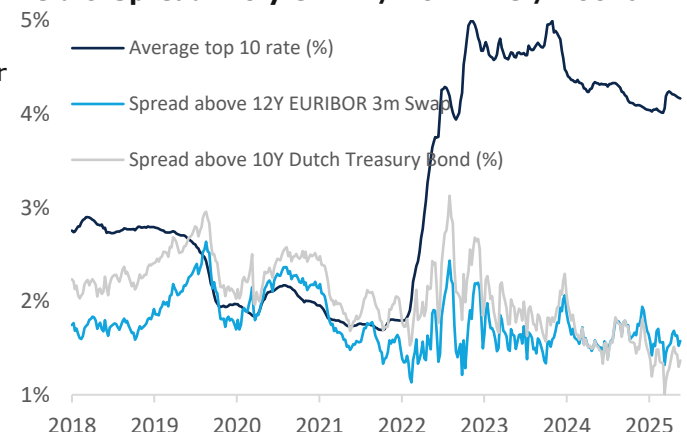
### Monthly applications in Dutch resi mortgage market



### Risk-return trade-off

- Dutch prime residential mortgage loans have demonstrated very low credit losses (<5 bps on average) historically, especially compared to other European countries
- Spreads on Dutch mortgage loans follow the swap movement and continue to be an attractive investment opportunity
- Currently the gross spread above swap is 157 bps for 20y fixed non-NHG at 100% LTMV, and 148 bps for 10y fixed non-NHG at 100% LTMV
- The net investor spread can be derived by further deducting c. 30 bps for credit losses, origination and servicing costs

### Yield & Spread: 20 yrs FRP / non-NHG / 100% LTV



## NIBC MORTGAGE LOAN OFFERING



**4.8%**

Market share Dutch mortgage market



**EUR 3.0 bn**

Annual mortgage loan production



**NIBC**   
Two distinct mortgage labels

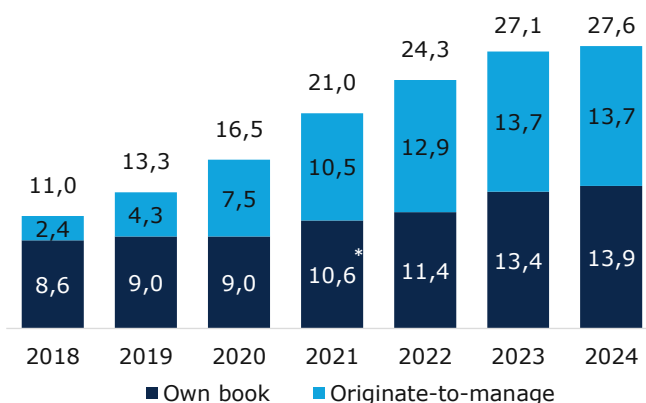
- NIBC is a Dutch regulated bank and services over 450,000 clients across the Netherlands, Germany and Belgium by offering savings and mortgage products
- ESG is embedded in our strategy and our mortgage offering: Lot Hypotheken has won the Green Lotus Award 2023 for its contribution to sustainability in the Dutch mortgage market
- NIBC has shown strong mortgage origination in recent years: the total residential mortgage portfolio grew from EUR 11.0 bn at 2018YE to EUR 27.6 bn at 2024YE

## MORTGAGE LOANS ARE FUNDED BY NIBC'S OWN BOOK AND EXTERNAL INVESTORS

- In 2016, NIBC started originating mortgage loans for investors using its mortgage platform. Clients of NIBC are amongst others AXA Investment Management and Dutch pension fund APB/APG
- Since then, NIBC's Originate-to-Manage portfolio - originated and managed for several external investors - grew to over EUR 13.7 bn
- About half of the mortgage loans originated under NIBC's mortgage brands are for our own balance sheet and the other half is taken up by investors
- As processes and underwriting are identical for own book mortgages, alignment of interest between NIBC and its strategic partners is ensured
- Investors can customise their investment mandate by choosing between NHG and/or non-NHG as well as their preferred fixed rate period
- Only mortgages originated at or above the investor's minimum price are allocated to the investor
- In order to facilitate the investor in such strategic partnerships, NIBC can offer balance sheet support by taking certain loan parts, such as bridge loans or further advances, on its own balance sheet

### Outstanding residential mortgage loans (EUR bn)

\*Including purchase of Finqus portfolio in 2021 of EUR 1.3 bn



## ORIGINATE-TO-MANAGE BUSINESS STRUCTURE: TWO WAYS TO INVEST

### Whole loan investment

- Investor purchases newly originated whole loan mortgages directly on balance or via an SPV
- Mortgage loan cashflows fully passed on to investor
- Silent assignment of receivables to the investor

### RMBS

- Investor purchases RMBS notes issued by an SPV that has purchased newly originated mortgage loans
- No first optional redemption date
- Opportunity to invest in senior or mezz/equity notes

### Cornerstone OTM features for both investment options

- 1 | NIBC is lender of record and servicer**
- 2 | Optimisation of mandate according to investor preferences**
- 3 | Origination is subject to investor minimum pricing conditions**
- 4 | Full alignment of interest and risk retention through NIBC's own book origination**

## CONTACT

If you have any questions or if you would like to know more about our Originate-to-Manage proposition, please send a message to [OTM@nibc.com](mailto:OTM@nibc.com) or contact any of the team members directly:

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