

## Sparebanken Sør Boligkreditt AS - Mortgage Covered Bonds (New)

### Covered Bonds / Norway

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<b>Reporting as of:</b> <b>Data as provided to Moody's Investors Service (note 1)</b>	31/12/2014	All amounts in NOK (Norway) (unless otherwise specified)	For information on how to read this report, see the latest Moody's Global Covered Bond Monitoring Overview
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To improve consistency across all POs published for Q4 2014, this publication does not fully reflect the methodology changes contained in "Moody's Approach to Rating Covered Bonds" published on 16 March 2015.

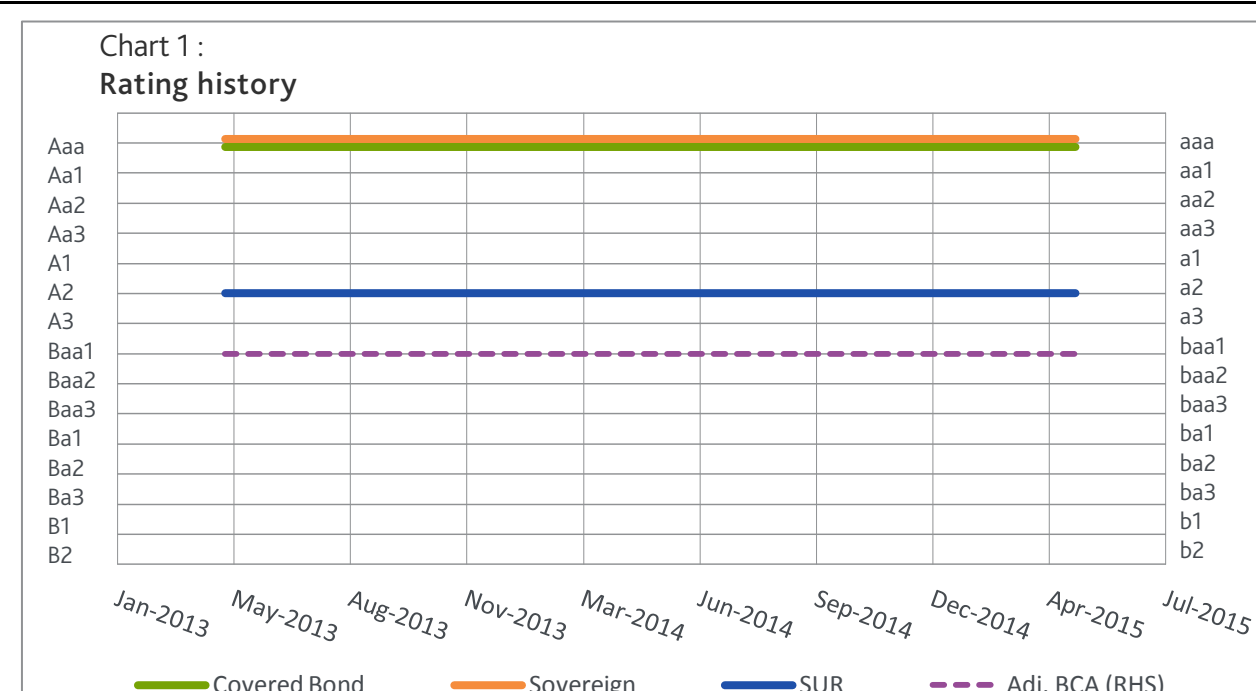
### I. Programme Overview

#### Overview

Year of initial rating assignment:	2011	
Total outstanding liabilities:	NOK (Norway)	17,161,000,000
Total assets in the Cover Pool:	NOK (Norway)	20,069,975,251
Issuer name / LT Deposit Rating / Adjusted BCA (note 2):	Sparebanken Sør Boligkreditt AS / Unrated	
Group or parent name / LT Deposit Rating / Adjusted BCA:	Sparebanken Sør / A2 RuR Up / baa1	
Main collateral type:	Residential	

#### Ratings

Covered bonds rating:	Aaa	
Entity used in Moody's EL & TPI analysis:	Sparebanken Sør	
SUR (note 3):	A2	
Adjusted BCA:	baa1	
CB anchor (note 4):	SUR + 1 notch	
Debt Ratio:	>10%	
Senior unsecured claim used for Moody's EL analysis:	No	



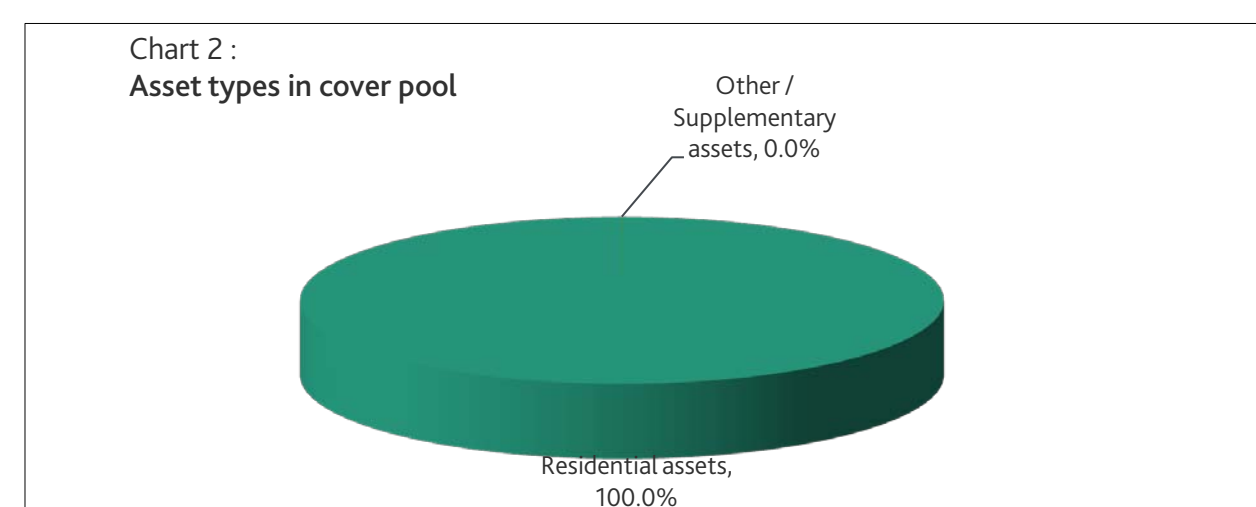
### II. Value of the Cover Pool

#### Collateral quality

Collateral Score:	5.0%
Collateral Score excl. systemic risk:	4.4%

#### Cover Pool losses

Collateral Risk (Collateral Score post-haircut):	3.4%	40%
Market Risk:	5.0%	60%
	8.4%	(100%)



### III. Over-Collateralisation Levels

(notes 5 & 6)

Over-Collateralisation (OC) figures presented below include Eligible only collateral.

Over-collateralisation levels are provided on nominal basis.

NPV stress test where stressed: n/a

#### Current situation

Committed OC:	0.0%
Current OC:	17.0%
OC consistent with current rating:	4.5%

#### Sensitivity scenario CB anchor

OC consistent with current rating		
Scenario 1: CB anchor is lowered by	1 notch	5.5%

### IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI):	High
TPI Leeway:	3

#### Extract from TPI table - CB anchor is SUR + 1 notch

SUR	High
Aa2	Aaa
Aa3	Aaa
A1	Aaa
A2	Aaa
A3	Aaa
Baa1	Aaa
Baa2	Aaa

#### Legal framework

Does a specific covered bond law apply for this programme:	Yes
Main country in which collateral is based:	Norway
Country in which issuer is based:	Norway

#### Timely payment

Refinancing period for principal payments of 6 months or greater:	Yes
Liquidity reserve to support timely payments on all issuances:	No

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

(note 2) Potential review actions on any adjusted BCA will not be reflected by this PO. Please check [www.moodys.com](http://www.moodys.com).

(note 3) We may use a senior unsecured rating or a deposit rating, depending on a case-by-case analysis of the most appropriate reference rating for the CB anchor.

(note 4) Where the SUR already incorporates material levels of government support, the CB anchor may be positioned at SUR+0 regardless of the debt ratio. We will determine, on a case-by-case basis, the relevant level of support that would trigger the exception, but the level may apply to senior unsecured ratings that incorporate more than three notches of government support.

(note 5) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of Issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at anytime at Moody's discretion.

(note 6) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

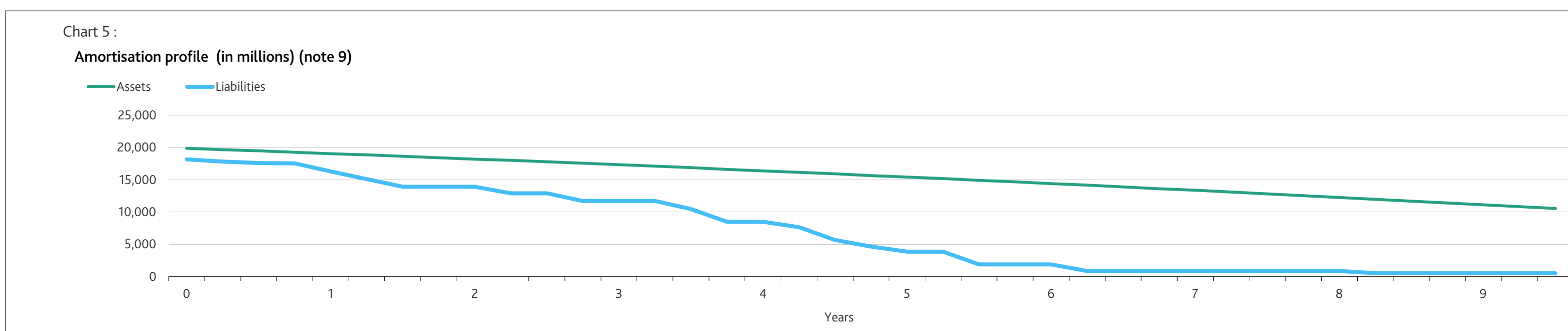
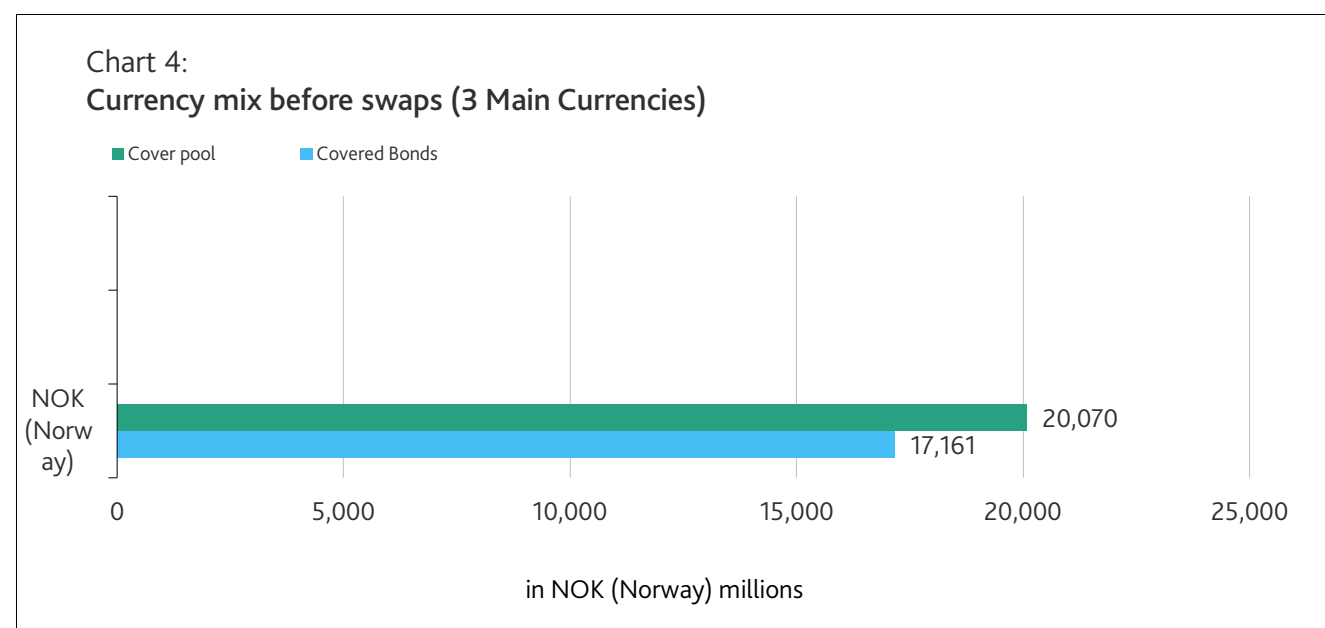
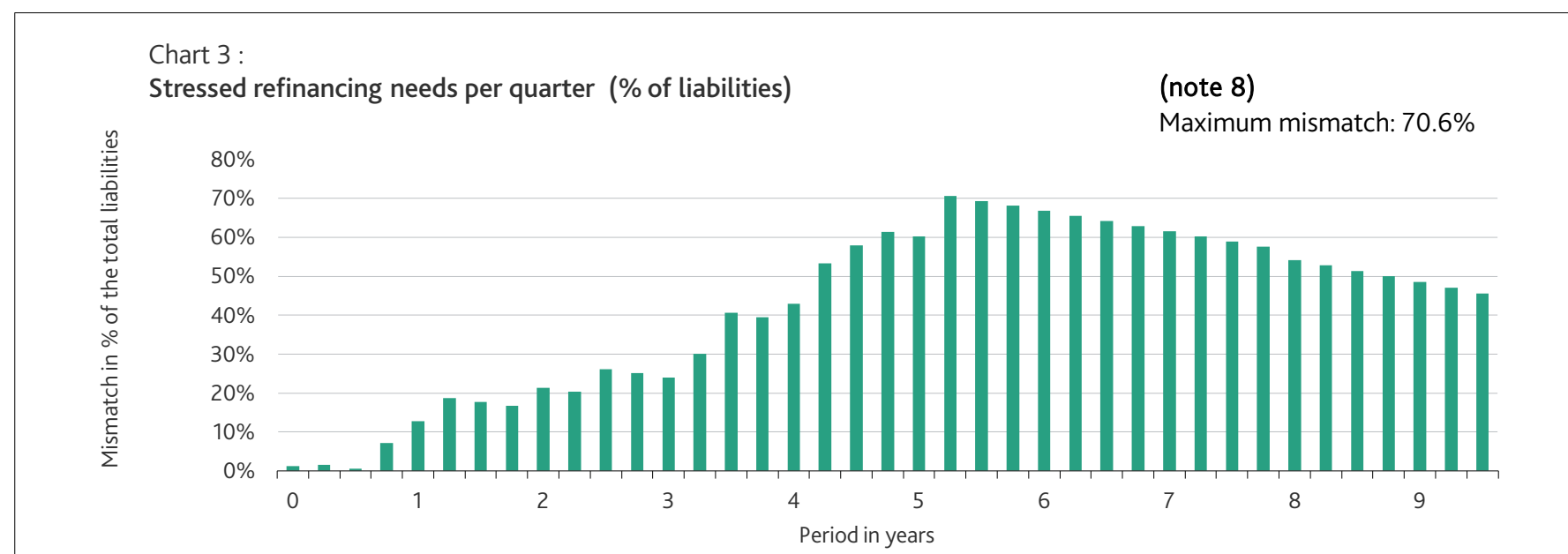
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 7)

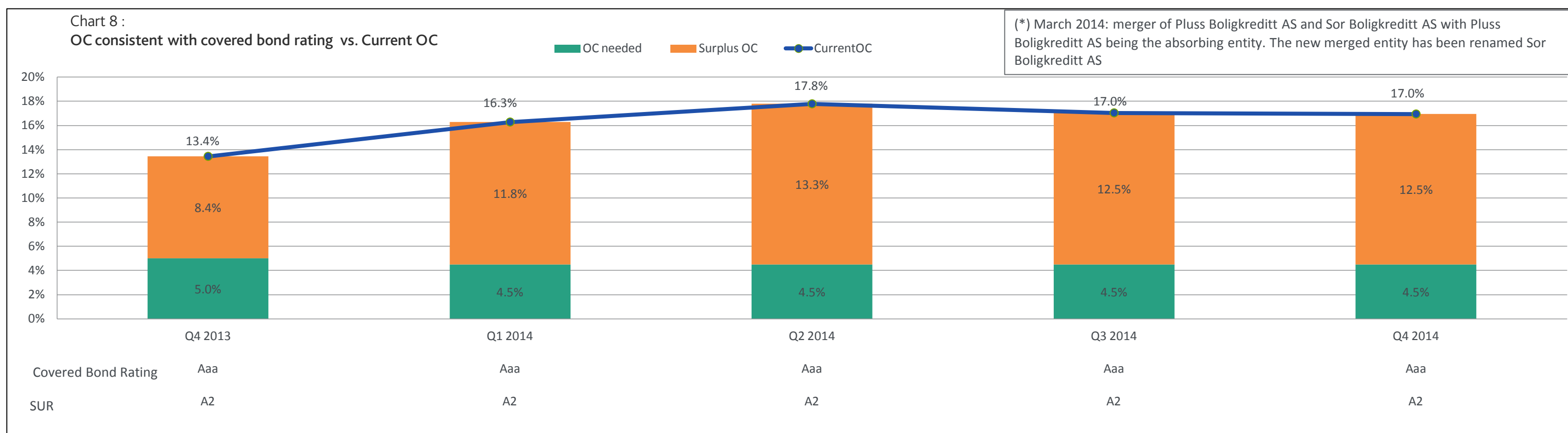
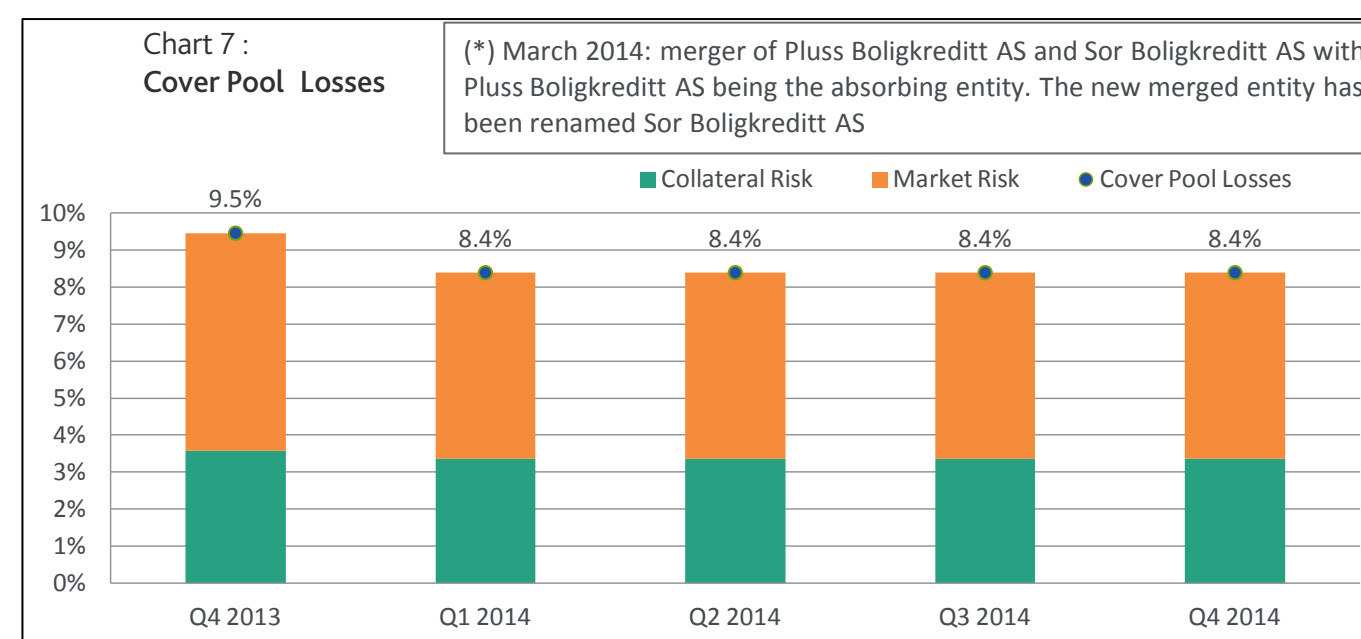
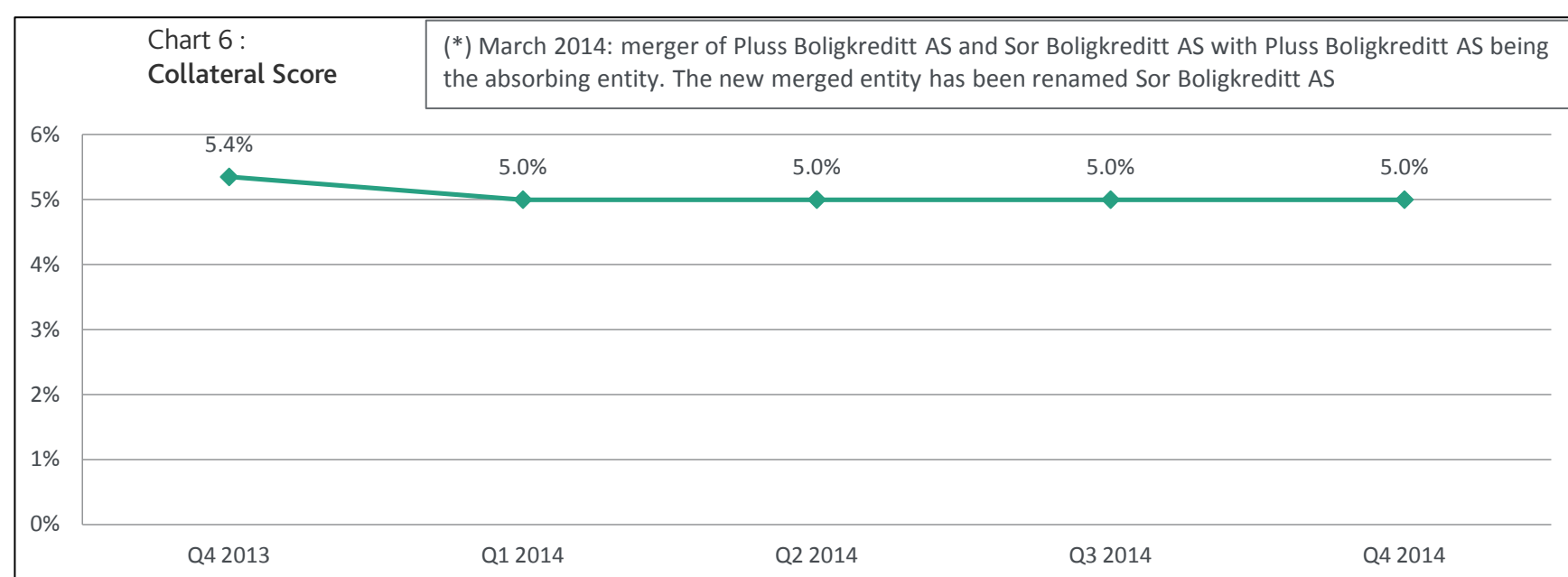
Fixed rate assets in the cover pool:	0.0%
Fixed rate covered bonds outstanding:	5.0%
WAL of outstanding covered bonds:	3.7 years
WAL of the cover pool:	18.4 years

Swap Arrangements

Interest rate swap(s) in the Cover Pool:	Yes
Intra-group interest rate swap(s) provider(s):	No
Currency swap(s) in the Cover Pool:	No
Intra-group currency swap(s) provider(s):	No



VI. Performance Evolution



This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody.com](http://www.moody.com) for the most updated credit rating action information and rating history.

(note 7) This assumes no prepayment.

(note 8) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 9) Assumptions include no prepayment, no swap in place in Cover Pool, and no further CB issuance.

VII. Cover Pool Information - Residential Assets

Overview

Asset type:	Residential
Asset balance:	20,066,455,326
Average loan balance:	954,092
Number of loans:	21,032
Number of borrowers:	19,343
Number of properties:	20,878
WA remaining term (in months):	208
WA seasoning (in months):	36

Details on LTV

WA unindexed LTV: Whole loan / Senior loan (*) :	63.2% / 57.4%
WA indexed LTV: Whole loan / Senior loan	60.4% / 52.8%
Valuation type:	Market Value
LTV threshold:	75.0%
Junior ranks (**):	5.8%
Prior ranks:	4.3%

n/d: information not disclosed by Issuer

n/a: information not applicable

Specific Loan and Borrower characteristics

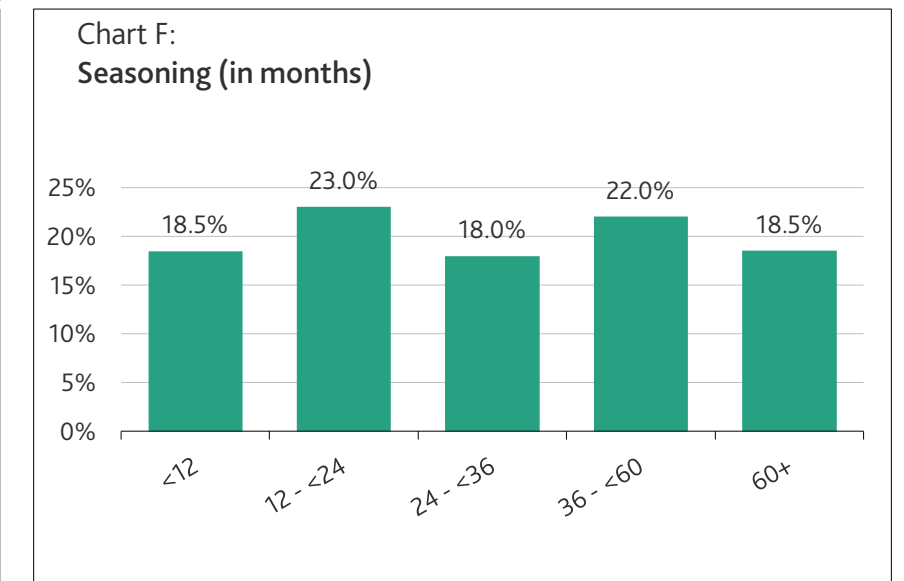
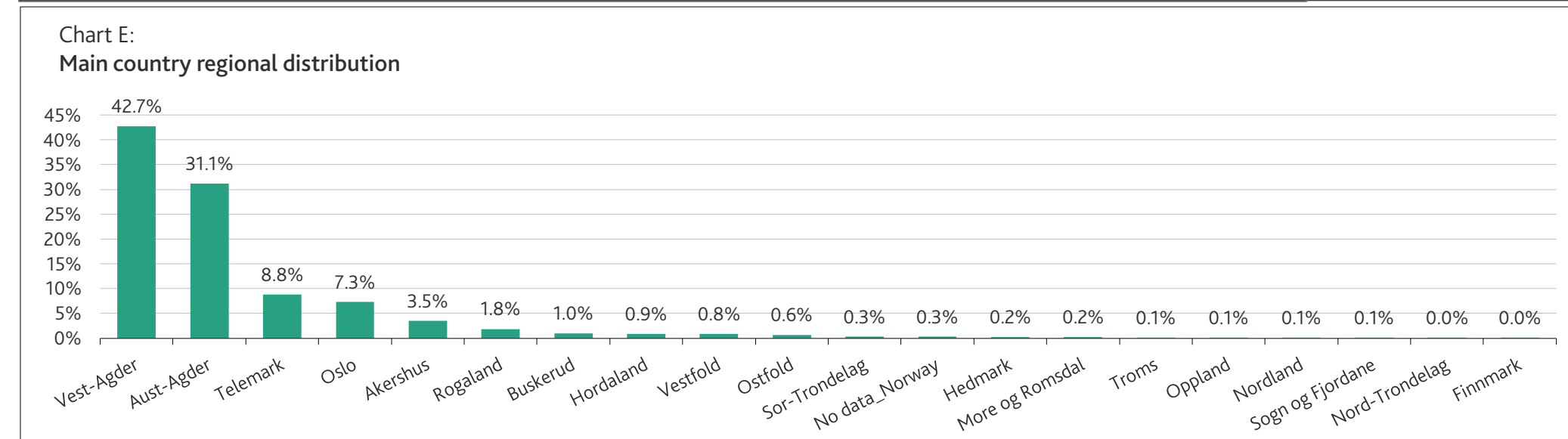
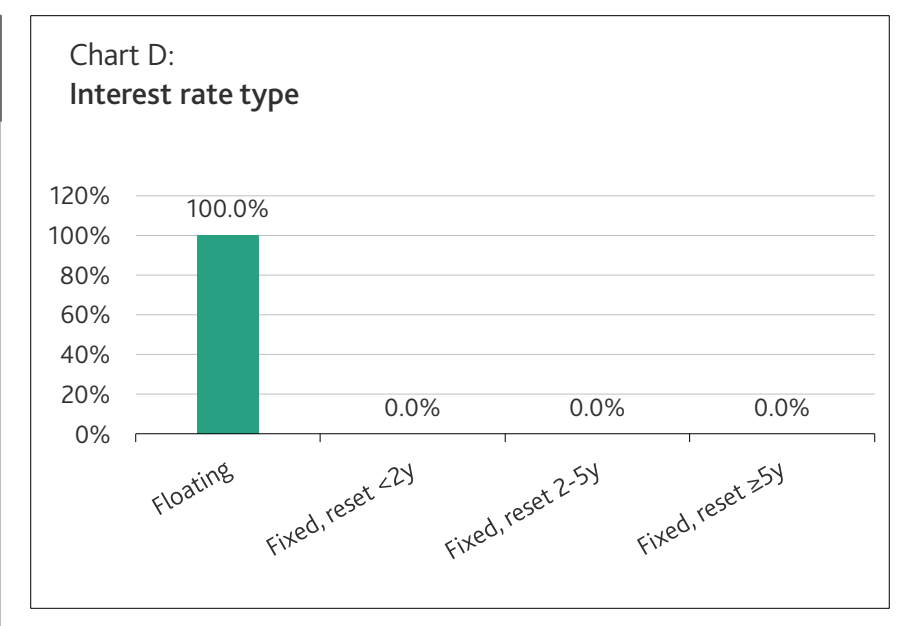
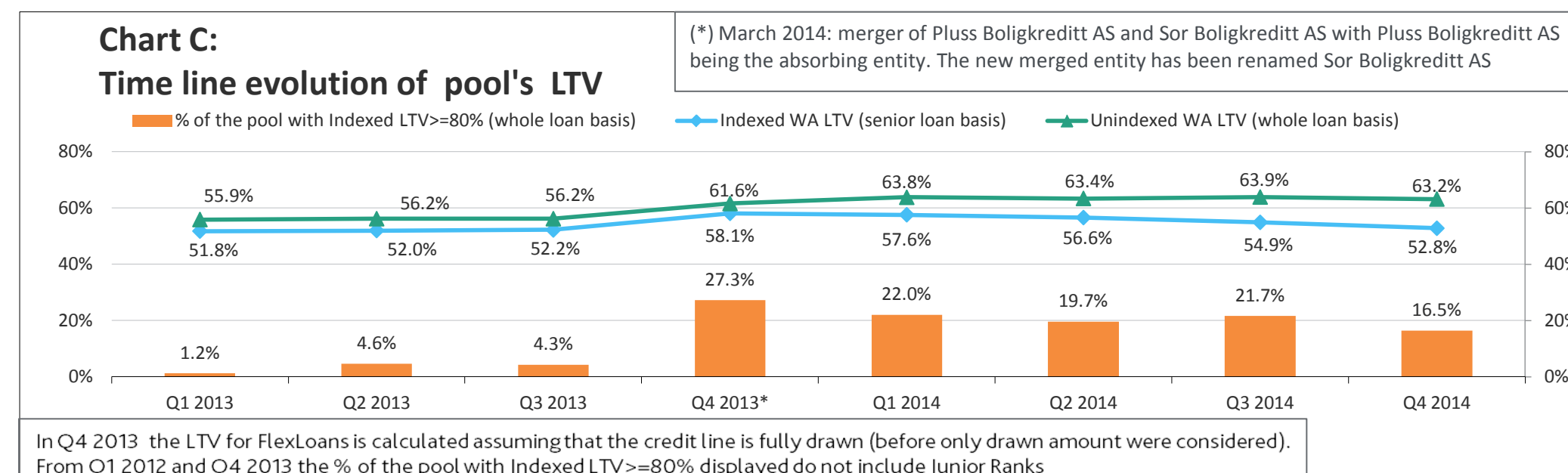
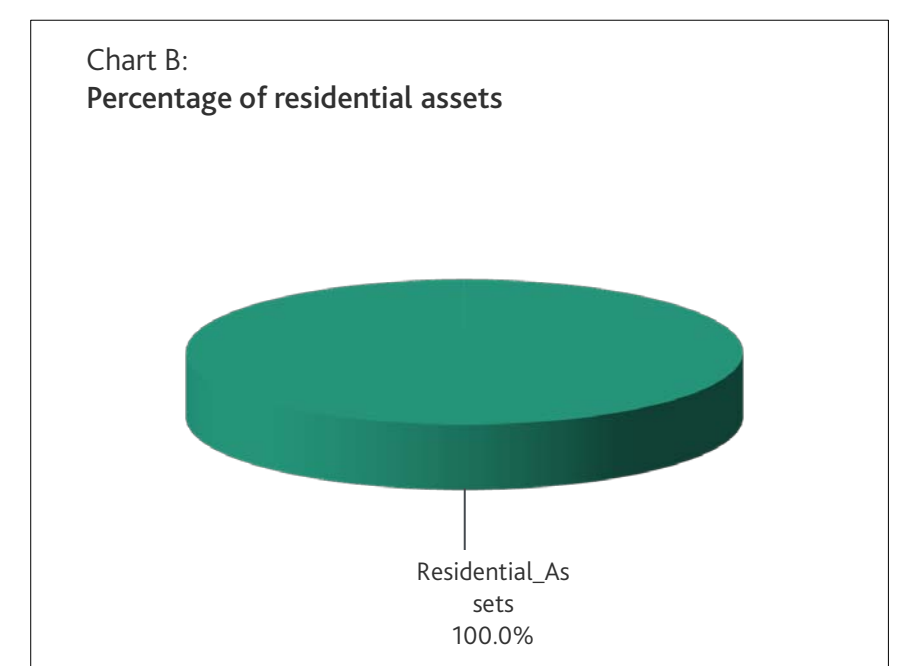
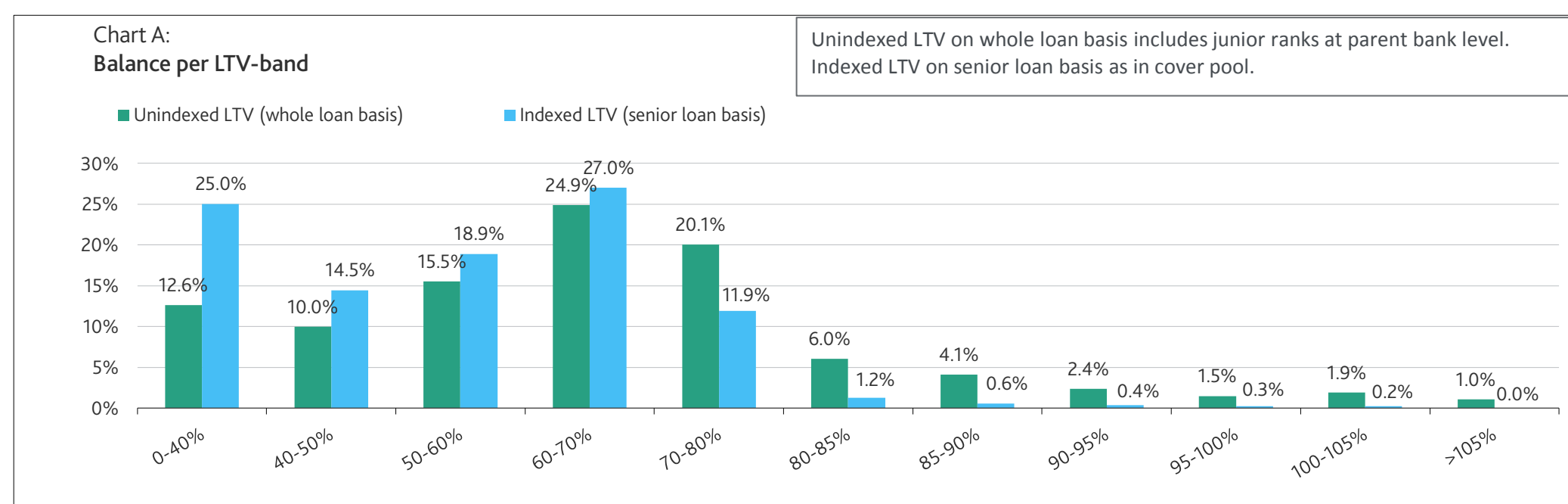
Loans with an external guarantee in addition to a mortgage:	0.0%
Interest only Loans / FlexLoans (***):	0% / 31.0%
Loans for second homes / Vacation:	0.0%
Buy to let loans / Non owner occupied properties:	2.1%
Limited income verified:	0.0%
Adverse credit characteristics (****):	0.0%

Performance

Loans in arrears (≥ 2months - < 6months):	0.0%
Loans in arrears (≥ 6months - < 12months):	0.0%
Loans in arrears (≥ 12months):	0.0%
Loans in a foreclosure procedure:	0.0%

Multi-Family Properties

Loans to tenants of tenant-owned Housing Cooperatives:	0.0%
Other type of Multi-Family loans (*****):	0.0%



(note \*) may be based on property value at time of origination or further advance or borrower refinancing.  
 (note \*\*) Internal junior ranks (delta between Unindexed whole loan WA LTV incl. Internal junior ranks and unindexed WA LTV excl. Internal junior ranks)  
 (note \*\*\*) Flexloans have an amortisation profile and can be re-drawn by the customer up to a certain limit.  
 (note \*\*\*\*) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.  
 (note \*\*\*\*\*) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).

VIII. Cover Pool Information - Supplementary Assets

Overview

Asset type:	Supplementary Assets
Asset balance:	3,519,925
WA remaining Term (in months):	-
Number of assets:	1
Number of borrowers:	1
Average assets size:	3,519,925
Average exposure to borrowers:	3,519,925

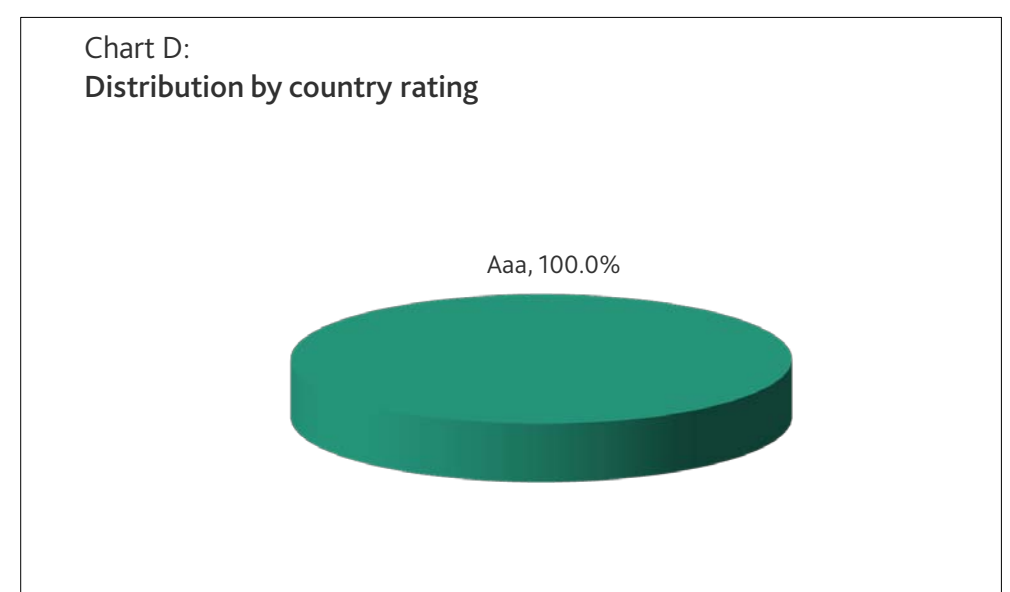
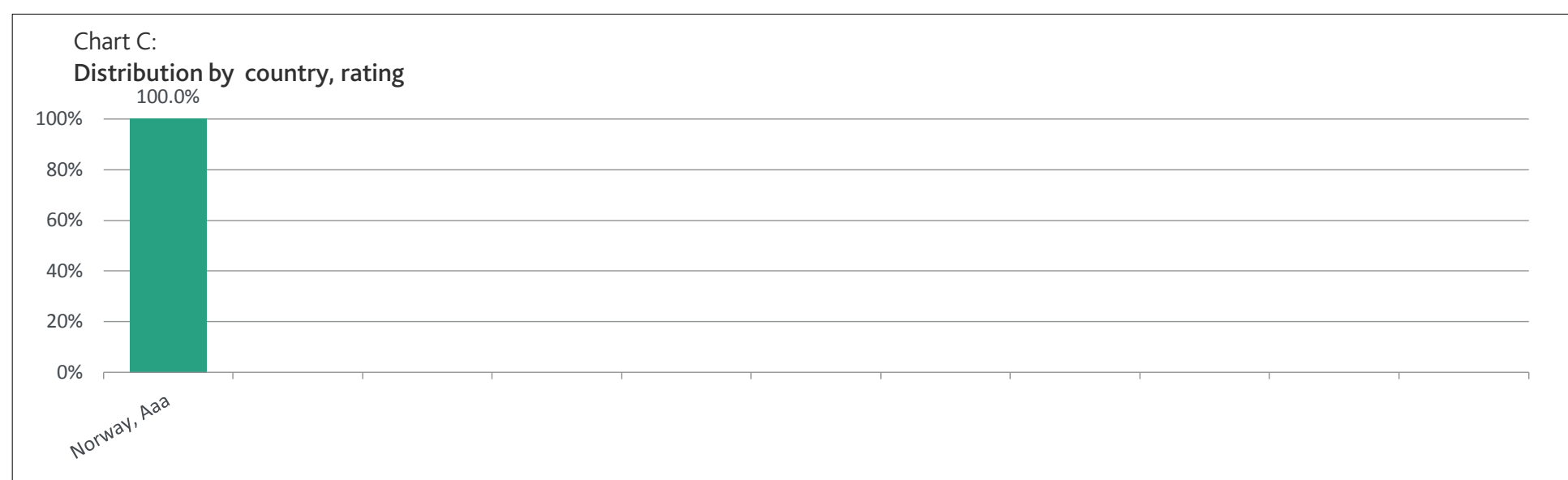
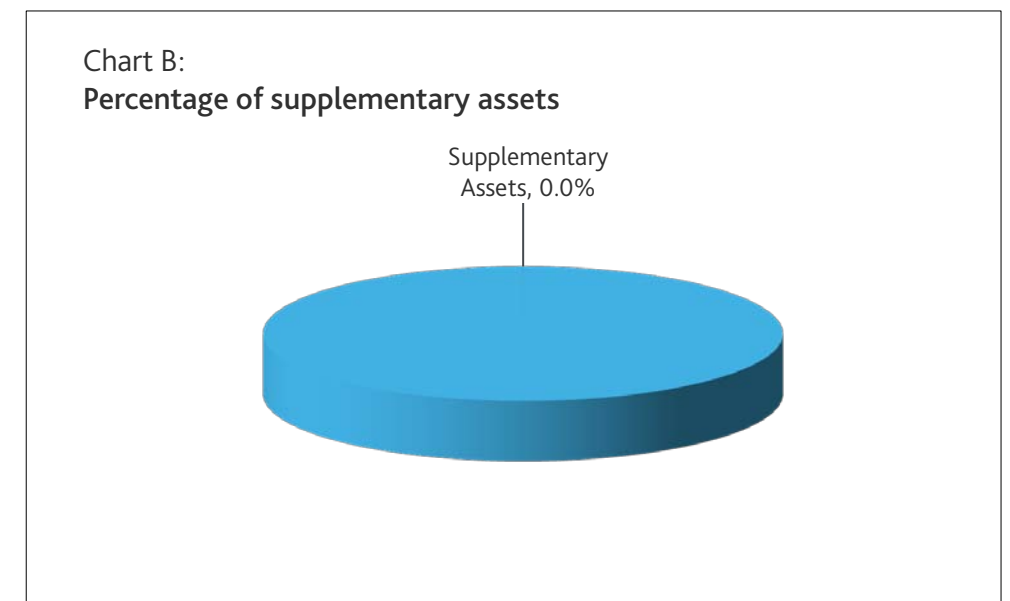
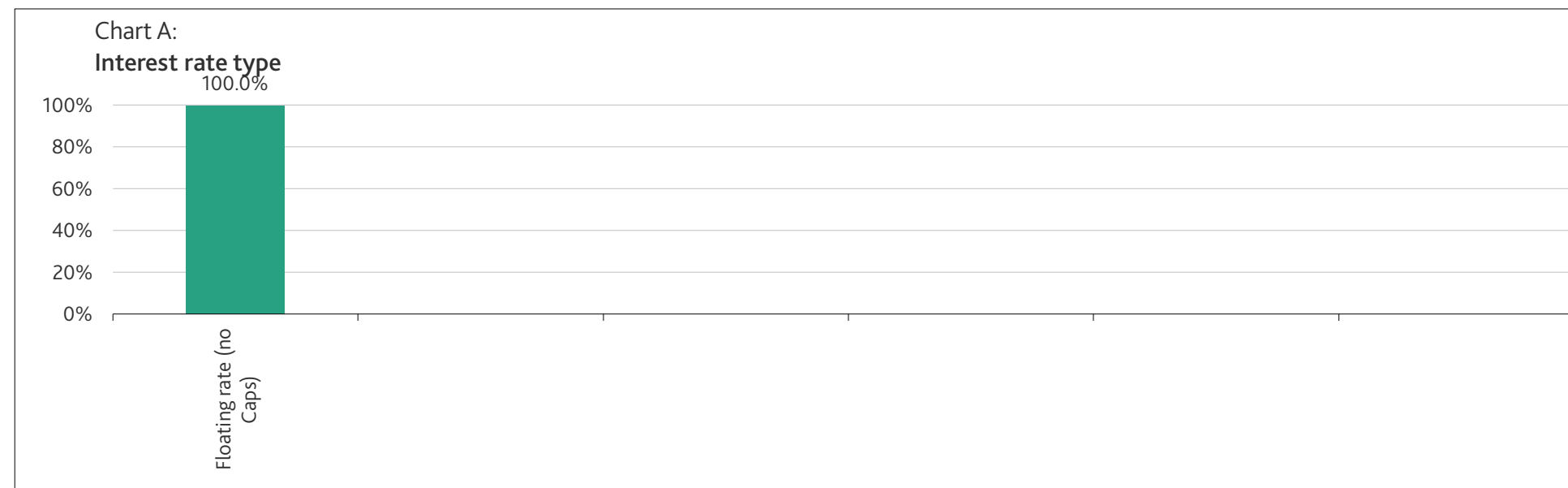
n/d: information not disclosed by Issuer  
n/a: information not applicable

Specific Loan and Borrower characteristics

Repo eligible assets:	0.0%
Percentage of fixed rate assets:	0.0%
Percentage of bullet assets:	0.0%
Assets in non-domestic currency:	0.0%

Performance

Assets in arrears (≥ 2months - < 6months):	0.0%
Assets in arrears (≥ 6months - < 12months):	0.0%
Assets in arrears (> 12months):	0.0%
Assets in a enforcement procedure:	0.0%



## Appendix 1: Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issuance Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
NO0010714058	n/d	NOK	2,000,000,000	24/06/2014	24/06/2020	24/06/2021	Floating rate	Nibor 3 mnd + 30 bps	BULLET
NO0010699341	SORB 23	NOK	800,000,000	13/12/2013	13/03/2019	13/03/2020	Floating rate	Nibor 3 mnd + 45 bps	BULLET
NO0010671597	SORB09	NOK	350,000,000	18/09/2013	13/02/2023	13/02/2023	Fixed rate	3.850%	BULLET
NO0010689680	SORB 22	NOK	1,000,000,000	18/09/2013	18/09/2019	18/09/2020	Floating rate	Nibor 3 mnd + 46 bps	BULLET
NO0010679806	SORB10	NOK	2,000,000,000	22/05/2013	22/05/2019	22/05/2020	Floating rate	Nibor 3 mnd + 44 bps	BULLET
NO0010673296	SORB21	NOK	2,000,000,000	14/03/2013	14/09/2018	14/09/2019	Floating rate	Nibor 3 mnd + 46 bps	BULLET
NO0010670409	SORB08	NOK	500,000,000	24/01/2013	24/01/2028	24/01/2028	Fixed rate	4.000%	BULLET
NO0010664659	SORB07	NOK	800,000,000	27/11/2012	27/11/2019	27/11/2020	Floating rate	Nibor 3 mnd + 54 bps	BULLET
NO0010649056	SORB06	NOK	1,250,000,000	07/06/2012	20/06/2018	20/06/2019	Floating rate	Nibor 3 mnd + 72 bps	BULLET
NO0010641624	SORB20	NOK	1,000,000,000	28/03/2012	28/03/2017	28/03/2018	Floating rate	Nibor 3 mnd + 65 bps	BULLET
NO0010633415	SORB05	NOK	356,000,000	22/12/2011	23/03/2015	23/03/2016	Floating rate	Nibor 3 mnd + 44 bps	BULLET
NO0010625841	SORB03	NOK	356,000,000	05/10/2011	05/10/2015	05/10/2016	Floating rate	Nibor 3 mnd + 53 bps	BULLET
NO0010623945	SORB02	NOK	1,200,000,000	28/08/2011	24/08/2017	24/08/2018	Floating rate	Nibor 3 mnd + 53 bps	BULLET
NO0010614688	SORB01	NOK	1,200,000,000	29/06/2011	29/06/2016	29/06/2017	Floating rate	Nibor 3 mnd + 50 bps	BULLET
NO0010605801	SORB19	NOK	1,000,000,000	30/03/2011	30/03/2016	30/03/2017	Floating rate	Nibor 3 mnd + 55 bps	BULLET
NO0010593437	SORB13	NOK	612,000,000	14/12/2010	14/12/2015	14/12/2016	Floating rate	Nibor 3 mnd + 53 bps	BULLET
NO0010575210	SORB12	NOK	327,000,000	28/05/2010	26/11/2015	26/11/2016	Floating rate	Nibor 3 mnd + 62 bps	BULLET
NO0010572118	SORB11	NOK	249,000,000	23/04/2010	23/04/2015	23/04/2016	Floating rate	Nibor 3 mnd + 55 bps	BULLET
NO0010520406	SORB14	NOK	11,000,000	10/06/2009	16/03/2015	16/03/2016	Floating rate	Nibor 3 mnd + 60 bps	BULLET
NO0010515406	SORB16	NOK	142,000,000	25/05/2009	16/03/2016	16/03/2017	Floating rate	Nibor 3 mnd + 65 bps	BULLET
NO0010512502	SORB17	NOK	1,500,000	12/05/2009	14/12/2015	14/12/2016	Floating rate	Nibor 3 mnd + 60 bps	BULLET
NO0010503410	SORB18	NOK	6,500,000	26/03/2009	28/09/2015	28/09/2016	Floating rate	Nibor 3 mnd + 50 bps	BULLET

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