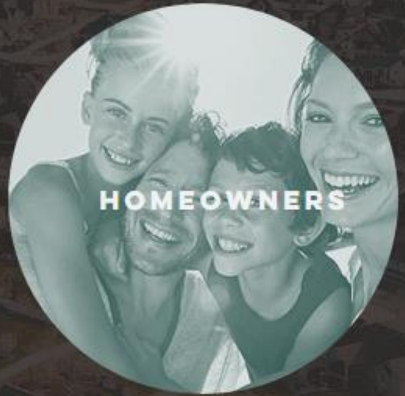
DANISH MORTGAGE MODEL STAKEHOLDER OUTCOMES:

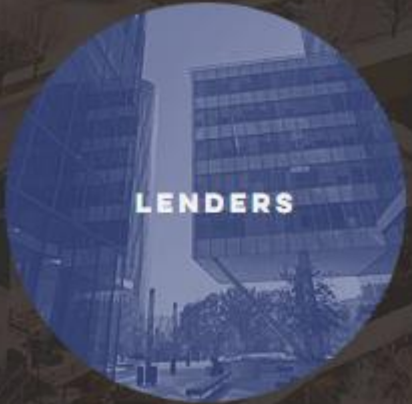
The Danish Mortgage Model delivers **shared economic prosperity benefiting** families, investors, lenders, developers and government, instead of limited benefits skewed to a few stakeholders.

It is also a **less capital intensive and stable** home financing system. Intermediaries or government are not needed to provide upfront capital to purchase loan portfolios from lenders, to then be repackaged and sold into the capital markets.



- Danish borrower and lender incentives are more closely aligned
- Affordable—20, 25, 30 year fixed rate.
- Transparent prices, fees and repayment terms
- 5 days to funding
- Prepay when rates fall without penalty
- Protects homeowner equity
- Offers greater mobility. Mortgages are assumable.

- Increased sales from expanded pool of qualified home purchasers.
- No pipeline risk due to funding mortgage loan concerns.
- Developers see increase in availability of funds, due to mortgages being funded from capital markets.
- Increased affordability from cheaper mortgages.
- Quicker and expanded pool of purchaser for pre-sales, enable better development loan funding.
- Commercial real estate buyers have a cheaper source of funding for commercial real estate loans



- Funding when needed. Liquidity to make loans.
- Instead of mortgage loan settlement first then securitization, capital markets funding first then settlement. Lenders have certainty of funds before they provide the mortgage loan.
- No asset liability mismatch lowers balance sheet risk. Mortgages rates and maturities match bonds issued in capital markets.
- Mortgages funded by capital markets not deposits.
- No interest rate or prepayment risk.
- Credit risk remains with lender, who is best able to manage it. Link to borrower is maintained reducing likelihood of defaults.
- Continued with new issuances during financial crisis of 2008. No sharp increase in credit spreads. Stable cost of capital. No bailout was needed.
- Lenders refinanced borrowers into mortgages with lower outstanding balances, since borrowers have right to purchase bonds at below par, similar to corporate treasurers.

- No bond defaults in 200 years. No credit risk.
- Stable, transparent and liquid source of investment.
- Risk to bond can be traced to corresponding mortgages.
- Risk comparable to Danish government securities, AAA rated.
- Retains prepayment and market risk.
- Attracts domestic and international institutional investors.
- Deep market. Largest mortgage bond market in Europe.
- Recognized at Standard & Poor's, Moody's and Fitch
- Better pension system. Enables pension funds to receive higher yields, while being safe as government bonds.

- Stability during its more than 200 years of history.
- Develops the long term structure of interest rates
- Provides reference for private issuance debt.
- Provides higher pension payment for their constituents
- Market based pricing for mortgages and other private securities.
- No government funding, guarantees or mortgage insurance.
- Easier to monitor for risk and compliance