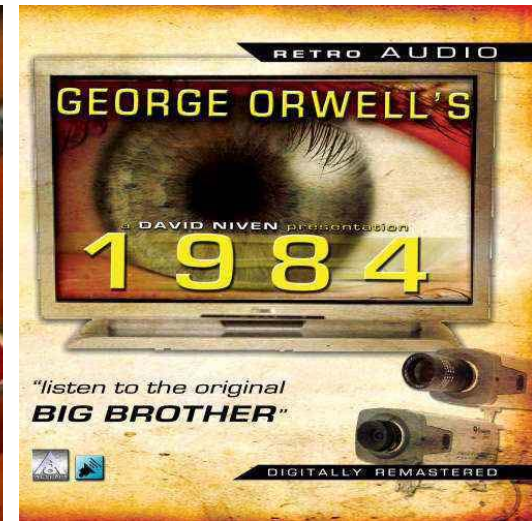


The Swedish Credit Infrastructure



Mortgage lending in Sweden

- A low risk business

Credit Information Agency

- - National computerised data base with information regarding civil status, income and changes in income, assets, debt, payment complaints and recent inquiries at the agency. Used in every credit process regarding loans

Mortgage Deed System

- - A Mortgage Deed for every house or apartment is registered and controlled by the Swedish mapping, cadastral and land registration authority (Lantmäteriet)

Enforcement Authority

- - Lender can initiate an enforcement order with this office to enforce his claim, this process normally takes up to 90 days



Mortgage lending in Sweden

- A low risk business

Originate and hold” model

- - No “originate to distribute” model

No Buy-to-Let Market

- - No buy-to-let market due to regulated rental market and tenant owner subletting restrictions

Personal Liability

- - A borrower is personally liable even after a default and foreclosure procedure, i.e. full and personal recourse

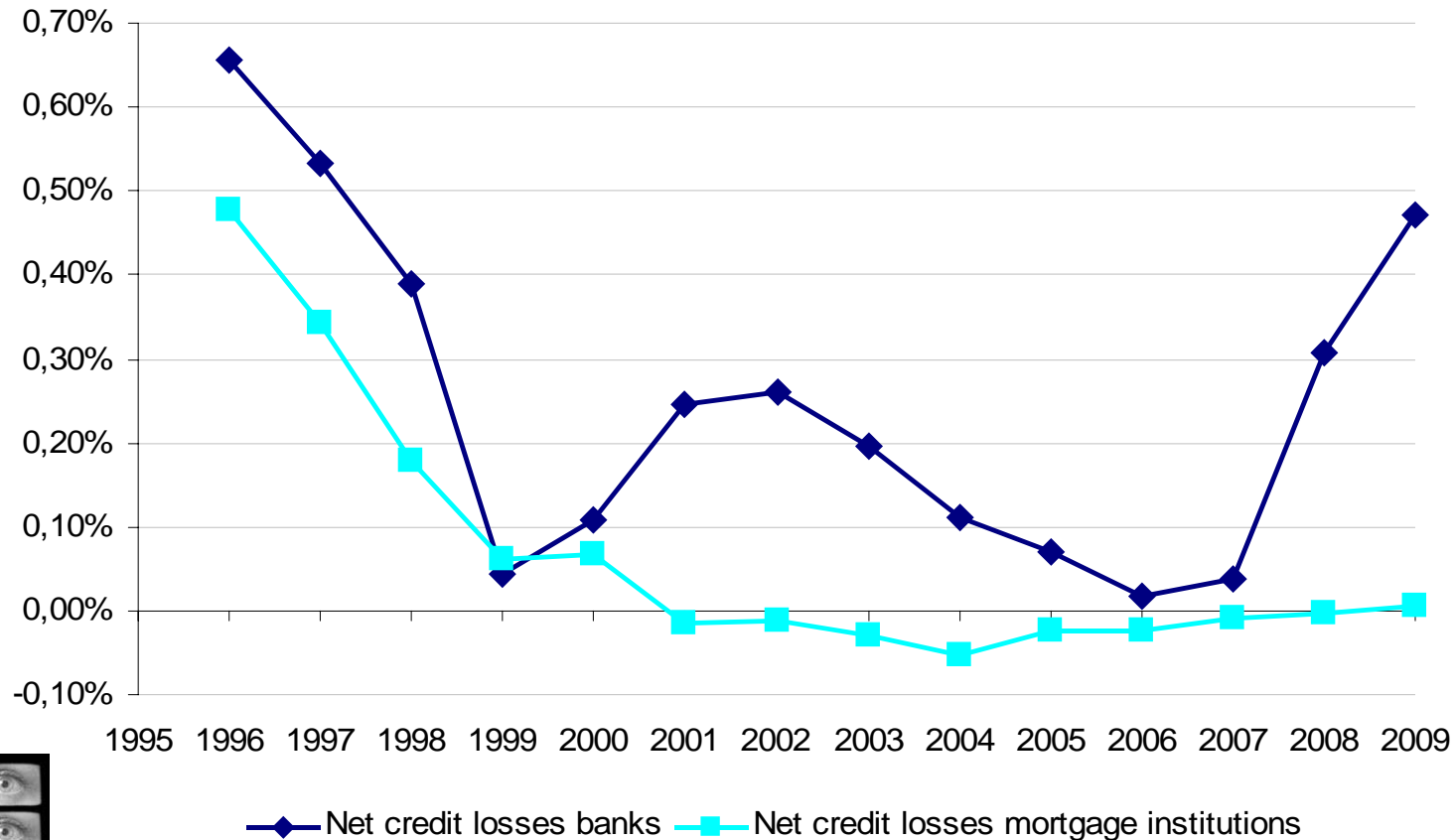
Social Security

- - Well developed welfare system raising households’ ability to service debt even during times of unemployment



Swedish Net Credit Losses

- Swedish banks and mortgage institutions 1996 to 2009



Source: Statistics Sweden

Avoid Parking Tickets!...

