

# Credit Rating

Covered Bonds



## HYPO-BANK BURGENLAND AG

Hypothekenpfandbriefe (AT) -  
Residential & Commercial Mortgage Covered Bonds  
Performance Report - 2023Q3

### Summary

The AAA rating with a Stable Outlook assigned to the covered bonds (Hypothekenpfandbriefe (AT)) issued by HYPO-BANK BURGENLAND AG are based on the bank's issuer rating (A- / Stable), enhanced by six notches of cover pool-support based uplift.

Governance support factors, in total, provide an rating uplift of up to five notches and, effectively, a floor against a deterioration in cover pool credit quality. This reflects our assessment of the strong governance support provided by the legal covered bond and resolution framework in Austria.

We have classified the interplay between complexity and transparency with a cover pool complexity (CPC) category of 'Low', allowing for a three-notch uplift on top of governance support factors, which translates into a maximum cover pool uplift of eight notches. Considering the regularly provided level of overcollateralisation, the cover pool could provide a two-notch buffer against an issuer rating downgrade.

The last credit rating action and its supporting rating rationale can be found on [scopeeratings.com](https://www.scopeeratings.com).

Covered Bonds

AAA

Outlook

Stable

Issuer

A-

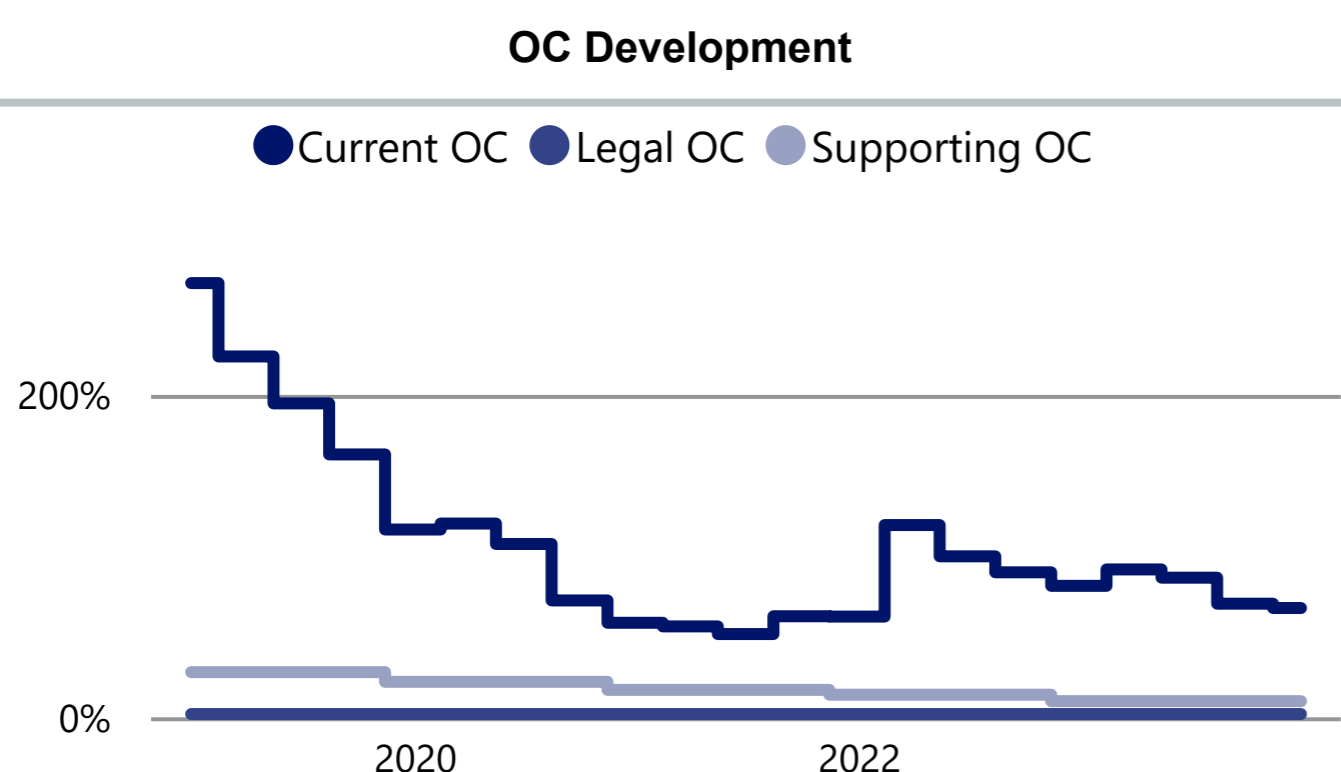
Outlook

Stable

### Covered Bonds building blocks

GOVERNANCE SUPPORT	COVER POOL SUPPORT	MAXIMUM RATING DISTANCE	RATING UPLIFT
	Cover pool support +3	D8	(unused)
	Cover pool support +2	D7	(unused)
	Cover pool support +1	D6	AAA
Resolution regime +3	Governance support = Covered bond rating floor	D5	AA+
Resolution regime +2		D4	AA
Resolution regime +1		D3	AA-
Legal framework +2		D2	A+
Legal framework +1		D1	A
Issuer Rating		D0	A-

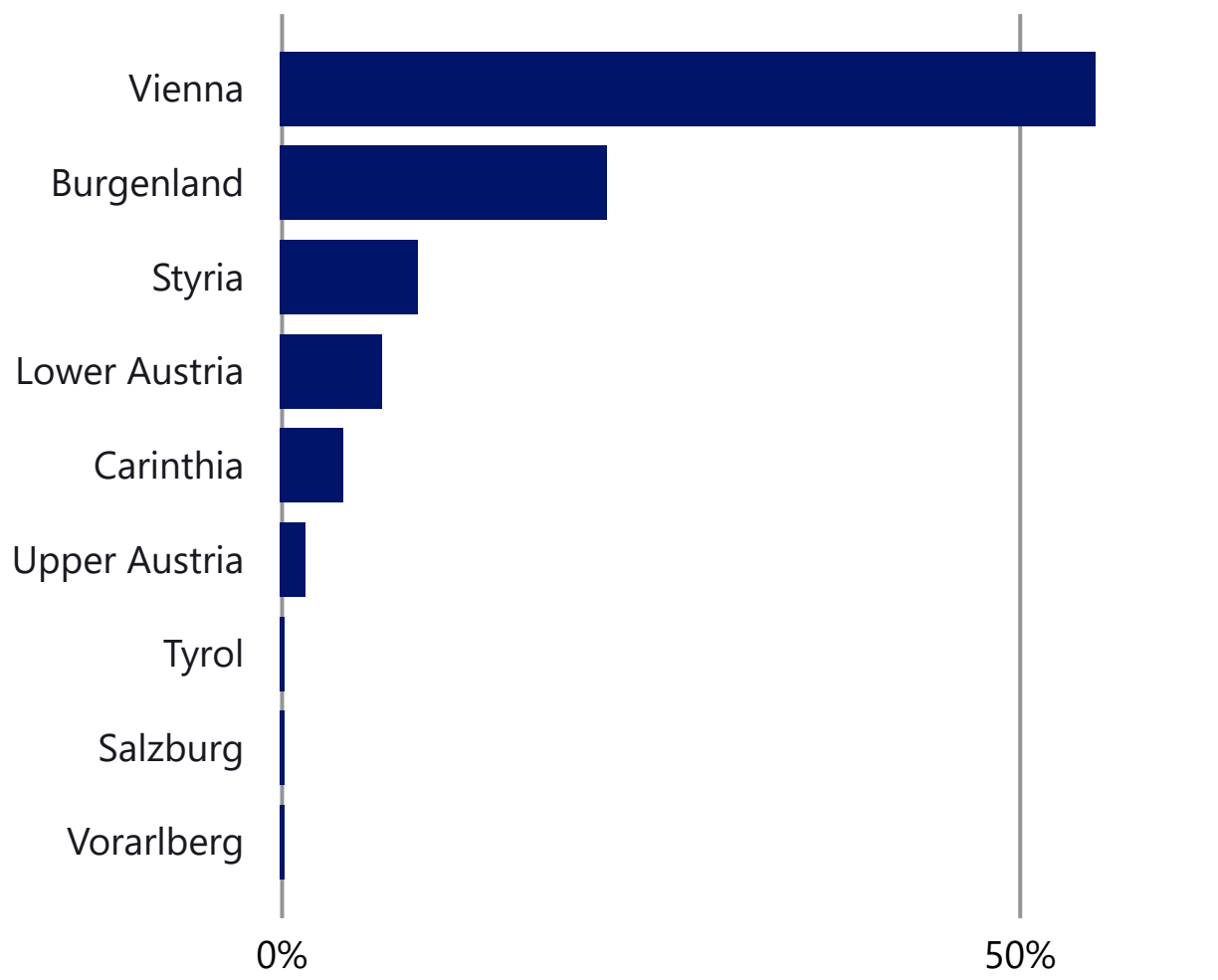
### OC & Rating History



<sup>1</sup>The credit rating(s) and outlook(s) provided in this document may not be shared with any unauthorised third party. Data shown is current as of 30 September 2023. This performance report has been created on 09 April 2024 but might have been made available on [scopeeratings.com](https://www.scopeeratings.com) on a later date.

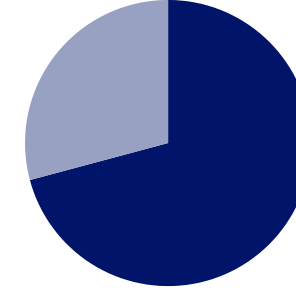
Mortgage Cover Pool Credit Risks as of 30 September 2023

Geographical Distribution



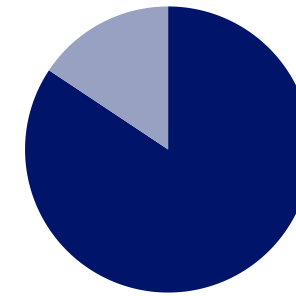
Collateral Type Distribution

Residential Commercial



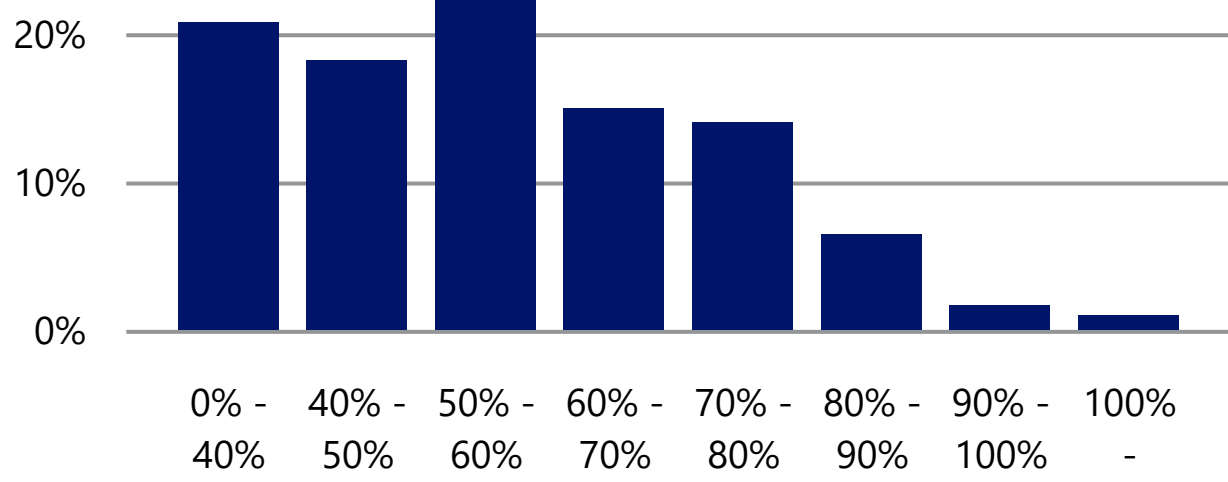
Repayment Type Distribution

Amortising Bullet



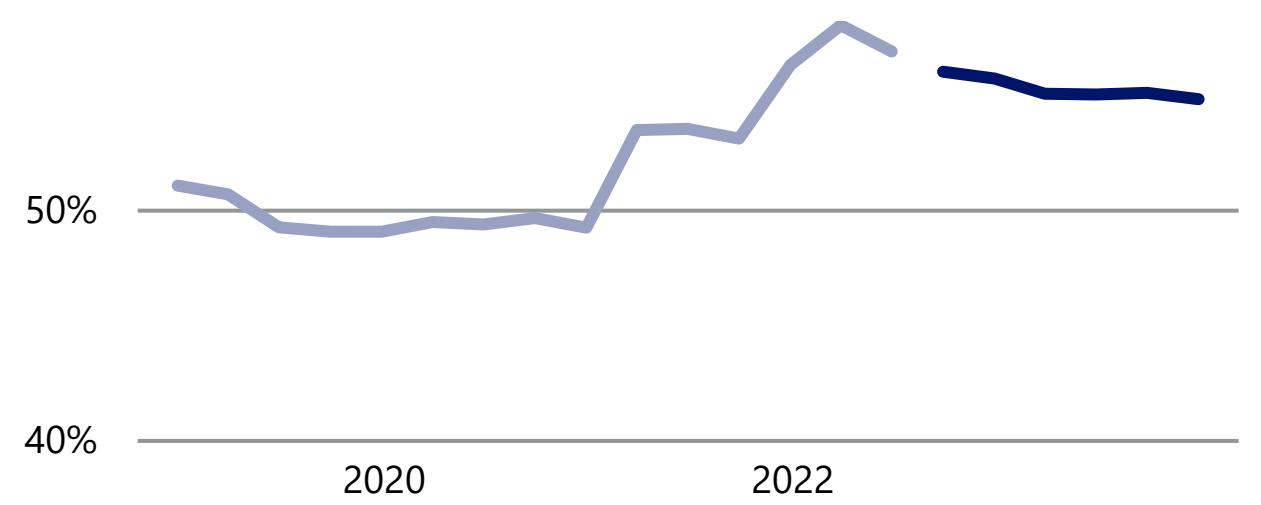
Loan to Value Distribution

Loan to Value - Indexed

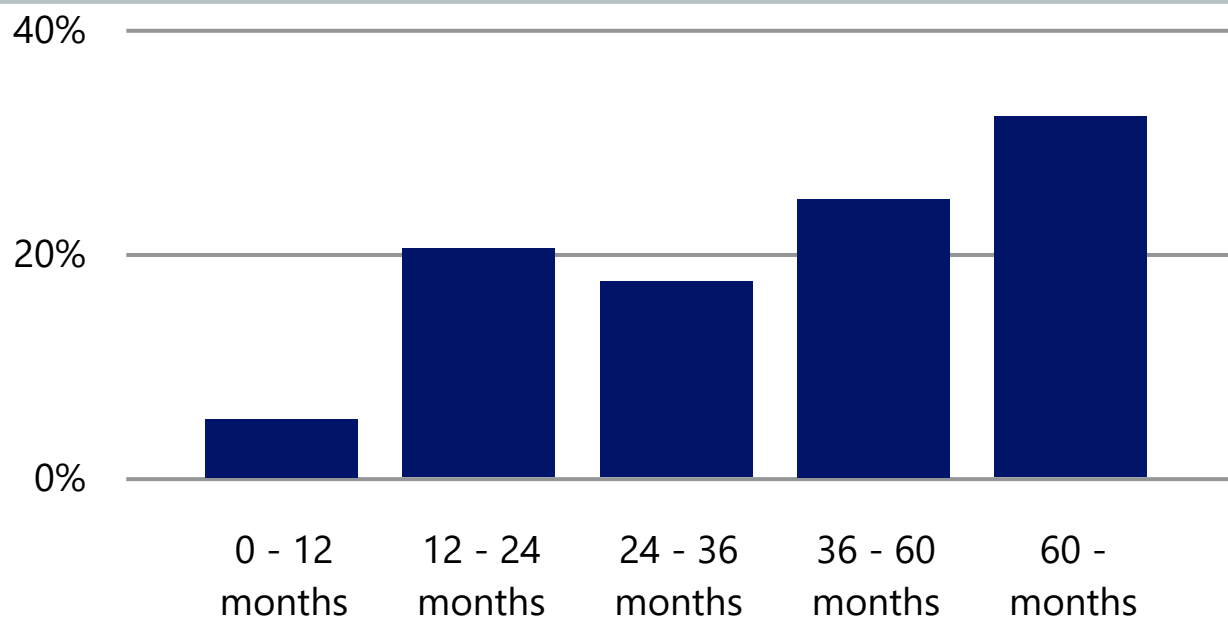


Weighted Average Loan to Value

Indexed WA LTV Unindexed WA LTV



Seasoning Distribution

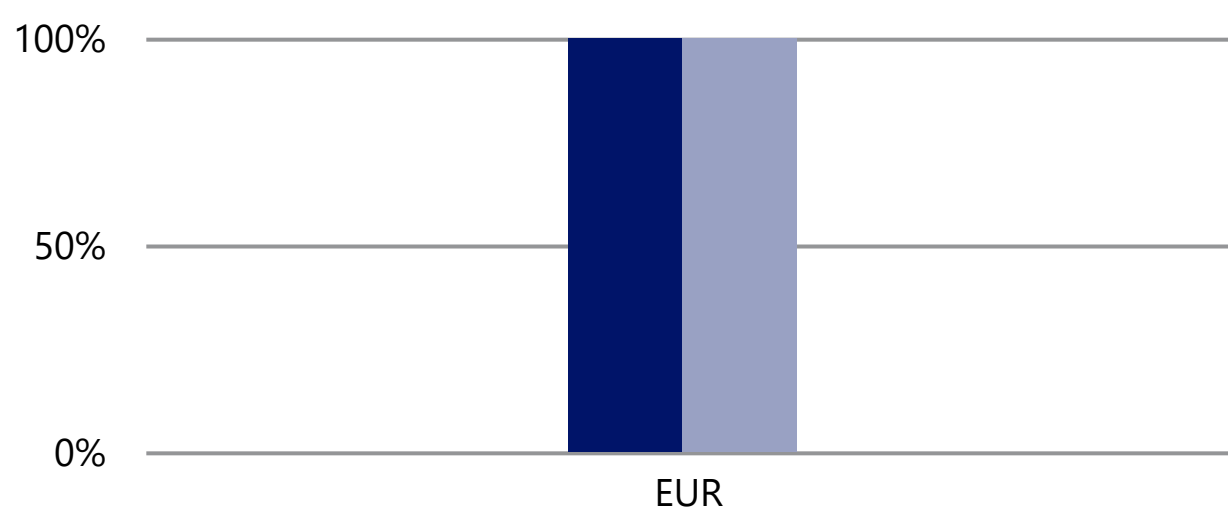


Weighted Average Seasoning & RTM (in months)

Cover Pool Market Risks as of 30 September 2023

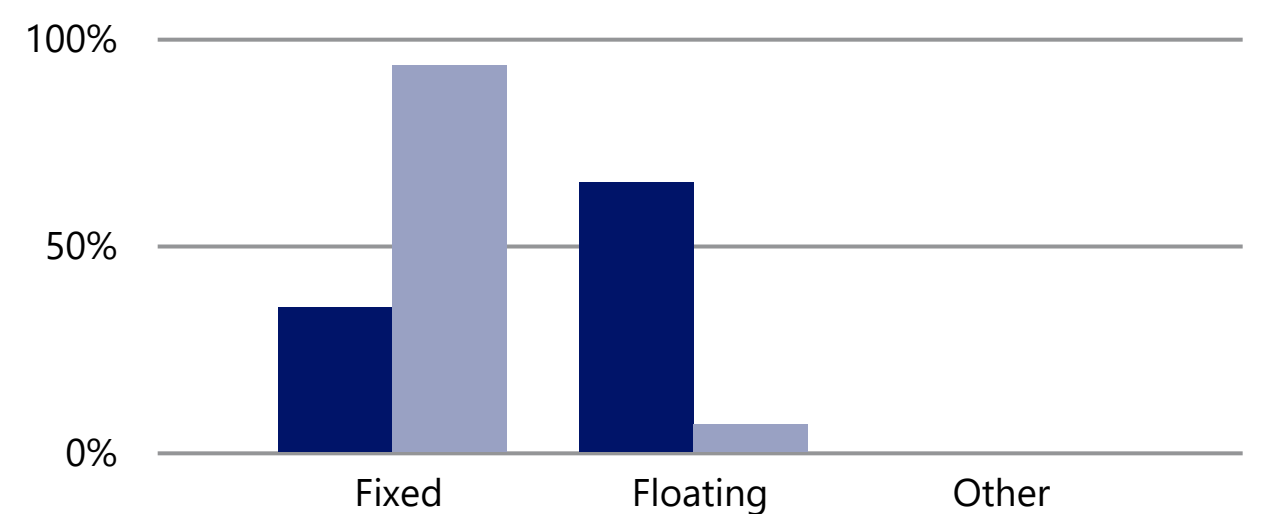
Currency Distribution

Covered Bonds Covered Pool



Interest Rate Type Distribution

Cover Pool Covered Bonds



## Summary of covered bond characteristics(Mo)

Scope Metrics	2023Q3	2022Q3
CB Rating	AAA / Stable	AAA / Stable
Issuer Rating	A- / Stable	A- / Stable
Supporting OC	10.0%	14.0%
Legal Framework Uplift	2	2
Resolution Regime Uplift	3	2
CPC Category	Low	Low
Cover Pool Uplift (Max)	8	7
Cover Pool Uplift (Unused)	2	1
General Information - Programme		
Cover Pool Size	1,346,857,822	1,186,925,137
Outstanding Covered Bonds	790,108,937	624,908,937
Legal OC	2.0%	2.0%
Current OC	70.5%	89.9%
Cover Pool Composition		
Mortgages	99.8%	98.8%
Public Sector	0.0%	0.0%
Substitute Assets	0.2%	1.2%
General information - Mortgage		
Number of Loans/Borrowers	4,815	4,565
Average Loan/Borrower Amount ('000)	279.20	256.82
Top 10	20.3%	17.5%
NPL	0.0%	0.0%
Unindexed WA LTV	NR	NR
Indexed WA LTV	55.0%	55.9%
Maturity Profile		
Cover Pool WAL (contractual; in years)	7.39	7.54
Covered Bonds WAL (initial; in years)	10.54	11.37
Covered Bonds WAL (extended; in years)	NR	NR
Cover Pool - Interest Rate Types		
Fixed	34.8%	31.4%
Floating	65.2%	68.6%
Other	0.0%	0.0%
Covered Bonds - Interest Rate Types		
Fixed	93.4%	100.0%
Floating	6.6%	0.0%
Other	0.0%	0.0%
Cover Pool - Currencies		
	EUR 100.0%	EUR 100.0%
Covered Bonds - Currencies		
	EUR 100.0%	EUR 100.0%
Regions (Top 3)		
	Vienna 55.2%	Vienna 51.3%
	Burgenland 22.2%	Burgenland 24.8%
	Styria 9.3%	Styria 9.4%

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**Latest related covered bond research (see [here](#))**

**Latest related financial institution research (see [here](#))**

**Current methodologies (see [here](#))**

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