

# WEW

## ANNUAL REPORT SUMMARY

# 2016

**HOMEOWNERSHIP  
GUARANTEE**  
FUND

**NATIONAL MORTGAGE GUARANTEE**



“FROM ITS UNIQUE POSITION IN THE DUTCH MARKET, IN 2016 THE HOMEOWNERSHIP GUARANTEE FUND WORKED TO FACILITATE THE MARKET AND FIND SOLUTIONS FOR CUSTOMERS.”

# BUILDING INNOVATION

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2016 was marked by rapid acceleration of developments in the housing market. Developments which called for a response from both market players and their customers. From its unique position in the Dutch market, in 2016 the Homeownership Guarantee Fund (WEW) worked to facilitate the market and find solutions for customers.

Focus, standardisation and digitisation are trends in the mortgage market which may not always meet the needs of customers who do not fit the standard frameworks. The result is potential exclusion from the housing market for increasingly large groups of people. Based on our mission - accessible finance, affordability for customers and market stability - we are working to find new solutions for specific groups. The first tangible result is the opportunity for self-employed persons without employees to take out a mortgage backed by the Dutch National Mortgage Guarantee scheme (known as NHG in Dutch) after one year of being in business.

This abridged version of the annual report shows the key figures for 2016.

## **ARJEN GIELEN,**

Managing Director, Homeownership Guarantee Fund

*This document is a simplified and translated reproduction of some highlights from the Annual Report 2016 of the Homeownership Guarantee Fund. In the event of inconsistencies, the Dutch Annual report is leading.*

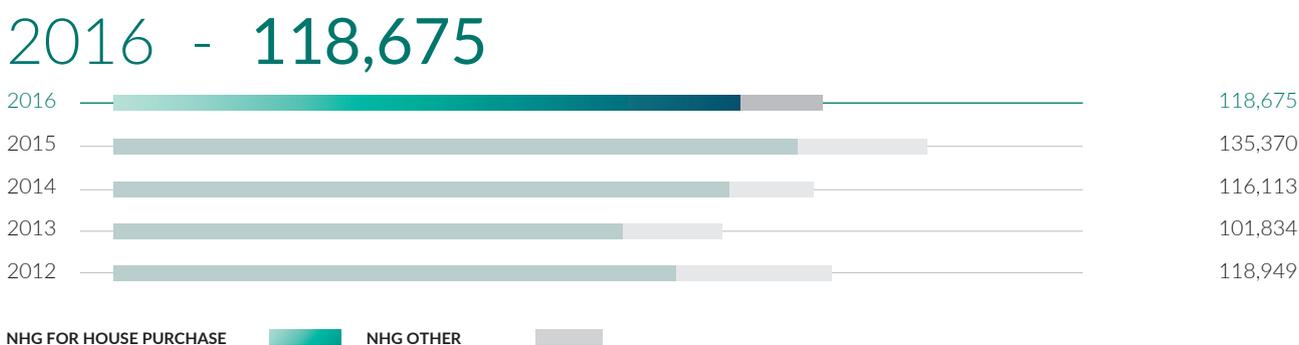
## DUTCH NATIONAL MORTGAGE GUARANTEE SCHEME

The Dutch National Mortgage Guarantee scheme is unique in Europe. It helps homeowners take out a mortgage that is affordable and responsible from the start. And if they do run into problems meeting payments due to circumstances beyond their control, the National Mortgage Guarantee may provide a safety net for the homeowner and the mortgage lender.

### Trends in number of guarantees

The number of new NHG-guarantees issued in 2016 fell year-on-year by 12% to 118,675: (2015: 135,370). This reduction is mainly attributable to the continuing fall in the number of homes eligible for an NHG-backed mortgage, as a result of the fixed price ceiling of € 245,000 and continuing strong rises in residential property prices.

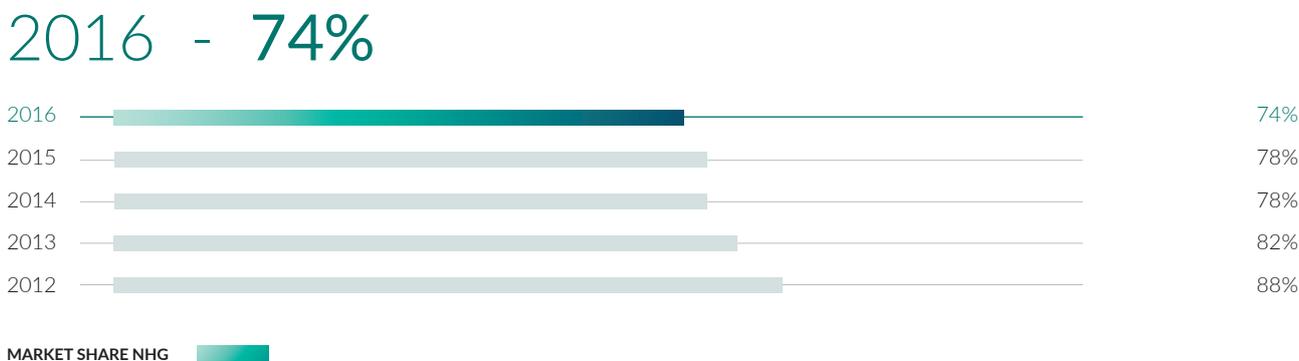
TRENDS IN NUMBER OF GUARANTEES 2012 - 2016



### High market share

The market share - the percentage of the existing housing stock bought by private individuals under the price ceiling and financed with an NHG-backed mortgage - stood at an average of 73% (2015: 78%). The market share of houses financed by NHG peaked in 2011 (90%) and has been falling gradually since that time, but is still high compared to pre-crisis levels (41% in 2007).

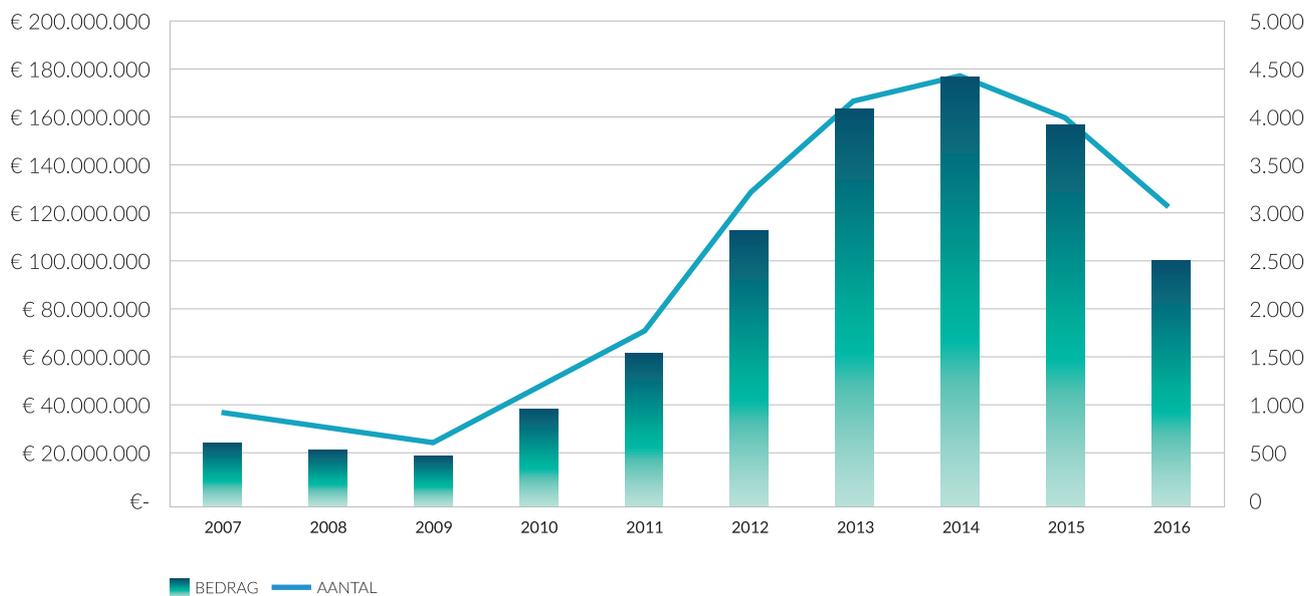
MARKET SHARE NHG UNDER THE PRICE CEILING 2012-2016



## Reduction in number of loss claims due to housing market recovery

In 2016 the number of loss claims fell by 21.7% compared to 2015. WEW received a total of 3,568 loss claims (2015: 4,557). This reduction is linked mainly to better-than-expected developments in the housing market. Consequently, both the number of loss claims received and the loss claims paid out were lower than expected.

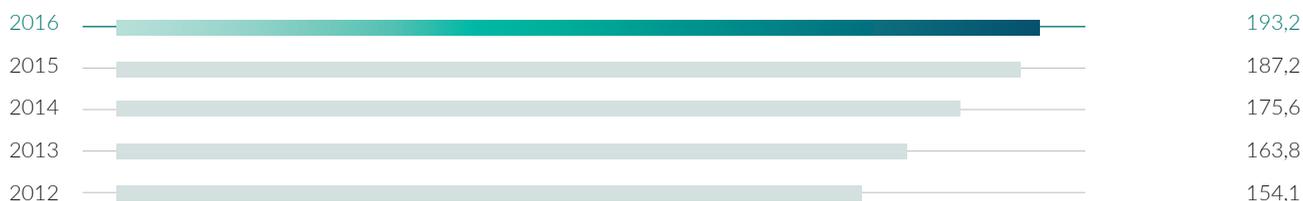
LOSS CLAIMS PAID OUT PER YEAR 2007-2016



## HOMEOWNERSHIP GUARANTEE FUND

GUARANTEED LIABILITY 2012-2016 (X € 1 BILLION)

# 2016 - 193,2



GUARANTEED LIABILITY NHG

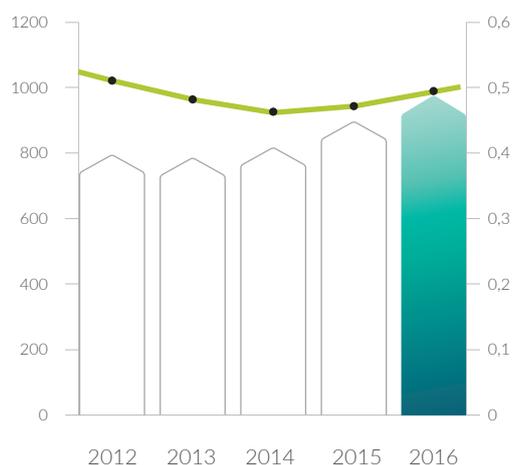


ASSETS UNDER MANAGEMENT NHG AND CAPITAL RATIO 2012-2016

# 2016 - 970 / 0,50

ASSETS UNDER MANAGEMENT NHG (X € 1 MILLION) CAPITAL RATIO

Year	Assets Under Management NHG (X € 1 MILLION)	Capital Ratio
2016	970	0,50%
2015	889	0,47%
2014	808	0,46%
2013	779	0,48%
2012	786	0,51%



ASSETS UNDER MANAGEMENT NHG



CAPITAL RATIO



### Results

The developments of the past year are inextricably linked to the trends in the housing market in the past 10 years. The financial crisis brought about fundamental shifts in the housing market. While fortunately the crisis is now a thing of the past, its impacts for consumers and the market are becoming ever more visible. WEW is searching for the right responses to these challenges.

Our ambition is to provide as many people as possible with continuing access to responsible funding to buy, improve and keep their own homes.

Based on current insights in economic and housing market trends, and subject to government policy remaining unchanged, it is not expected that we will need to invoke the government backup agreement

