



Press Release

Three Dutch pension funds join Dynamic Credit's mortgage mandate, bringing total to EUR 10.5bn

AMSTERDAM, 04 December 2018

Three Dutch pension funds have acceded to the Dynamic Credit's Dutch mortgage investment program, currently marketed under the *bijBouwe* brand. The company adds that existing pension fund investors in this program have also upped their commitment, bringing the total mortgage mandate commitments for Dynamic Credit to more than EUR 10.5 billion.

Dutch asset management and direct lending firm Dynamic Credit offers pension funds an alternative to investing via regular mortgage funds. In its mortgage investment program, pension funds can choose the segments they want to invest in, and are in full control of the interest rate policy, underwriting criteria and product characteristics.

Daan Potjer, Dynamic Credit's COO, said: "We see a trend in the market where more pension funds are showing an increased interest in mortgage investment mandates instead of regular mortgage funds. Recent comments from the Dutch Central Bank seem to have contributed to this trend."

[The Dutch Central Bank \(DNB\)](#) demands Dutch pension funds to be more in control of their investments in mortgage loans, the investment rationale, governance and especially the liquidity options of this type of investment.

Potjer continues: "The recent commitments of three new pension funds, along with additional funding from existing pension funds in the program, show that the Dynamic Credit mandate is a popular option for Dutch pension funds. Offering liquidity options, for example via our Mortgage Bond, is key for investors in Dutch mortgage loans. Asset Liability Management (ALM), capital requirements and investor preferences will change over the coming 30 years. An investor must have the ability to adjust their exposure and Dynamic Credit has always offered this."

Dynamic Credit's investment program offers a range of liquidity options, and has measures in place to ensure investors are always in control of their investment. This gives pension funds and other institutional investors stronger governance over their mortgage portfolio.

Bart van der Noord, Institutional Sales Manager at Dynamic Credit, said: "For a pension fund, it is key to be in control of their investments, certainly for mortgage loan investments, which are illiquid by nature. Because a good match is needed between assets and liabilities, institutional investors are increasingly seeking ways to get a tailor-made portfolio, where they can choose only the segments they want to invest in. We've observed that pension funds generally focus more on longer fixed rate periods and insurance companies more on lower risk classes."

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On a quarterly basis, Dynamic Credit issues a [research report](#) on the Dutch housing and mortgage market. If you would like to receive this market update in your mailbox going forward, please send an email to dutchmortgageteam@dynamiccredit.com.

About Dynamic Credit

Dynamic Credit is a fixed income asset management and direct lending firm with over EUR 10.5 billion under management. Founded in 2003, Dynamic Credit has offices in Amsterdam, New York and Jakarta. Dynamic Credit manages (securities of) loans of others and its own proprietary direct lending.

In December 2017 Dynamic Credit entered into a strategic partnership with Aegon, who has become a 25% shareholder of Dynamic Credit. The partnership enables further growth into new lending products, like prime SME and buy-to-let loans.

The team of experts at Dynamic Credit have extensive experience valuing, sourcing, creating and managing alternative fixed income products. In 2015, Dynamic Credit set up the first online mortgage distribution platform of the Netherlands (bijBouwe). In August 2017, Dynamic Credit launched the Dynamic Credit Funds ICAV, an Irish AIFM regulated fund umbrella.

Dynamic Credit is fully licensed and is regulated by Dutch, Irish and Indonesian financial market authorities.

For more information: www.dynamiccredit.com