

RECAP 2023: CONTINUED DEMAND FOR MORTGAGE INVESTMENTS WITH ATTENTION FOR LIQUIDITY

In 2023 we have seen a steady increase in mortgage origination volumes on the back of increasing housing transactions and rising house prices. It seems that the mortgage market has reached a 'new equilibrium' with volumes lower than in 2020 - 2022, but very much in line with pre-2020 levels.

How has this affected institutional demand for Dutch residential mortgage investments?

Jan-Jaap Meindersma sees a continued appetite for mortgages.



Jan-Jaap Meindersma

Head of Investor Relations & Business Development

DMFCO has welcomed 2 new investors during last year, including our first banking investor, Achmea Bank. This has broadened our investor base, which allows us to be active as mortgage lender in all durations.

We have seen a growing demand from our investors to discuss liquidity solutions. In 2023, DMFCO has facilitated 4 mortgage portfolio transactions between existing investors on its platform. With AuM of €28 billion and 36 investors, these transactions underscore the ability of the MUNT platform to connect supply and demand efficiently.

WHAT IS IN STORE FOR 2024?

We expect Dutch residential mortgages will remain an important asset class due to its attractive return and credit profile. Over the past decade, Dutch residential mortgages have outperformed other high-quality fixed income alternatives and are a stable and growing part of investors' LDI portfolios.

Another important topic for next year will be our continued focus on ESG. As stated in our annual ESG report, we are working towards a carbon-neutral MUNT portfolio by 2050. In order to achieve that, we actively encourage - and support - homeowners to take energy-saving measures. It is inspiring to see an increasing number of MUNT borrowers actively making their homes more sustainable.

Finally, we expect that through the continued support of our clients, we will be able to further grow MUNT Hypotheken as the premier Dutch mortgage lender for institutional investors.

