

# **CRR ASSESSMENT**

## **TULIP MORTGAGE FUNDING 2020-1 BV**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

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**18 November 2020**

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**This is a CRR Assessment.**

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**18 November 2020**

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## Prime Collateralised Securities (PCS) EU SAS – CRR Assessment

Individual(s) undertaking the assessment	Daniele Vella
Date of Assessment /Version	18 November 2020
<b>The transaction to be assessed (the “Transaction”)</b>	Tulip Mortgage Funding 2020-1 BV
Issuer	Tulip Mortgage Funding 2020-1 BV
Originator	Tulpenhuis 1 BV
Seller	Tulpenhuis 1 BV
Lead Manager(s)	HSBC Bank Plc. and BNP Paribas
Transaction Legal Counsel	Loyens & Loeff NV and Simmons & Simmons LLP
Rating Agencies	DBRS and Fitch
Stock Exchange	Euronext Amsterdam
Target Issue Date	18 November 2020

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>				
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>1. (a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be</p>	<p>See in Section 7.3 "Mortgage Loan Criteria" the requirement that</p> <p><i>&lt;&lt;(m) the aggregate Outstanding Principal Amount of all Mortgage Loans entered into with a single Borrower shall not exceed 2.0 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables under or in connection with all Mortgage Loans;&gt;&gt;</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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	considered as exposures to a single obligor.			
<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>Not applicable.</p>		<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>
<p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average</p>	<p>2. (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average</p>	<p>2 (b) (i) should apply.</p> <p>The Portfolio meets this requirement, in the light of a specific representation in §(pp) of Section 7.2 (<i>Representations and Warranties</i>), pursuant to which the Seller declares that <i>&lt;&lt;the Mortgage Receivables meet the conditions for being assigned a risk weight equal to or smaller than 40</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p><i>per cent. on an exposure value weighted average for a portfolio of such Mortgage Receivables as set out and within the meaning of article 243(2)(b) of the CRR;&gt;&gt;.</i></p>		
<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>			

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<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>3. (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>See section 6.2, wherein is contained a statement on the first ranking of the Mortgage Loans (or first and sequentially lower ranking mortgage right).</p> <p>As for the nature of “residential loans secured with a first-ranking mortgage” see the R&amp;W in §(j) of Section 7.2:</p> <p><i>&lt;&lt;(j) each Mortgage Receivable is: (i) secured by a first-ranking Mortgage (eerste recht van hypotheek) or, in the case of Mortgage Loans (including any Further Advance, as the case may be) secured on the same Mortgaged Asset, first and sequentially lower ranking Mortgages over real estate (onroerende zaak), an apartment right (appartementsrecht), or a long lease (erfpachtsrecht) situated in the Netherlands; (ii) governed by Dutch law;</i></p>	<p>See also the description of the security assisting the Bridge Loan Parts, contained in Section 5.9 <i>Legal framework as to the assignment of the Mortgage Receivables - Bridge Loan Parts</i>, where it is specified that upon assignment of the Mortgage Receivables originated from a loan that is structured also with Bridge Loan Parts, the Seller has agreed to release its first ranking right of mortgage over the new property in relation to the Closing Date Bridge Loan Parts, to prevent the first ranking All Moneys Mortgage over the new property being co-held by the Seller and the Issuer.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>



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		<p><i>and (iii) originated in the Netherlands;&gt;&gt;.</i></p>		
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>4. (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>See in Section 6.1 (Stratification tables), the data included in Tables No. 1 (<i>Key Characteristics</i>), 10 and 11 - Breakdown by</p> <ul style="list-style-type: none"> <li>• “10. Current Loan to Original Market Value”; and</li> <li>• “11. Current Loan to Indexed Market Value”.</li> </ul>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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		<p>See also the representation in Section 7.2§(tt), where it is stated that &lt;&lt;(tt) <i>the Mortgage Loan does not have a Current Loan to Indexed Market Value Ratio higher than 100 per cent. (or, if a different percentage is required or sufficient from time to time for the Notes to comply with article 243(2) of the CRR-Securitisation Amendment and the Seller wishes to apply such different percentage, then such different percentage).</i>&gt;&gt;.</p> <p>The value is calculated on a current loan to indexed basis.</p>		