



Press release

Münchener Hypothekbank's green benchmark Pfandbrief impresses international investors

Munich, 23 October 2024 – Münchener Hypothekbank has successfully issued its second green Mortgage Pfandbrief of 2024 in benchmark format, attracting considerable interest from investors in numerous countries. Clearly oversubscribed after just one hour, the issue underlines the growing international importance of sustainable financial instruments.

The Pfandbrief has an issue volume of EUR 500 million and a term of six years and four months. Around 18 percent of the issue was subscribed by investors specialising in green and sustainable investments.

The green Mortgage Pfandbrief was placed at a price of 28 basis points above the mid-swap rate and has a coupon of 2.625 percent.

“Sustainability is deeply embedded in our core business as part of our ESG strategy, and we want to further expand our range of sustainable property financing. In line with the circular economy approach, this includes sustainable refinancing through green Pfandbriefe,” said Dr Holger Horn, CEO of Münchener Hypothekbank.

The green Mortgage Pfandbrief is based on Münchener Hypothekbank's Green Bond Framework, which fulfils the ICMA Green Bond Principles and meets the minimum standards of the Association of German Pfandbrief Banks (vdp) for green Pfandbriefe.

The issue's cover pool is made up of private and commercial properties that satisfy the ecological criteria of the Green Bond Framework. Private residential properties financed with Münchener Hypothekbank's Green Loan, which promotes energy-efficient, environmentally friendly ways of building and living, form one part of the pool. The remainder consists of financing for commercial properties that have been awarded a recognised sustainability certificate.

All in all, 49 orders were placed from nine countries. Germany was the regional focus, accounting for 49 percent of the issue volume. This was followed by investors from Eastern Europe, France and Scandinavia. Banks were the largest investor group, accounting for around 51 percent of the issue volume, followed by central banks, development banks and funds.



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The transaction was lead-managed by Barclays Bank, DekaBank, Deutsche Bank, DZ Bank, Nordea and UBS.

The Moody's rating agency gives Münchener Hypothekenbank's Mortgage Pfandbriefe its top rating, Aaa.

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