

HERMES VII per 9 October 2003

Securities

Class A1 Senior Notes	
Original Amount (in Euro)	782,000,000
Outstanding Amount (in Euro)	782,000,000
Pool Factor	1.00000000
Expected Average life*	4.8 yr
Expected Maturity*	6.3 yr
Coupon	3m-EUR + 24 bp
Rating (S&P/Moody's/Fitch)	AAA/Aaa/AAA

Class A2 Senior Notes	
Original Amount (in USD)	450,000,000
Outstanding Amount (in USD)	450,000,000
Pool Factor	1.00000000
Expected Average life*	6.3 yr
Expected Maturity*	6.3 yr
Coupon	3m-\$LIBOR + 26 bp
Rating (S&P/Moody's/Fitch)	AAA/Aaa/AAA

Class B Mezzanine Notes	
Original Amount (in Euro)	53,500,000
Outstanding Amount (in Euro)	53,500,000
Pool Factor	1.00000000
Expected Average life*	6.3 yr
Expected Maturity*	6.3 yr
Coupon	3m-EUR + 65 bp
Rating (S&P/Moody's/Fitch)	A/A1/A

Class C Junior Notes	
Original Amount (in Euro)	29,000,000
Outstanding Amount (in Euro)	29,000,000
Pool Factor	1.00000000
Expected Average life*	6.3 yr
Expected Maturity*	6.3 yr
Coupon	3m-EUR + 120 bp
Rating (S&P/Moody's/Fitch)	BBB/Baa2/BBB

Class D Subordinated Notes	
Original Amount (in Euro)	12,500,000
Outstanding Amount (in Euro)	12,500,000
Pool Factor	1.00000000
Expected Average life*	
Expected Maturity*	
Coupon	3m-EUR + 250 bp
Rating (Moody's)	Baa2

Credit Structure

Reserve Fund	
Payments	0
Drawings	0
Reserve Fund Required Amount	22,500,000
Outstanding Balance	12,500,000

Excess Spread	
Percentage (guaranteed)	0.45%
Amount	1,578,273

Liquidity Facility	
Payments	0
Drawings	0
Liquidity Facility Loan	0
Liquidity Facility Maximum Amount	12,500,000

Mortgage Pool performance

Arrears **	
No arrears	
0-30 days	
30-60 days	
60-90 days	
More than 90 days	

Losses ***	
Principal losses	
Foreclosures	

* based on: CPR = 10%

** arrears = sum of principal balance of loans in arrears / sum of total principal balance of the pool

*** losses = realised losses on principal amounts

Mortgage pool

Key characteristics of the pool of mortgage loans

Outstanding principal balance	1,290,074,292.92
Outstanding savings balance	40,300,320.32
	<u>1,249,773,972.60</u>
Number of mortgages	9,109
Number of mortgage parts	18,052
Average outstanding principal balance	137,202.10
Minimum outstanding principal balance	9,772.48
Maximum outstanding principal balance	400,000.00
Maximum current interest rate	8.30
Minimum current interest rate	2.80
Weighted average current interest rate	5.49
Weighted average original loan to original foreclosure value	108
Weighted average current loan to (indexed) market value	78

Table 1: Distribution by Mortgage size

Size of outstanding loan balance (euro)	Principal balance		Number of mortgages	
	(euro)	% of Total		% of Total
0-50000	7,957,499.41	0.64%	228	2.50%
50000-100000	172,164,116.97	13.78%	2,293	25.17%
100000-150000	383,673,840.36	30.70%	3,188	35.00%
150000-200000	333,816,529.84	26.71%	1,982	21.76%
200000-250000	184,341,687.02	14.75%	852	9.35%
250000-300000	88,200,891.29	7.06%	330	3.62%
300000-350000	44,643,330.14	3.57%	141	1.55%
350000-400000	34,976,077.57	2.80%	95	1.04%
Total	1,249,773,972.60	100.00%	9,109	100.00%

Table 2: Interest rates Distribution

Interest Rate (%)	Principal balance		Number of parts	
	(euro)	% of Total		% of Total
<3	28,089.00	0.00%	1	0.01%
3-3.5	5,724,497.11	0.46%	73	0.40%
3.5-4	85,344,909.98	6.83%	998	5.53%
4-4.5	57,532,670.38	4.60%	746	4.13%
4.5-5	100,347,490.82	8.03%	1,349	7.47%
5-5.5	290,252,944.48	23.22%	4,146	22.97%
5.5-6	371,780,243.06	29.75%	5,354	29.66%
6-6.5	231,948,994.77	18.56%	3,472	19.23%
6.5-7	83,236,961.02	6.66%	1,429	7.92%
7-7.5	18,650,733.71	1.49%	374	2.07%
7.5-8	4,291,908.78	0.34%	96	0.53%
8-8.5	634,529.49	0.05%	14	0.08%
Total	1,249,773,972.60	100.00%	18,052	100.00%

Table 3: Mortgage type

Repayment Type	Principal balance		Number of parts	
	(euro)	% of Total		% of Total
Annuity	5,329,491.85	0.43%	149	0.83%
Interest only	637,955,871.00	51.05%	9,272	51.36%
Investment-based	105,607,589.31	8.45%	977	5.41%
Linear	1,154,015.84	0.09%	27	0.15%
Savings	499,727,004.60	39.99%	7,627	42.25%
Total	1,249,773,972.60	100.00%	18,052	100.00%

Table 4: Interest type

Interest Type	Principal balance		Number of parts	
	(euro)	% of Total		% of Total
1 yr fixed	72,643,815.23	5.81%	922	5.11%
3 yr fixed	68,771,967.98	5.50%	840	4.65%
5 yr fixed	324,473,088.83	25.96%	4,262	23.61%
5 yr fixed + 2 yr refixing period	15,480,456.58	1.24%	308	1.71%
7 yr fixed	50,310.87	0.00%	2	0.01%
10 yr fixed	386,067,213.10	30.89%	5,952	32.97%
10 yr fixed + 2 yr refixing period	18,747,808.64	1.50%	352	1.95%
12 yr fixed	57,104,039.74	4.57%	1,132	6.27%
15 yr fixed	12,646,336.12	1.01%	187	1.04%
20 yr fixed	30,902,909.95	2.47%	463	2.56%
"Stabielrente" 1% band	99,210,402.99	7.94%	1,361	7.54%
"Stabielrente" 1,5% band	7,959,984.20	0.64%	114	0.63%
"Stabielrente" 2% band	35,910,790.86	2.87%	580	3.21%
"Stabielrente" 2,5% band	5,076,868.53	0.41%	88	0.49%
"Stabielrente" 3% band	3,329,485.98	0.27%	51	0.28%
"Stabielrente" 3,5% band	594,457.31	0.05%	9	0.05%
12 months "instaprente"	3,431,582.23	0.27%	31	0.17%
5 yr "plafondrente"	34,807,193.00	2.79%	387	2.14%
10 yr "plafondrente"	14,455,093.61	1.16%	185	1.02%
Ideaal	57,852,940.03	4.63%	824	4.56%
Variable	257,226.82	0.02%	2	0.01%
Total	1,249,773,972.60	100.00%	18,052	100.00%

Table 5: Original Loan-to-Foreclosure Value Ratio distribution

Loan-to-Foreclosure Value ratio (%)	Principal balance		Number of mortgages	
	(euro)	% of Total		% of Total
0 - 5	110,239.49	0.01%	1	0.01%
5 - 15	355,698.17	0.03%	15	0.16%
15 - 25	1,178,999.57	0.09%	37	0.41%
25 - 35	3,960,940.50	0.32%	62	0.68%
35 - 45	6,936,173.37	0.55%	92	1.01%
45 - 55	16,466,857.15	1.32%	212	2.33%
55 - 65	32,161,228.02	2.57%	346	3.80%
65 - 75	59,004,527.70	4.72%	575	6.31%
75 - 85	66,153,572.02	5.29%	546	5.99%
85 - 95	82,758,932.27	6.62%	647	7.10%
95 - 105	125,765,307.31	10.06%	925	10.15%
105 - 115	178,199,573.57	14.26%	1,270	13.94%
115 - 125	676,721,923.46	54.15%	4,381	48.10%
Total	1,249,773,972.60	100.00%	9,109	100.00%

Table 6: Types of property

Type of Property	Principal balance		Number of mortgages	
	(euro)	% of Total		% of Total
Apartment	110,898,500.09	8.87%	883	9.69%
House	1,138,875,472.51	91.13%	8,226	90.31%
Total	1,249,773,972.60	100.00%	9,109	100.00%

Table 7: Geographic distribution

Region	Principal balance		Number of mortgages	
	(euro)	% of Total		% of Total
Drenthe	47,687,506.82	3.82%	423	4.64%
Flevoland	106,844,287.48	8.55%	771	8.46%
Friesland	12,319,795.22	0.99%	103	1.13%
Gelderland	258,216,574.37	20.66%	1,780	19.54%
Groningen	52,755,737.67	4.22%	536	5.88%
Limburg	240,586,665.69	19.25%	1,875	20.58%
Noord-Brabant	95,215,154.45	7.62%	627	6.88%
Noord-Holland	104,302,574.55	8.35%	648	7.11%
Overijssel	126,380,128.89	10.11%	1,025	11.25%
Utrecht	96,587,448.97	7.73%	632	6.94%
Zeeland	8,696,848.92	0.70%	66	0.72%
Zuid-Holland	100,181,249.57	8.02%	623	6.84%
Total	1,249,773,972.60	100.00%	9,109	100.00%

Table 8: Seasoning of Mortgages

Year of origination	Principal balance		Number of parts	
	(euro)	% of Total		% of Total
1995	22,588,047.94	1.81%	542	3.00%
1996	46,892,904.15	3.75%	1,030	5.71%
1997	69,135,629.62	5.53%	1,459	8.08%
1998	112,203,861.32	8.98%	2,116	11.72%
1999	149,672,662.96	11.98%	2,513	13.92%
2000	176,943,536.51	14.16%	2,460	13.63%
2001	249,202,027.65	19.94%	3,155	17.48%
2002	399,723,605.42	31.98%	4,559	25.25%
2003	23,411,697.03	1.87%	218	1.21%
Total	1,249,773,972.60	100.00%	18,052	100.00%