

# Luxury Loan Portfolio Insights

## 1. Key Loan Metric Boxplots

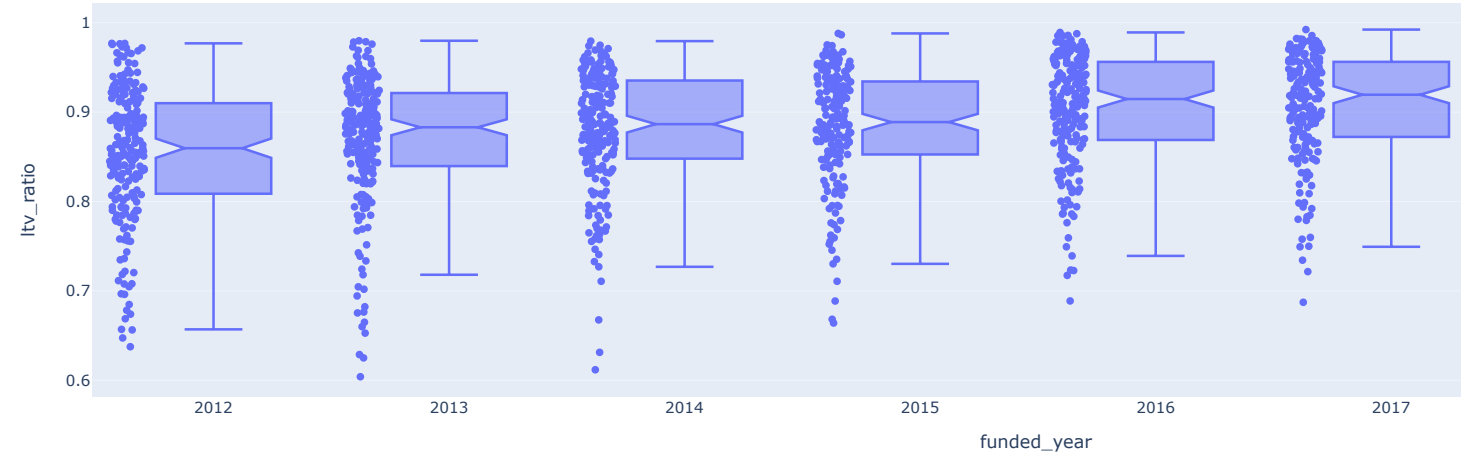
Visualize the distribution of key metrics across selected dimensions

Metrics:

- ☒ Loan-to-value Ratio
- ☐ Funded Amount
- ☐ Property Value

By:

- ☐ Loan Purpose
- ☒ Funded Year
- ☐ Tax Class at Present
- ☐ Client Employment Length
- ☐ Client Building Class Category



### Observations

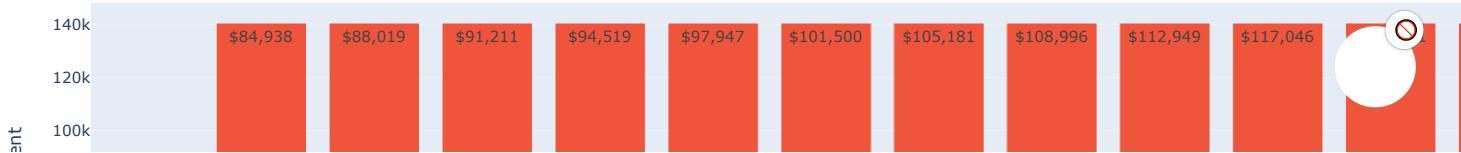
- The median Loan-to-value Ratio has increased steadily from 0.86 in 2012 to 0.95 in 2019. **This encourages risk-taking behaviour that might backfire for riskier asset classes e.g. investment property**
- The median Loan-to-value Ratio is the highest for plane-funding.

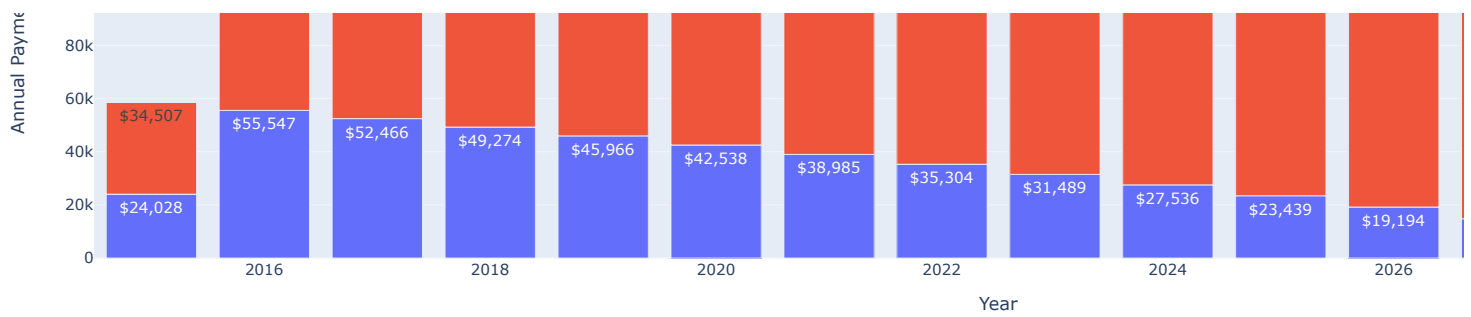
## 2. Loan Amortization Schedule

See the annual loan amortization schedule for selected Loan ID

Loan ID

firstname	lastname	phone	title	purpose	funded_date	funded_amount	duration_years	interest_rate
Vincent	Bowser	363-093-8428	Senior Scrum Master	plane	7/26/2015	1630000	15	0.03568





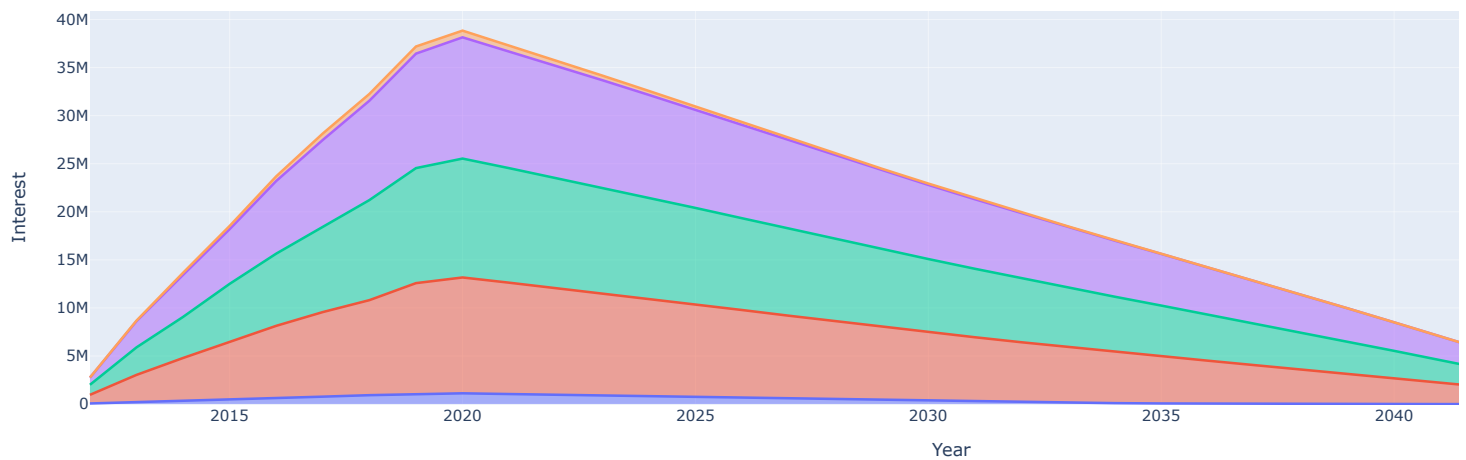
### 3. Net Interest Income Schedule

Visualize the annual net interest income that the bank expects to earn from this portfolio

- Taking the 10 Year Treasury Index Fund Rate (10TIFR) as our cost of funds, we derive **Net Interest Margin = Loan Interest Rate - 10TIFR**.
- Thereafter, for each loan, we derive the amortization schedule and the associated net interest income

Loan Purpose

- ☒ boat
- ☒ investment property
- ☒ commerical property
- ☒ home
- ☒ plane



### Observations

- Net interest income will peak in 2020 at just below \$40 mn due to consistently strong loan book in previous years and long loan durations from property loans