

Knab N.V. Soft-Bullet Covered Bond Ratings Affirmed Following Program Amendments; Outlook Stable

November 18, 2025

Overview

- On Oct. 21, 2025, a bondholders' meeting approved the conversion of Knab N.V.'s conditional pass-through covered bond XS1637329639 into a soft-bullet covered bond and its transfer to the soft-bullet covered bond program. The changes resulting from this approval will be effective as of today.
- We affirmed our 'AAA' ratings on the soft-bullet covered bond program and related issuances now outstanding in the program. We also withdrew our 'AAA' rating on Knab's conditional pass-through covered bond program. This program has no outstanding issuances following the transfer.
- The outlook on the converted and transferred covered bond rating is stable, in line with the outlook on the other outstanding covered bond ratings in the program.

FRANKFURT (S&P Global Ratings) Nov. 18, 2025--S&P Global Ratings today affirmed its 'AAA' credit rating on [Knab N.V.](#)'s soft-bullet mortgage covered bond program and related issuances. The outlook on the converted and transferred covered bond rating is stable, consistent with the outlook on the other outstanding covered bonds under the soft-bullet program (see "ratings list").

Knab N.V.'s amendments to the €0.5 billion conditional pass-through covered bond have led to the change of its conditional pass-through payment obligation structure to soft-bullet payment structure (where the repayment of principal can be extended for up to one year under specified conditions instead of up to 32 years previously). We have analyzed the proposed term changes and do not consider them to be distressed, according to our ratings definitions.

Furthermore, the converted covered bond now forms part of Knab N.V.'s €7.5 billion soft-bullet covered bond program and therefore is subject to the transaction documents governing it.

In accordance with our covered bonds criteria, we determined the program's reference rating level (RRL) and applied rating uplift based on our assessment of jurisdictional and collateral support. Based on the long-term issuer credit rating (ICR) on Knab N.V. and our jurisdictional support assessment, we assigned an RRL of 'a' and a jurisdiction-supported rating level (JRL) of 'aa.'

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We reviewed the combined asset information provided by the issuer as of Sept. 30, 2025, and performed our cash flow analysis as of Nov. 1, 2025. The underlying assets comprise €5.83 billion of Dutch residential mortgage loans (net of saving and construction deposits). In our cash flow analysis, we modeled the converted covered bond with its new terms and conditions (namely its extended maturity date), together with the previously outstanding soft-bullet covered bonds.

Based on our cash flow analysis, we believe the available credit enhancement exceeds the level that is commensurate with the 'AAA' rating. We consider the soft-bullet structure of the issuances to cover liquidity risk. Furthermore, the overcollateralization is committed at a level consistent with the ratings. With a JRL of 'aa', the program requires two notches of collateral uplift to attain a 'AAA' rating.

Counterparty, sovereign, legal, administrative, and operational risks do not constrain the 'AAA' ratings.

The outlook on the XS1637329639 covered bond is stable, given its creditworthiness is now linked to that of the issuing bank. The stable outlook reflects that a downgrade of the bank would not, on its own, automatically result in a downgrade of the covered bond program.

Following the transfer of the remaining outstanding covered bond from the conditional pass-through covered bond program, we withdrew our 'AAA' rating on it.

Ratings list

Covered bonds' ISINs	Rating to	Rating from
XS1637329639	AAA/Stable	AAA
XS2351073098	AAA/Stable	AAA/Stable
XS2642546399	AAA/Stable	AAA/Stable
XS2714464117	AAA/Stable	AAA/Stable
XS2714460719	AAA/Stable	AAA/Stable
XS2831056101	AAA/Stable	AAA/Stable
XS2843020525	AAA/Stable	AAA/Stable

Related Criteria

- [Criteria | Structured Finance | General: Counterparty Risk Methodology](#), July 25, 2025
- [Criteria | Structured Finance | Covered Bonds: Methodology For Rating Covered Bonds](#), July 25, 2025
- [Criteria | Structured Finance | Legal: Asset Isolation And Special-Purpose Entity Methodology](#), May 29, 2025
- [Criteria | Structured Finance | RMBS: Global Methodology And Assumptions: Assessing Pools Of Residential Loans--Europe Supplement](#), April 4, 2024
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities](#), Dec. 22, 2020

- [Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions](#), Jan. 30, 2019
- [Criteria | Structured Finance | RMBS: Global Methodology And Assumptions: Assessing Pools Of Residential Loans](#), Jan. 25, 2019
- [General Criteria: Guarantee Criteria](#), Oct. 21, 2016
- [Criteria | Structured Finance | RMBS: Methodology For Assessing Mortgage Insurance And Similar Guarantees And Supports In Structured And Public Sector Finance And Covered Bonds](#), Dec. 7, 2014
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [Knab N.V. Mortgage Covered Bonds Ratings Unaffected By Proposed Amendments](#), Sept. 12, 2025
- [Global Covered Bond Insights For Q4 2025: Updated Methodology Affects Overcollateralization Requirements](#), Sept. 11, 2025
- [How Our Updated Methodology For Rating Covered Bonds Affects Overcollateralization Requirements](#), Sept. 4, 2025
- [European Housing Markets: Strong Demand And Weak Supply Will Keep Prices High](#), July 10, 2025
- [Netherlands-Based Knab N.V. Upgraded To 'BBB+' From 'BBB' On Increased Importance To Parent BAWAG; Outlook Stable](#), June 26, 2025
- [House Price Overvaluation Moderates For Europe's RMBS And Covered Bond Markets](#), April 4, 2025
- [Dutch Covered Bond Market Insights 2025](#), March 11, 2025
- [S&P Global Ratings Definitions](#), Dec. 2, 2024
- [Glossary Of Covered Bond Terms](#), April 27, 2018

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

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