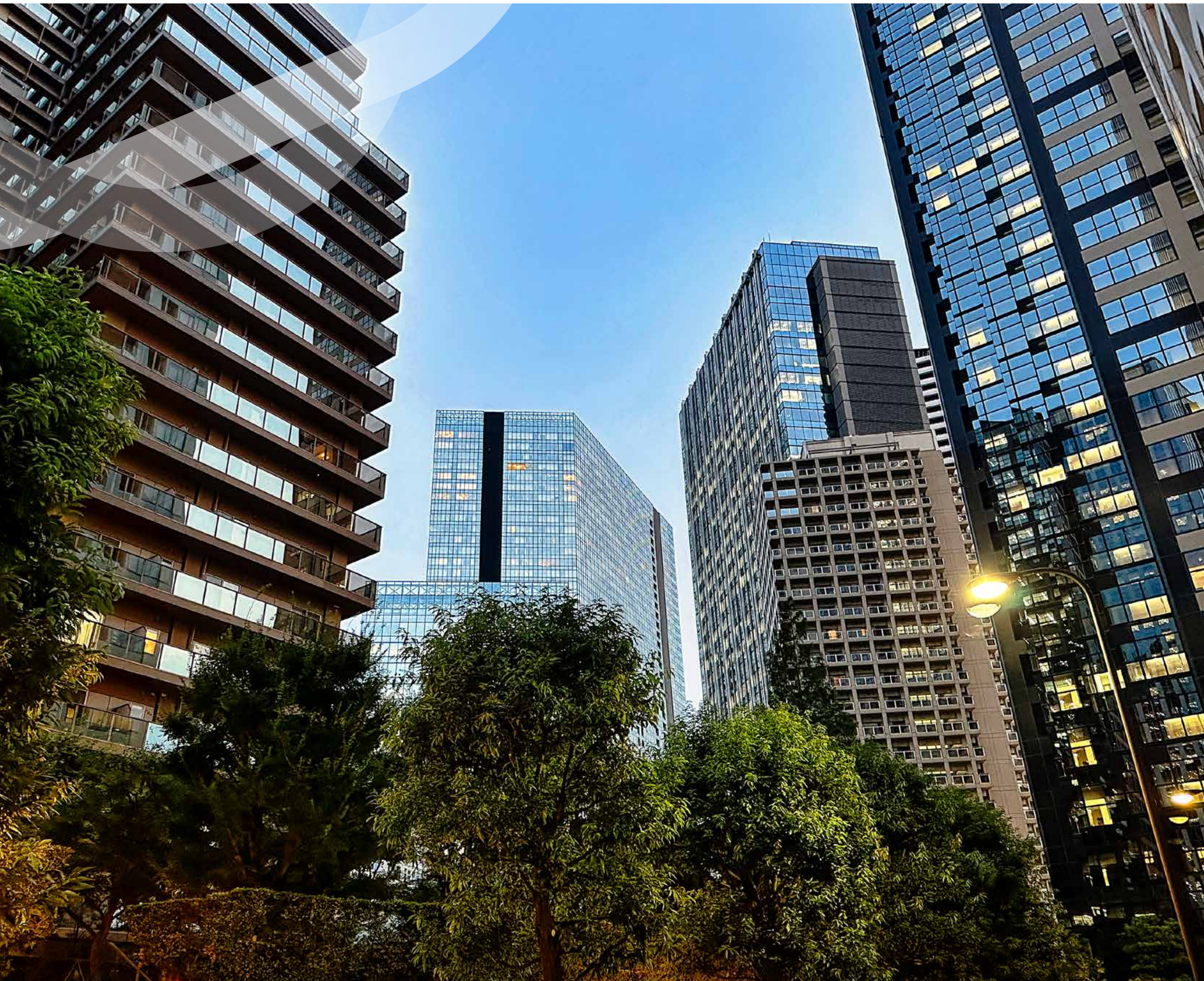
HYPOSTAT 2026

FUNDING THE REAL ECONOMY



HYPOSTAT **2026** | A REVIEW OF EUROPE'S MORTGAGE AND HOUSING MARKETS

European Mortgage Federation
September 2026

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Foreword

Housing lays the foundation for freedom, dignity and opportunity, paving a solid path towards lasting peace and shared prosperity. Housing policies remain among the most powerful instruments available to strengthen social cohesion, promote social mobility and enable citizens to realise their aspirations.

Yet housing has evolved beyond being solely a social priority. It has become one of the defining strategic challenges of our time.

Across advanced and emerging economies alike, governments are confronted with the same fundamental question: how can we deliver sufficient affordable, sustainable and resilient housing while operating within increasingly constrained public budgets?

Demographic change, urbanisation, the climate transition, geopolitical fragmentation and the need to strengthen economic competitiveness are placing unprecedented pressure on housing markets. At the same time, the capacity of public finances to respond to these challenges is increasingly constrained.

The evidence presented in Hypostat 2026 illustrates the scale of the challenge.

European housing markets entered 2025 in a period of gradual economic normalisation. Inflation continued to moderate and interest rates declined, contributing to a recovery in mortgage activity. Yet affordability pressures remained firmly in place. House prices continued to rise across much of Europe, while housing completions remained insufficient to address accumulated supply shortages.

This is perhaps the central message emerging from this year's publication: a recovery in mortgage lending should not be confused with a resolution of the housing affordability challenge.

Lower financing costs can improve households' borrowing capacity, but they cannot by themselves create land, accelerate planning procedures, remove construction bottlenecks or deliver the millions of additional homes that Europe requires.

Housing affordability must therefore be addressed simultaneously from the perspectives of supply and finance.

Europe needs more housing. But it also needs more financeable housing. This requires a new approach to the relationship between public policy and private capital.

Public intervention alone cannot bridge the investment gap. Mobilising private capital efficiently and responsibly has consequently become one of the greatest policy challenges of our generation.

Capital markets represent the essential bridge between citizens' savings and society's long-term housing needs. They transform savings into mortgages, homes, rental accommodation, urban regeneration and energy-efficient buildings. Well-functioning housing finance systems are therefore not merely financial infrastructures: they are strategic pillars supporting productivity, labour mobility, social cohesion and macroeconomic resilience.

The debate surrounding housing can consequently no longer be confined to the real estate sector. It increasingly sits at the intersection of economic policy, financial regulation, capital markets, industrial competitiveness and social inclusion.

This year's Hypostat demonstrates why these dimensions must be considered together.

Affordability, competitiveness and financial stability should not be regarded as competing objectives. Properly designed housing finance systems can reinforce all three. Strong underwriting standards, resilient funding structures and risk-sensitive prudential frameworks can preserve financial stability while ensuring that capital continues to reach households and the real economy.

Europe has considerable strengths on which to build.

Its mortgage markets have demonstrated remarkable resilience through successive crises. Its banking system possesses deep expertise in housing finance. Its covered bond markets provide lenders with stable and efficient access to long-term capital market funding. And across Europe, innovative public guarantee schemes and public-private partnerships demonstrate how relatively limited public resources can be used to mobilise significantly larger volumes of private investment.

But the scale of the challenge now requires us to connect these strengths. Rather than viewing housing policy, mortgage finance, prudential regulation, capital markets and public support through separate policy initiatives, Europe has the opportunity to build a genuine Housing Ecosystem.

Such an ecosystem should bring together public institutions, banks, capital markets, institutional investors, developers, housing providers, multilateral organisations and citizens around one common objective: making housing more affordable, more sustainable and more accessible.

This ambition is particularly relevant in the context of Europe's broader efforts to mobilise its savings and strengthen its competitiveness.

The Savings and Investments Union offers a historic opportunity to improve the transmission of European savings towards long-term productive investment. Housing should form an integral part of this debate. Few sectors offer the same capacity to simultaneously generate economic activity, strengthen communities, support the climate transition and improve citizens' quality of life.

But mobilising capital requires the right conditions.

Private capital does not need public policy to replace markets; it needs public policy to enable them.

Predictable regulation, appropriate risk-sharing mechanisms, efficient planning systems, transparent data, robust legal frameworks and investable project pipelines are essential. Public guarantees and public-private partnerships can play a particularly important catalytic role, absorbing clearly identified risks and allowing private capital to finance projects that would otherwise remain economically unviable.

The objective should therefore be to maximise the impact of every euro of public intervention by mobilising multiples of private investment.

This philosophy lies at the heart of the work of the European Mortgage Federation – European Covered Bond Council.

For more than two decades, our role has extended beyond representing the interests of an industry. We have sought to provide a platform where policymakers, regulators, supervisors, academics, investors and market participants can jointly develop practical solutions capable of strengthening housing finance while safeguarding financial stability.

That collaborative approach is becoming increasingly international.

Through our dialogue with European institutions and our growing cooperation with international and multilateral organisations, we are helping to build bridges between housing finance systems around the world. The expansion of the International Secondary Mortgage Market Association further reinforces this global dimension, allowing experiences and best practices from Europe, Asia, Africa and other regions to contribute to a common discussion about the future of housing finance.

This international perspective is increasingly important because the housing challenge itself is global.

Different countries face different demographic structures, tenure models, planning systems and financial architectures. There can therefore be no single blueprint. But the underlying challenge is remarkably similar: how to combine public policy, financial innovation and private capital in ways that expand housing supply and accessibility without undermining financial stability.

Hypostat has a unique role in this debate.

For more than two decades, it has provided policymakers, market participants, academics and institutions with a comprehensive picture of Europe's housing and mortgage markets. Hypostat 2026 continues this tradition, bringing together data and analysis from across the EU and a growing number of international markets.

But Hypostat is more than a statistical publication.

Behind every graph, mortgage ratio or housing-price index lies the reality experienced by households: a young family trying to purchase its first home; a renter struggling with rising housing costs; an older homeowner seeking to use the wealth accumulated in a property; or a city attempting to attract workers while facing an insufficient supply of affordable housing.

Ultimately, housing is about people.

Finance is the mechanism through which societies can transform long-term savings into homes, communities, resilience and opportunity.

Our collective responsibility is therefore clear: to ensure that the financial system continues to serve society by mobilising the capital necessary to make housing more affordable, more sustainable and more accessible for present and future generations.

The challenge is considerable. But so too is the opportunity.

Europe possesses the savings, financial expertise, institutions and capital markets required to address its housing challenge. What is needed now is a framework capable of bringing these elements together.

Building that Housing Ecosystem may ultimately prove to be one of the most important investments Europe can make in its future.

On behalf of the EMF-ECBC, we would like to express our sincere gratitude to all contributors, members, partners and institutions whose expertise and commitment have made Hypostat 2026 possible.

Their contribution once again demonstrates that the strength of our community lies not only in the resilience of its markets, but in our shared determination to ensure that finance continues to deliver tangible benefits for citizens, economies and societies across Europe and around the world.

Luca Bertalot, EMF-ECBC Secretary General

- Over the course of 2025, the European economy held up, with EU27 quarterly GDP growth remaining within a narrow 0%–0.50% band every quarter since Q4 2023. However, regions diverged sharply, and geopolitical and trade tensions kept uncertainty elevated.
- EU27 average GDP growth stood at 2.18% in 2025. The European Central Bank cut its deposit rate to 2% in June, reaching that level following a series of cuts that began in 2024.
- EU27 average employment growth was more modest, at 0.54% in 2025. Employment trends were mixed across the bloc: Malta (+3.90%) and Spain (+2.70%) recorded the fastest growth, while Romania (-3.50%), Lithuania (-0.70%) and Latvia (-0.10%) saw employment contract.
- Annual HICP inflation stood at 2.50% in 2025, having eased substantially from its 9.20% peak during the 2021–2022 energy shock. Construction producer price growth, which had earlier outpaced consumer inflation, fell even faster, to 1.22%.
- The EU27 employment rate (the share of the working-age population in work) averaged 76.1% in 2025. Malta (83.60%) and the Netherlands (83.40%) recorded the highest rates, while Italy (67.60%) and Romania (69.00%) were the only Member States below 70%.
- Government debt-to-GDP ratios remained well above the EU's 60% reference value in several Member States, led by Greece (146.1%), Italy (137.1%) and France (115.6%). Household leverage told a different story: the Netherlands (93.3%), Denmark (85.8%) and Sweden (83.4%) carried the largest household debt loads relative to GDP.

HOUSING MARKET

- House prices across the EU27 continued to rise in 2025, keeping the affordability challenge that shaped policy debate through the post-pandemic recovery firmly in focus. The EU27 House Price Index reached 161.93 (2015 = 100), up 5.53% on 2024.
- Housing supply indicators diverged during the year. Building permits issued across the EU27 rose for a second consecutive year, to 1,623,100 (+5.11% on 2024), while housing completions fell for a third straight year, to 1,255,320 (-1.57%), well below their 2022 peak.
- House prices in Europe continued to increase at different rates. Twelve Member States have more than doubled their house price index since 2015: Hungary (366.62), Portugal (263.85), Lithuania (258.11), Bulgaria (249.23), Czechia (245.40), Croatia (227.09), Estonia (220.72), Poland (216.80), the Netherlands (215.15), Slovenia (214.90), Latvia (214.05) and Slovakia (204.22). Finland (99.03) has slipped slightly below its 2015 level.
- Germany remains the only country in the sample to record an owner-occupation rate below 50% (47.20%), the lowest rate in the EU. At the other end, only three countries now exceed 90%: Slovakia (93.80%), Romania (93.20%) and Croatia (91.40%) — Hungary has slipped just below that mark, to 89.80%.
- Year-on-year, Hungary (+5.68%), Portugal (+17.56%), Bulgaria (+14.60%), Croatia (+13.86%) and Spain (+12.70%) recorded the strongest single-year house price gains in 2025. Declines were rare, limited to Greece and Finland.
- Across Europe, housing tenure splits roughly into 43.70% owning outright without a mortgage, 24.80% owning with a mortgage or loan, and 31.50% renting. Mortgage-financed ownership is most common in the Netherlands (57.90%) and Norway (61.60%).

MORTGAGE MARKETS

- Outstanding residential loans have continued to increase steadily. Euro area households owed EUR 6,861,449 million in outstanding loans for house purchase at the end of 2025, up 2.61% from EUR 6,686,775 million a year earlier, extending an unbroken upward trend dating back to 2015.
- EU27 countries continue to divide into distinct groups on Residential Loans-to-Disposable Income Ratios. Luxembourg stands apart at 231.45%, followed by the Netherlands (114.39%) and Malta (109.13%). At the other end, Italy (49.25%), Lithuania (50.85%) and Bulgaria (55.21%) carry comparatively light household debt burdens relative to income.
- The countries with the largest amount of outstanding residential loans per capita are Luxembourg (EUR 97,403), the Netherlands (EUR 36,268) and Germany (EUR 25,113). Bulgaria (EUR 4,468), Lithuania (EUR 6,842) and Croatia (EUR 7,092) sit at the other end.
- Mortgage rates fell almost everywhere between 2023 and 2025. Of 29 countries in the sample, 27 recorded lower average rates in 2025 than in 2023, with the simple average falling from 4.78% to 3.87%. Only France and Norway moved in the opposite direction.
- Hungary recorded by far the largest decline in mortgage rates (-2.65 percentage points, to 7.20%), though it remains, together with Iceland (8.43%) and Poland (6.93%), among the highest-rate countries in the sample.
- Consumers continued shifting from variable to fixed rate mortgages across most of Europe, most sharply in Cyprus (-46.71pp) and Romania (-28.61pp) since 2023. Variable-rate lending remains concentrated in Bulgaria, Estonia, Lithuania, Finland and Latvia, while fixed-rate lending dominates in Slovenia, Slovakia, Croatia, France and Belgium.

NOTE

Hypostat, published by the European Mortgage Federation – European Covered Bond Council (EMF-ECBC), presents annual statistics on EU mortgage and housing markets, as well as data and information on a number of non-EU countries. The present edition, "Hypostat 2026", focuses on developments that took place in 2025, following on from months of financial turmoil and geopolitical crisis. Housing and housing finance are issues that are taking central stage in a new way in global and European political debates.

In the Statistical Tables, data is presented in EUR. This may, however, introduce exchange rate distortions for countries outside the euro area. Please see the exchange rates used in this edition in Table 30 of the Statistical Tables section.

Finally, although Hypostat aims to publish consistent data across countries and over time, not all data can be fully compared between countries, owing to some methodological differences present at the source. The EMF-ECBC strives, through Hypostat, to provide a comprehensive and comparable source of data and information on the mortgage and housing markets of the EU (and beyond). For further information on the definitions and sources used, please refer to the Annex: "Explanatory Note on Data."

Below, please find a list of the abbreviations and stylistic conventions used throughout the publication:

bn	billion
bps	basis points
mn	million
pps	percentage points
q-o-q	quarter on quarter
td	thousand
tn	trillion
y-o-y	year on year
BGN	Bulgarian Lev
BTL	Buy to let
CHF	Swiss Franc
CZK	Czech Koruna
DKK	Danish Krone
DTI	Debt to Income
EC	European Commission
ECB	European Central Bank
EU	European Union
EUR	Euro
FTB	First time buyer
GBP	British Pound
GDP	Gross domestic product
HICP	Harmonised Consumer Price Index
HRK	Croatian Kuna
HUF	Hungarian Forint
ISK	Icelandic Króna
JPY	Japanese Yen
KES	Kenyan Shilling
KRW	South Korean Won
LGD	Loss Given Default
LTI	Loan to income
LTD	Loan to deposit
LTV	Loan to Value
MFI	Monetary and Financial Institution
NOK	Norwegian Krone
NPL	Non-Performing Loan
PD	Probability of Default
PKR	Pakistani Rupee
PLN	Polish Zloty
RMBS	Residential Mortgage-Backed Security
RON	Romanian Leu
SEK	Swedish Krona
TZS	Tanzanian Shilling
USD	United States Dollar
VAT	Value-added Tax

Europe's big affordability problem

By Richard Kemmish, EMF Consultant

It's a familiar and simple problem: house prices have been going up faster than incomes. Whilst we might have been aware of the problem for years, the interest rate rises from 2022 threw it into sharp relief, and to the top of the priority list for politicians. Whilst lower rates in 2025 released some of the pressure, it did nothing to solve the underlying problem, and the Middle East conflict – ongoing as we go to press – and expected concomitant rate rises threaten a new leg of the crisis.

Housing affordability is not a single issue. In the EMFs, Quarterly Review we have looked at four distinct aspects of it over the past year: the broad national-policy response, the private rental sector, schemes to help first-time buyers and, at the other end of the life cycle, the problems for older borrowers, and the challenge of liberating wealth trapped in housing assets. Taken together, the different aspects of the problem suggest a complex, systemic problem, not just a simple mortgage payment to income ratio.

Whilst the problem is a pan-European one (for that matter, global), responses – whether they have been on the supply side, demand support, tax incentives, prudential rules or straight subsidies – have been national; housing policy after all remains a Member State competency in the European Union. This year we have been working with the EMF network of national experts, and reporting results back through the revamped Quarterly Review, to map the problems and, more importantly, the responses in the spirit of cross-border learning.

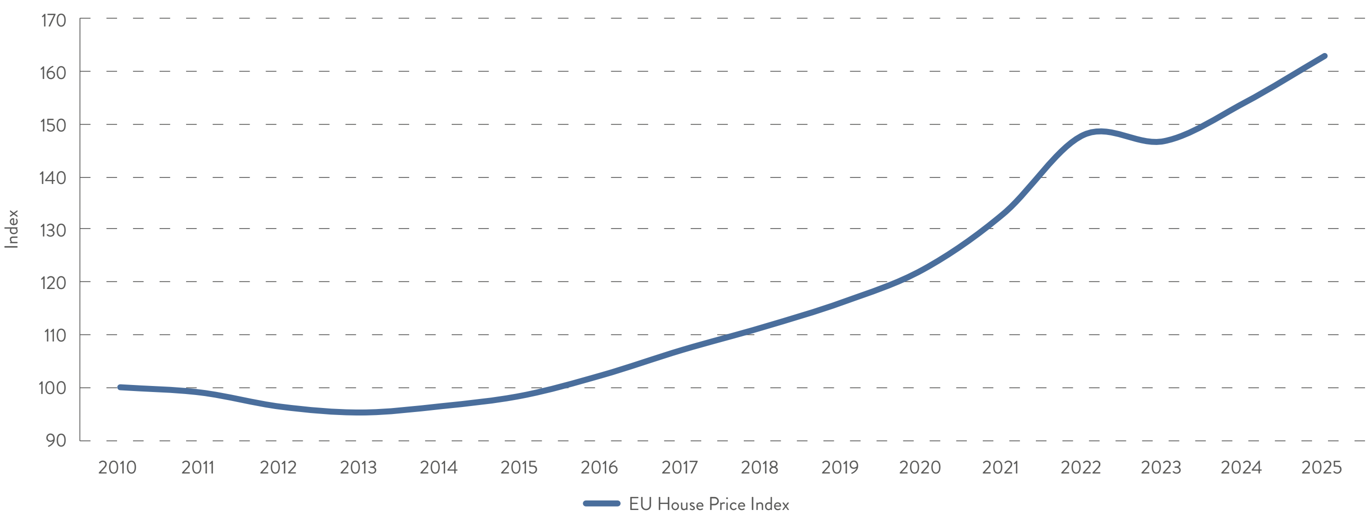
Q1: THE AFFORDABILITY CRISIS AND THE LIMITS OF DEMAND SUPPORT

The housing affordability crisis is at the centre of the European mortgage discussion. In the first edition of the Quarterly Review this year we surveyed national policy responses which made it clear that the problem is not confined to one region, tenure model or interest-rate structure. In markets with strong homeownership traditions, affordability is increasingly about the deposit, and income to debt-service constraints faced by new entrants. In cities with acute supply shortages, even households with good incomes can struggle to compete for scarce homes. In markets with large private rental sectors, the burden is often felt first through rent increases and a lower availability of private rental accommodation.

Policy responses fall into several broad groups. Supply-side measures include planning reform, public housing, social housing investment, construction subsidies and attempts to reduce the notorious administrative and planning delays that dog the sector. Demand-side measures include guarantees, subsidised loans, reduced purchase taxes, housing allowances, lower down-payment requirements and support for groups with particular needs, such as young households, families with children or buyers in rural areas. Rental-market measures include rent controls, tenant protections, landlord incentives and renovation support. Underneath all of this, with banks playing such an important part in mortgage provision, macro-prudential rules can be tweaked to facilitate cheaper, or better mortgages.

The Q1 survey also highlighted the most persistent risk in housing policy: anything that helps households buy homes can increase their purchasing power without the corresponding increase in the number of homes. Support can be targeted but only at the expense of fueling further house price inflation and doing nothing to the average affordability burden. This does not mean that demand-side measures are pointless, just that their design matters. Eligibility, price caps, income limits, location criteria, energy standards and links to new supply are all key in determining whether support improves access or just raises the clearing price of existing homes.

GRAPH 1 | THE INEXORABLE RISE IN EUROPEAN PROPERTY PRICES



Source: Eurostat, House Price Index (prc_hpi_a / prc_hpi_q), index rebased to 2010 = 100.

Q2: THE PRIVATE RENTAL SECTOR AND THE AIRBNB EFFECT

When homeownership is too expensive, more people rent for longer, so the Q2 edition of the Quarterly Review widened the discussion by looking at the rental sector.

Waiting lists for social housing are lengthening across Europe, and the constraints on government funding for new construction are increasing the pressure on private landlords. But at the same time, the private sector faces higher financing costs, stricter regulation, energy-efficiency requirements or reduced tax incentives and, most problematic of all, a limit on their ability to pass these costs on to their tenants as rent caps become more prevalent. Some private landlords have withdrawn from the sector; others are increasingly turning to short-term letting, particularly in cities popular with tourists, sometimes causing tension between tourists and locals.

The survey of our national experts looked at different policy responses to the problem, and at social attitudes towards the so-called 'Airbnb effect'. It showed that short-term letting is not just a matter of property management; it affects neighbourhood stability, tourism, labour mobility, municipal revenues and the ability of local residents to live near work, schools and services. The survey revealed a range of responses to the problem: registration requirements, day limits, licensing systems, neighbourhood bans and greater planning restrictions. Tax policy is also sometimes used to rebalance incentives between tourist use and long-term residential rental.

An in-depth analysis of the French market mapped the long decline in private rental supply as incentives have been reduced, regulation increased and short-term rentals have become more attractive.

Q3: THE FIRST RUNG OF THE LADDER: HOW TO HELP FIRST-TIME BUYERS

First-time buyers are the most visibly affected by the combined pressure of house prices, deposit requirements and affordability tests. Across the countries covered in the Quarterly Review, the variety of support mechanisms is striking. Public guarantees are used to reduce lender risk or lower the deposit hurdle. Subsidised or zero-rate loans reduce the cost of borrowing for targeted households. Stamp-duty reductions, VAT relief, purchase-cost exemptions, grants and shared-ownership structures can help to reduce upfront costs. Some of these schemes are specifically targeted at first-time buyers and younger families in general; others are broader attempts to maintain access to homeownership.

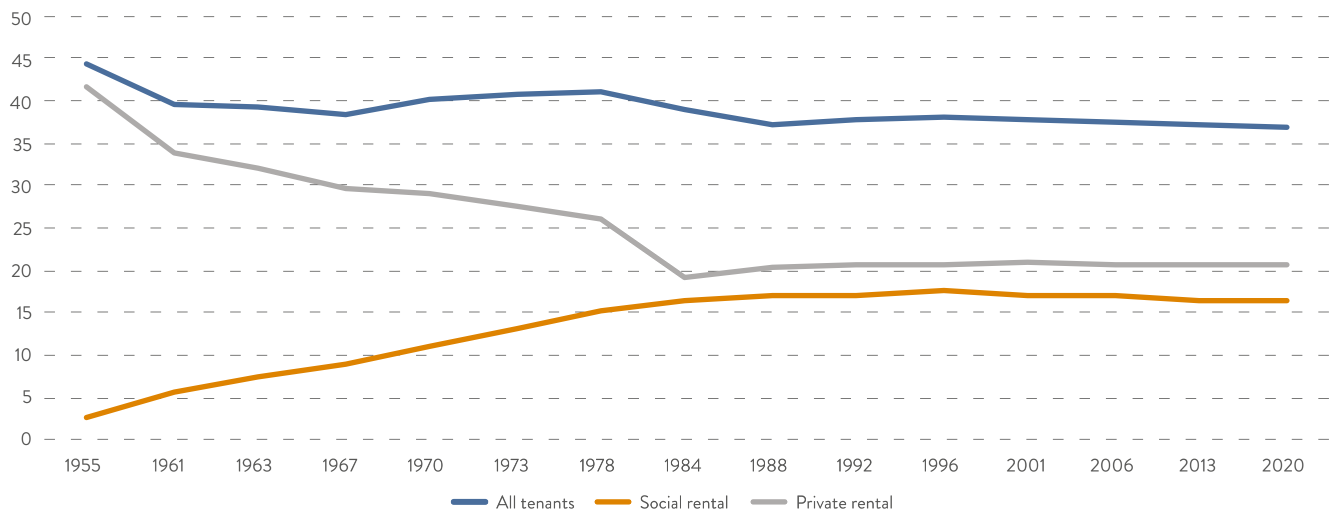
The Hungarian Home Start programme is a good example. It uses a subsidised fixed-rate loan with high permitted LTVs and defined property-price caps. France's zero-interest loan and guarantee structures show a more layered model, combining income and location criteria with support for specific transactions. Romania's New Home programme, Cyprus's VAT reduction for first homes, Malta's easing of deposit requirements and many other examples described in the survey all illustrate the same policy instinct: governments have to find ways to bridge the gap to homeownership, but at the same time not excessively distort the market. And ideally, with minimal fiscal cost for the taxpayer.

Q4: OLDER BORROWERS AND THE NEGLECTED AFFORDABILITY QUESTION

A young buyer's unattainable house price is an older homeowner's valuable asset. For many younger people the only hope for ownership rests with intergenerational wealth transfer, but how can the equity built up in a property over a lifetime be freed up to help the grandchildren?

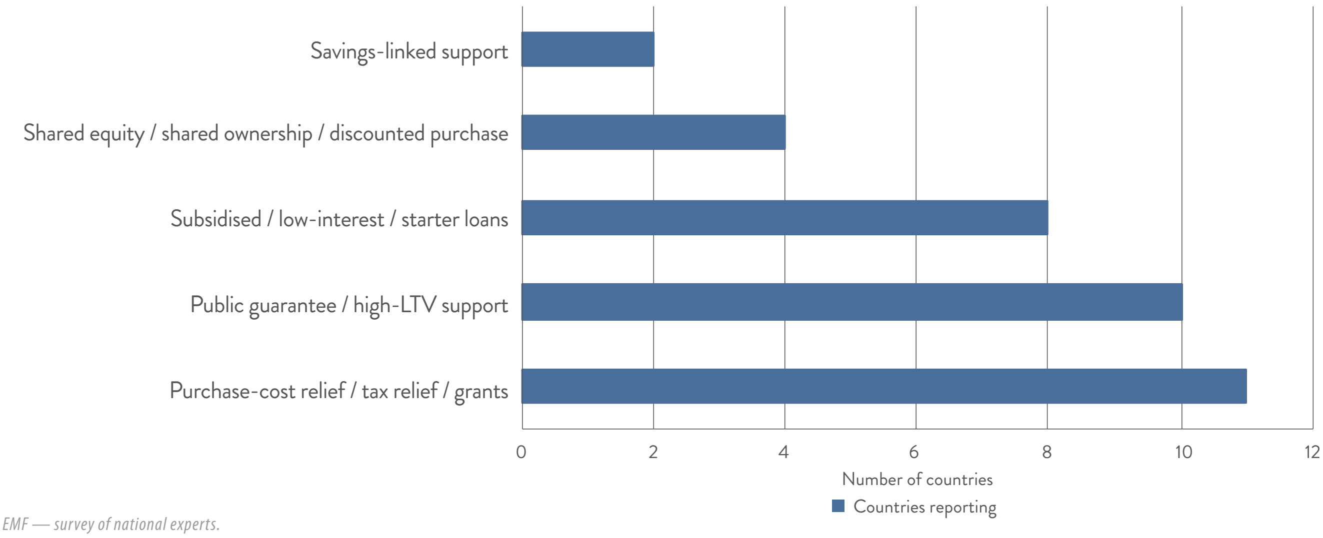
The Q4 edition brought the affordability discussion to a natural conclusion, but one that doesn't attract much attention. Mortgage products and regulations are largely designed for working-age households: they assume employment income, amortisation over a defined term and repayment before or around retirement. None of which fits with an ageing society, or the growth in more informal working patterns.

GRAPH 2 | CHANGE IN THE FRENCH RENTAL HOUSING STOCK BETWEEN 1955 AND 2020 (IN %)



Source: Insee (National housing surveys).

GRAPH 3 | EUROPE'S SUPPORT MEASURES BY TYPE



Source: EMF — survey of national experts.

The survey of senior lending showed that a lot of countries recognise the problem, but few do anything about it. In many countries access to housing finance is capped at retirement age, either by regulation or bank product design.

Only a small number of countries in Europe have products that meet part of the need: retirement interest-only mortgages, lifetime mortgages, home-equity-release products, senior mortgages, bridge loans or secured consumer loans for renovation. Potential problems brought up include designing products that are suitable, understandable, fairly priced and prudently funded.

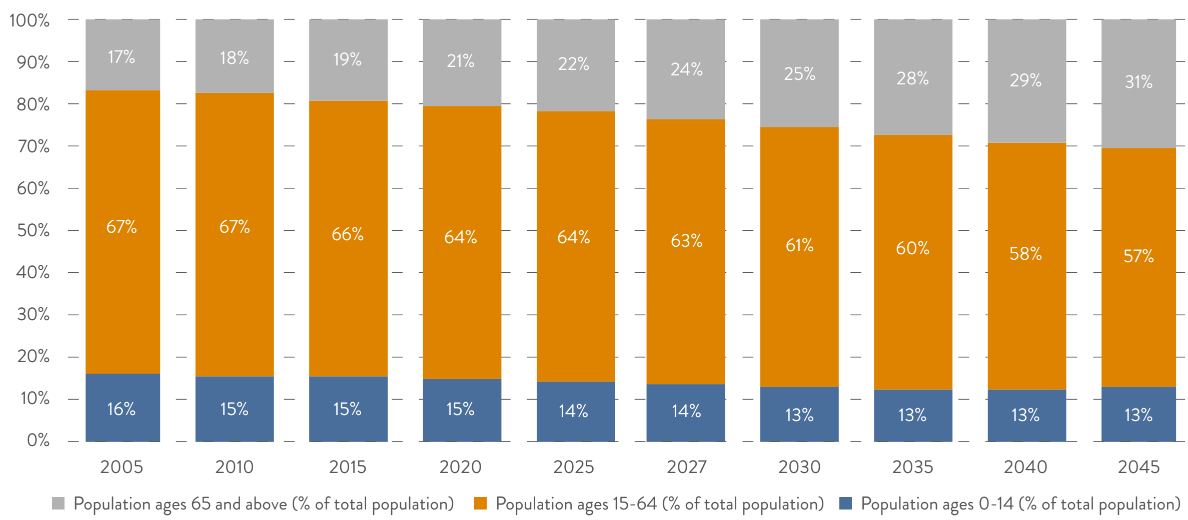
The inclusion of Korea's Home Pension added an important comparative dimension. Korea's government-led reverse mortgage programme was designed as a stay-in-place solution for older homeowners in a rapidly ageing society after commercial bank offerings had proved non-viable. The example is relevant for Europe not because it can be copied mechanically, but because it shows how product design, public support and risk allocation have to be considered together. Equity release raises difficult questions about longevity, consumer protection, inheritance, valuation, financial stability and treatment of the vulnerable. If regulated banking products are unavailable, households may turn to private arrangements that allocate risk poorly or expose older people to unfair outcomes.

A RECOVERY IN LENDING, BUT NOT A RESOLUTION OF AFFORDABILITY

Over the course of 2025 there was a gradual recovery in mortgage activity as rates eased but this should not be confused with a solution to the affordability problem. Falling mortgage rates might help in the short run but they don't create land, shorten planning procedures, reduce construction bottlenecks or expand rental supply. Higher lending can be a sign of market normalisation and, at the same time, coexist with acute affordability pressure.

The most useful conclusion from the four editions of the Quarterly Review is that affordability has to be read across tenures and across the life cycle. A young

GRAPH 4 | EUROPE'S GREY BOOM



Source: Eurostat for past data, World Bank for projections household unable to build a deposit, a renter facing competition from tourists, a family squeezed by higher debt service, a landlord deciding whether to exit the sector, and an older homeowner unable to borrow against their valuable home are all part of the same housing-finance system.

THE POLICY QUESTIONS THAT REMAIN

Several questions recur across the year's discussions. How can governments support first-time buyers without pushing prices higher? How can rental regulation protect tenants without reducing long-term supply? How should short-term letting be managed in cities where tourism and residential need compete for the same homes? How can lenders serve older borrowers without weakening consumer protection or prudential standards? How should energy-efficiency renovation be financed without removing homes from the affordable stock? And how can national schemes be designed so that eligibility criteria remain relevant as prices, incomes and interest rates change?

There is no single or simple answer. Housing systems differ too much in tenure, taxation, planning, demographics, funding structures and political expectations. But the questions are shared. That is what makes the comparative approach valuable. It helps distinguish between policies that are genuinely tailored to national circumstances and policies that are simply familiar responses to common pressures. It also reminds readers that housing finance is no longer a narrow market issue. It is part of the broader debate about social mobility, ageing, urban economies, climate transition and financial stability.

Balancing Affordability, Competitiveness and Financial Stability: Reinforcing Europe's Housing Finance Model

By Peter Jayaswal, Chairman of EMF Economic Affairs Committee & Director, Mortgage and Real Estate Finance, Finance Denmark

A DEFINING MOMENT FOR EUROPE'S HOUSING CHALLENGE

Across Europe, housing affordability has moved to the centre of the economic and political agenda. What was once considered a cyclical or localised issue has become a structural challenge affecting a growing share of European households. Rising costs, limited housing supply, and evolving demographic patterns are making access to adequate housing increasingly difficult.

At the same time, Europe is facing a substantial investment need. Urbanisation trends, the green transition of the building stock and the imperative to increase housing supply all point in the same direction: more capital is needed, and it is needed at scale.

This creates a critical policy question: how can Europe mobilise the necessary investment while preserving financial stability and ensuring that its financial system remains globally competitive?

Too often, this debate is framed as a set of trade-offs between affordability, competitiveness and stability. Yet Europe's experience suggests that this is the wrong starting point. Properly understood, these objectives are not in conflict. They are deeply interconnected and mutually reinforcing.

HOUSING FINANCE MODELS

Europe does not start from scratch. Countries have developed over decades different distinct and resilient housing finance models which have supported both access to housing and financial stability.

Mortgage lending remains a central pillar of financing of owner-occupied dwellings, rental housing and commercial buildings and plays a fundamental role in the European economy. At its core is a system based on long-term relationships between borrowers and lenders, prudent underwriting standards, and strong risk mitigants.

This model is supported by well-established funding structures, most notably the covered bond market, which provides stable, long-term and cost-efficient funding for mortgage credit.

Importantly, this framework has delivered consistently low loss rates on mortgage lending, demonstrating that access to housing finance can be expanded without compromising financial soundness.

In this sense, the covered bond model already embodies the balance that policymakers are seeking. It combines responsible lending, financial stability and broad-based access to credit.

AFFORDABILITY STARTS WITH SUPPLY—BUT DEPENDS ON FINANCE

There is broad recognition that improving affordability requires increasing housing supply. Without a sufficient number of housing units, price pressures will persist.

Yet supply cannot be addressed in isolation. Housing construction, renovation and ownership all depend on access to financing. Mortgage credit is not simply a supporting factor—it is a **core transmission channel** through which housing policies translate into real outcomes.

When financing conditions tighten, the effects are immediate. Borrower's borrowing capacity declines, investment decisions are postponed, and housing projects become more difficult to realise. These dynamics are particularly acute for first-time buyers and other financially constrained groups, who are most exposed to changes in borrowing costs. At the same time, the impact extends beyond owner-occupied housing. Financing conditions are a key determinant of investment in rental housing, and tighter conditions can delay or reduce new developments, thereby affecting supply and reinforcing affordability challenges across the housing market.

A well-functioning housing finance system is therefore essential not only for demand, but also for enabling supply.

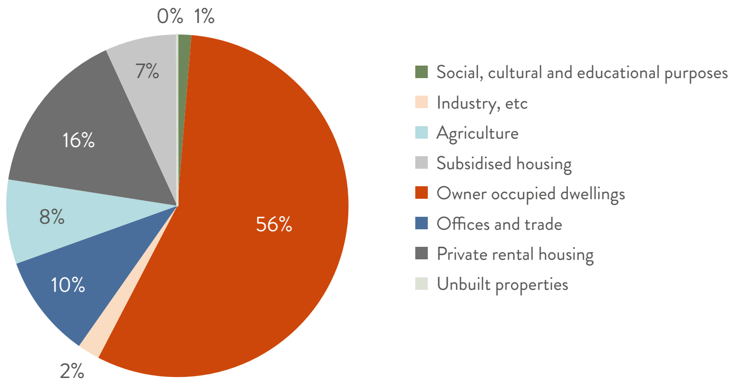
LESSONS FROM THE DANISH HOUSING FINANCE MODEL

While housing markets across Europe differ significantly in structure and institutional design, national experiences can offer valuable insights into how the balance between affordability, competitiveness and financial stability can be achieved in practice.

Denmark provides a useful illustration of how a diversified and well-functioning housing finance system can support different segments of the housing market without compromising prudent lending standards.

A defining feature of the Danish model is the central role of mortgage credit institutions, which operate under a specialised legal framework and provide

GRAPH 1 | MORTGAGE LENDING BY PROPERTY TYPE, 2026 Q1



Source: Finance Denmark.

long-term, transparent and predictable financing for owner-occupied housing. Mortgage lending constitutes the primary financing source for home-ownership and is characterised by conservative loan-to-value limits, strong consumer protection and a high degree of standardisation.

At the same time, the system offers a notable degree of flexibility for borrowers. Households can choose between fixed-rate and adjustable-rate mortgages, different amortisation profiles and the possibility to refinance when market conditions change. This flexibility supports affordability over time, allowing households to adapt their financing to evolving economic circumstances, while maintaining overall risk discipline.

Beyond owner-occupied housing, the Danish system also demonstrates how different financing models can coexist and complement each other.

Private rental housing is primarily financed through bank and mortgage lending under standard prudential frameworks. Here, access to long-term funding and predictable regulatory treatment is essential for ensuring that investors can undertake new developments and maintain existing housing stock. As in other parts of Europe, financing conditions directly influence the supply of rental housing and thus play an important role in overall affordability.

In parallel, Denmark has developed a distinctive and well-established social housing model (*almene boliger*), which provides affordable rental housing for a broad segment of the population. This model is based on a combination of tenant contributions, public support, and mortgage financing.

A central feature of the model is that housing associations are financed predominantly through long-term mortgage lending, typically covering the vast majority of construction and renovation costs. This ensures access to stable and predictable financing conditions, anchored in the Danish mortgage system and its strong link to capital markets.

Public support plays a complementary role. Municipalities provide guarantees for the mortgage loans, thereby reducing risk and funding costs, while the National Building Fund (*Landsbyggefonden*) acts as a collective financing and solidarity mechanism within the sector. The Fund is financed by contributions from the housing associations themselves and supports renovation, modernisation, and social initiatives, helping to maintain the quality and affordability of the housing stock over time.

This public-private financing structure illustrates how risk-sharing mechanisms can mobilise substantial volumes of private capital while maintaining high standards of financial stability. Mortgage credit institutions provide the bulk of the financing under well-defined and prudent frameworks, while public guarantees and sector-based solidarity mechanisms absorb parts of the risk and support long-term affordability.

As a result, the model enables the construction and renovation of affordable housing at scale, without relying solely on public budgets, and demonstrates how market-based financing and public policy objectives can be effectively aligned.

Together, these elements point to a broader lesson: affordability does not require a departure from prudent lending practices. Instead, it depends on well-calibrated frameworks that enable financial institutions to provide financing across different housing segments, supported where appropriate by public instruments.

The Danish experience highlights how:

- A strong mortgage system can support homeownership
- Stable funding frameworks can underpin rental housing investment, and
- Public-private models can effectively deliver affordable housing at scale.

These insights may not be directly transferable to all Member States, but they underline the importance of designing housing finance systems that are diversified, resilient and aligned with local market structures, while remaining consistent with broader European objectives.

THE EVOLVING REGULATORY LANDSCAPE

Prudential rules are indispensable for ensuring resilience and protecting financial stability. At the same time, their design and calibration inevitably influence the availability and cost of credit.

Recent developments in the implementation of Basel standards have brought this issue into sharper focus.

Certain elements, such as the output floor, may have the effect of increasing capital requirements for mortgage portfolios, including exposures that have historically exhibited low risk.

The implications are not merely technical. Higher capital requirements can translate into reduced lending capacity or increased borrowing costs, with direct consequences for households and for housing investment more broadly. As a result, capital charges may become less aligned with actual risk, potentially tying up lending capacity and adding pressure to the provision of housing finance.

This does not call into question the importance of robust regulation. Rather, it highlights the need to ensure that prudential frameworks accurately reflect the underlying risk profile of assets, particularly in segments such as residential mortgages where empirical risk has been consistently low.

COMPETITIVENESS AS A PREREQUISITE FOR AFFORDABILITY

The competitiveness of European lenders is often discussed in the context of global banking markets. However, its relevance goes much further.

European banks operate within an international financial system where regulatory approaches and business models differ across jurisdictions. In some markets, mortgage lending is structured in ways that lead to a different regulatory impact than in Europe's predominantly on-balance-sheet model.

If regulatory frameworks do not take these differences into account, the result can be an uneven playing field. Over time, this can affect the ability of European banks to compete effectively, both domestically and internationally.

For European banks to provide financing in general – including for housing – they need access to capital. To a large extent, this is capital that banks must raise in global capital markets, where European banks are in direct competition with, among others, US banks. In order to ensure competitive pricing of housing finance, banks must be able to attract capital on attractive and market-based terms. It is therefore also important to safeguard the international competitiveness of European banks.

FINANCIAL STABILITY AS PART OF THE SOLUTION

Financial stability is sometimes presented as a constraint on housing finance. In reality, it is an essential part of the solution.

A stable financial system:
- Ensures continuous access to credit across economic cycles,
- Reduces funding volatility, and
- Supports long-term investment decisions.

The Danish mortgage model provides a clear illustration as mentioned above. Its conservative features, long-term funding structures and strong legal frameworks have contributed to a system that is resilient even in periods of stress.

Importantly, financial stability does not require uniform or overly conservative treatment of all assets. Existing supervisory and macroprudential tools already allow authorities to address emerging risks in a targeted manner.

NEED FOR BETTER FRAMEWORK CONDITIONS IN EUROPE

Europe's housing challenge is complex, but it is not without solutions.

At its core, the issue is not about choosing between affordability, competitiveness and financial stability. It is about designing a framework in which these objectives reinforce each other – and with better framework conditions in place, the foundation is laid for creating opportunities for growth in Europe.

Most recently, the Federal Reserve's March 2026 proposal for the implementation of the Basel rules has shown that the US is tailoring Basel implementation to its domestic markets. The Federal Reserve's recent proposals aim to "simplify and improve the capital framework by enhancing its risk sensitivity and consistency while retaining the robustness of requirements".

Specifically, European rules should ensure that, for low-risk residential mortgage loans, the transitional arrangement in the output floor under Article 465(5) CRR is made permanent at the current level and extended where justified by loss data to commercial mortgage exposures. This would preserve risk sensitivity, reflect Europe's empirically low mortgage losses and avoid unnecessary increases in financing costs under the output floor. There is also a clear need to make the transitional treatment in the output floor for unrated corporate exposures permanent.

More generally, Europe needs a growth-friendly regulatory and prudential framework that avoids unnecessary increases in capital requirements unrelated to actual risk.

From Mortgage Affordability to Housing Delivery: Why PPPs Matter for Europe's Housing Supply Agenda

By Antonio Campagnoli, Immediate Past World President, FIABCI, Founder Partner, IL PUNTO Real Estate Advisor / CORFAC International, Partner, LEXCC – Law Firm

INTRODUCTION: THE MISSING SIDE OF THE AFFORDABILITY DEBATE

Housing affordability has become one of the defining economic, social and political challenges of our time. Across Europe and beyond, households face a combination of rising housing costs, limited access to ownership, increasing rental pressure, demographic change, urban concentration and growing inequalities between territories, generations and income groups.

From FIABCI's international perspective, the same pattern is increasingly visible across very different markets: affordability pressures are not only the result of financing conditions, but also of insufficient delivery capacity, fragmented governance and weak project pipelines.

The mortgage and housing finance sectors are naturally central to this debate. Interest rates, credit conditions, prudential rules, public guarantees, household income and investor appetite all influence the ability of families and individuals to access adequate housing. Hypostat, as the European Mortgage Federation's flagship statistical report on housing and mortgage markets, plays an important role in documenting these dynamics and providing a reference point for institutions, lenders, investors and policymakers.

However, the affordability debate is often incomplete. It tends to focus heavily on demand-side instruments: mortgage support schemes, fiscal incentives, subsidies to households, guarantees for first-time buyers and measures designed to improve access to finance. These tools are important, but they cannot solve the housing crisis alone.

The fundamental issue is increasingly clear: Europe does not only need more housing finance. It needs more financeable housing.

In many markets, the problem is no longer simply whether households can obtain credit, but whether there is an adequate supply of homes that are affordable, sustainable, well located, properly serviced and capable of meeting changing social needs. If new supply remains insufficient, fragmented or too slow to reach the market, demand-side measures may risk increasing prices rather than improving access.

This is why the housing affordability agenda must be reframed as a supply-side and implementation challenge. The question is not only how to finance housing demand, but how to create the conditions for the delivery of new and regenerated housing supply at scale.

THE SUPPLY-SIDE BOTTLENECK

The European housing challenge is not uniform. Each country has its own legal system, planning framework, tenure structure, mortgage culture, construction market and social housing tradition. Yet many bottlenecks are common across jurisdictions.

First, planning and permitting procedures often remain lengthy, fragmented and uncertain. Even where capital is available, the transformation of a site into a deliverable project may take years. This creates execution risk, discourages long-term investment and increases development costs.

Second, construction costs, technical requirements, energy performance standards and labour shortages have increased the complexity of housing delivery. The European Commission's affordable housing agenda expressly recognises the need to boost housing supply by removing barriers and improving construction productivity, including through innovation, digitalisation and new methods of construction.

Third, the availability of land and public assets is often not matched by effective implementation capacity. Many public authorities own buildings, land or urban areas that could be converted, regenerated or intensified for affordable housing purposes, but lack the technical, financial or organisational capacity to structure bankable projects.

Fourth, housing affordability increasingly requires integration with infrastructure, services and urban regeneration. A home is not affordable merely because its rent or price is below market level. It must also be connected to transport, schools, health services, green spaces, energy infrastructure, employment opportunities and community facilities. Otherwise, the apparent affordability of the dwelling may be offset by higher costs of mobility, energy or social exclusion.

Finally, there is a persistent gap between policy ambition and execution. Governments often announce housing targets, but the actual pipeline of deliverable projects remains insufficient. Recent European housing analysis has underlined that needs for affordable homes exceed supply and that many construction targets are being missed.

The result is an implementation gap: capital may exist, policy objectives may be clear, and social demand may be urgent, but the ecosystem required to transform these elements into delivered homes is often weak.

HOUSING AS SOCIAL INFRASTRUCTURE

To address this gap, housing should increasingly be understood not only as a real estate asset or a household consumption good, but as social infrastructure. Social infrastructure refers to the physical and organisational systems that allow communities to function: schools, hospitals, public spaces, care facilities, cultural assets, sport facilities and, increasingly, housing. Adequate housing is a precondition for labour mobility, demographic stability, social cohesion, education, health outcomes and economic productivity.

This is particularly evident in cities and metropolitan regions where the shortage of affordable housing affects not only vulnerable groups but also key workers, students, young families, elderly people, public employees and middle-income households. When these groups are priced out of urban areas, the issue is no longer only private hardship. It becomes a structural constraint on the functioning of the city and the economy.

Treating housing as social infrastructure has several implications.

First, affordability should be measured over the long term, not only at the moment of acquisition or lease. The cost of housing includes energy performance, maintenance, mobility, access to services and resilience over the life of the asset. Second, affordable housing should be embedded in mixed-use, socially balanced regeneration projects. The objective should not be to produce isolated units, but to create liveable neighbourhoods.

Third, public intervention should move from occasional subsidy to long-term stewardship. The public sector does not need to do everything directly, but it must define objectives, protect affordability, structure incentives and ensure continuity.

Fourth, institutional capital should be mobilised not only as a source of funding, but as a long-term partner in the creation and management of stable housing ecosystems.

This approach is particularly relevant for the mortgage and covered bond community. The long-term health of mortgage markets depends not only on the availability of credit, but on the existence of resilient, sustainable and affordable housing stock capable of supporting household formation, urban development and financial stability.

PPPS: BEYOND PROCUREMENT AND BEYOND FINANCING

Public-private partnerships are often discussed in narrow terms: as procurement tools, concession structures or mechanisms to mobilise private finance for public assets. In the housing sector, this definition is too limited.

A modern housing PPP should be understood as an implementation platform. Its function is not simply to replace public expenditure with private capital. Rather, it is to bring together land, planning powers, public objectives, private development capacity, long-term capital, risk allocation, asset management, community needs and measurable social outcomes.

In this sense, PPPs can help address several supply-side constraints.

They can transform public land or underused assets into affordable housing programmes while preserving public policy control. They can allocate risks more efficiently between public authorities, developers, operators, lenders and investors. They can integrate design, construction, financing, operation and lifecycle maintenance. They can create long-term contractual frameworks that protect affordability beyond the initial political cycle. They can also make projects more bankable by clarifying revenue streams, public contributions, governance rules and performance obligations.

This is particularly important because affordable housing projects often sit between market and non-market logic. They may not be fully viable on purely commercial terms, but they are not necessarily traditional public works either. They require blended models: public land, concessional finance, institutional investment, regulated rents, availability payments, tax incentives, guarantees, impact capital and sometimes community participation.

THE PPP FRAMEWORK CAN PROVIDE THE ARCHITECTURE FOR THIS COMPLEXITY

However, PPPs must be designed carefully. Poorly structured PPPs can create rigidity, excessive transaction costs, unclear accountability or inappropriate risk transfer. The lesson from infrastructure PPP practice is that the public sector should not transfer risks that the private sector cannot control. Instead, risks should be allocated to the party best able to manage them: planning risk, construction risk, demand risk, financing risk, operational risk, maintenance risk, political risk and social acceptance risk.

In affordable housing, this logic is essential. If the public sector wants long-term affordability, it must define it contractually. If investors are expected to provide patient capital, they need regulatory stability and predictable cash flows. If communities are expected to accept densification or regeneration, they need visible benefits and early engagement.

FROM PPP TO 5P: PUBLIC, PRIVATE, PEOPLE, POLICY, PARTNERSHIP

The traditional PPP model is no longer sufficient to address the complexity of housing affordability. Housing is too socially sensitive, too politically visible and too connected to urban identity to be treated as a bilateral transaction between a public authority and a private developer.

A broader model is needed: Public–Private–People–Policy–Partnership.
The "Public" dimension remains essential. Public authorities define the general interest, provide planning frameworks, mobilise land, regulate affordability and ensure accountability.

The "Private" dimension brings development capacity, technical expertise, innovation, operational efficiency and investment discipline.

The "People" dimension recognises that housing projects affect communities, households, neighbourhoods and local economies. Without social legitimacy, housing supply can be blocked by resistance, litigation or political conflict.

The "Policy" dimension is critical because individual projects cannot succeed if they are not aligned with broader housing, fiscal, planning, environmental, energy and social policies.

The "Partnership" dimension is the governance mechanism that connects these elements over time.

This 5P approach is particularly suited to affordable housing because it shifts the discussion from individual transactions to ecosystems. It also reflects the fact that housing affordability cannot be solved by one actor alone. It requires coordinated action between municipalities, national governments, financial institutions, developers, investors, housing associations, communities, universities, employers and civil society.

In this perspective, PPPs are not merely contracts. They are tools for ecosystem activation.

INSTITUTIONAL CAPITAL AND THE NEED FOR INVESTABLE PIPELINES

One of the paradoxes of the housing affordability debate is that there is significant long-term capital seeking stable, sustainable and impact-oriented investment opportunities, while many cities suffer from an acute shortage of affordable housing.

The problem is not always lack of capital. It is often lack of investable pipelines.

Institutional investors require scale, transparency, governance, predictable regulation, measurable performance and professional asset management. Affordable housing projects are frequently too small, too fragmented or too dependent on uncertain public decisions to attract institutional capital efficiently.

This is where public authorities and PPP structures can play a catalytic role. By aggregating assets, standardising contractual models, clarifying affordability obligations, reducing planning uncertainty and creating replicable project pipelines, public actors can transform isolated opportunities into an investable asset class.

This also matters for lenders and mortgage institutions. A more stable supply of affordable and energy-efficient homes can support healthier housing markets, reduce pressure on household debt, improve urban resilience and contribute to the long-term sustainability of the mortgage ecosystem.

The key is to move from project-by-project improvisation to programme-based delivery.

A programme-based approach allows public authorities to define clear objectives: number of units, target groups, affordability levels, tenure mix, energy performance, social infrastructure, financing structure and monitoring criteria. It also allows private and institutional actors to evaluate opportunities at sufficient scale.

The relationship between supply-side barriers and PPP / 5P responses can be summarised as follows:

TABLE 1 | FROM SUPPLY-SIDE BOTTLENECKS TO PPP / 5P RESPONSES

SUPPLY-SIDE BOTTLENECK	PPP / 5P RESPONSE	POTENTIAL IMPACT ON HOUSING AFFORDABILITY
Underused public land and assets	Long-term regeneration PPPs, concessions or development agreements that mobilise private delivery capacity while preserving public control	Activation of dormant assets, lower land-related costs and faster creation of affordable housing supply
Planning and permitting uncertainty	Programme-based public frameworks, coordinated procedures and clear public commitments	Lower execution risk, greater investor confidence and shorter delivery timelines
Fragmented and small-scale projects	Aggregation of projects into investable pipelines through standardised contractual, financial and governance models	Ability to attract institutional capital and reduce transaction costs
Insufficient project bankability	Blended finance structures combining public land, regulated revenues, public contributions, guarantees or impact capital	Improved financial sustainability for projects that would not be viable on purely market terms
Lack of lifecycle management	Long-term operating models covering design, construction, financing, operation and maintenance	Better asset quality, lower maintenance risk and more stable total housing costs
Social resistance to regeneration or densification	People-centred engagement, community benefits, social impact commitments and transparent governance	Greater local acceptance, fewer delays and stronger social legitimacy
Weak alignment between housing, infrastructure and services	Integrated 5P governance connecting housing policy with transport, energy, schools, health, care and public space	Creation of genuinely affordable neighbourhoods, not only lower-cost housing units

The purpose of these models is not to replace public responsibility, but to make public housing objectives deliverable. The public sector remains responsible for defining the general interest, protecting affordability and ensuring accountability, while the partnership model provides the operational architecture through which land, capital, technical capacity and long-term management can be aligned.

ITALY'S EMERGING EXPERIENCE: FROM HOUSING POLICY TO INTEGRATED REGENERATION

Italy offers an interesting example of this shift. The new Piano Casa reflects a broader attempt to move beyond traditional housing subsidies by combining affordable housing supply, urban regeneration, the recovery of existing building stock, procedural simplification and the mobilisation of private and institutional capital.

The Italian case is relevant not because it provides a fully completed model, but because it illustrates the broader European transition from housing policy as subsidy to housing policy as implementation architecture. In this perspective, housing policy is no longer conceived only as a matter of public expenditure or household support, but as a coordinated framework capable of activating land, planning powers, private investment, institutional capital and long-term public-interest obligations.

Several elements are significant.

First, the focus on regeneration reflects the need to use existing urban assets more efficiently. In mature European cities, affordability cannot be addressed only through expansion. It must also involve reuse, densification, conversion and upgrading of existing stock.

Second, the involvement of institutional capital recognises that public budgets alone cannot meet the scale of the challenge. However, private capital must be aligned with public objectives through clear rules, long-term affordability constraints and transparent governance.

Third, the emphasis on integrated programmes reflects the idea that affordable housing should not be separated from infrastructure, services and urban quality.

Fourth, the Italian debate shows the importance of legal and administrative frameworks. Without clear procedures, bankable structures and predictable public-private cooperation, even well-intentioned housing policies risk remaining under-implemented.

This is consistent with a wider European trend. The European Affordable Housing Plan places supply, investment mobilisation, construction productivity and regulatory coordination at the centre of the EU housing agenda.

In this sense, the Italian experience confirms that the central issue is not only the availability of capital or the announcement of housing targets, but the creation of reliable implementation frameworks capable of turning policy objectives into deliverable projects.

IMPLICATIONS FOR THE MORTGAGE AND COVERED BOND ECOSYSTEM

Why should this matter to the mortgage and covered bond community?

This matters because mortgage markets do not operate in isolation; they depend on the underlying structure of the housing supply.

If supply is constrained, prices rise, households borrow more, first-time buyers are excluded and public support schemes become less effective. If rental markets are under pressure, household savings capacity declines and the transition to ownership becomes more difficult. If construction slows, the future stock of energy-efficient and affordable homes becomes insufficient. If urban workers cannot live near employment centres, economic productivity suffers.

Conversely, a better-functioning supply-side ecosystem can support more stable housing markets. It can create new housing stock, regenerate obsolete assets, improve energy performance, diversify tenure options and support more balanced urban growth. In the long term, this benefits households, lenders, investors and public authorities.

The covered bond market, with its long-term orientation and close connection to mortgage finance, has a particular interest in the quality and sustainability of the housing ecosystem. Affordable, resilient and energy-efficient housing stock supports more sustainable collateral, more stable communities and more inclusive access to housing finance.

This does not mean that mortgage institutions should become developers or public authorities. But it does mean that housing finance actors should participate in the policy conversation on supply-side delivery. They can contribute data, risk assessment, financing expertise, standardisation, green finance tools and long-term market discipline.

CONCLUSION: FROM AFFORDABILITY MEASURES TO DELIVERY ECOSYSTEMS

The housing affordability crisis cannot be solved by demand-side measures alone. Mortgage support, guarantees and subsidies may help households access finance, but they cannot create homes where supply is structurally insufficient. The next phase of the housing agenda must therefore focus on delivery: how to create, regenerate, finance and manage affordable housing at scale.

PPPs can play an important role, but only if they are understood as implementation platforms rather than merely financing devices. Their value lies in connecting public objectives, private capacity, institutional capital, risk allocation, community legitimacy and long-term governance.

The broader 5P model – Public, Private, People, Policy, Partnership – provides a useful framework for this transition. It recognises that housing is not only a market product, but social infrastructure. It also recognises that the real challenge is not simply to make housing finance more accessible, but to make affordable housing more deliverable.

For Europe, the central question is no longer whether housing affordability matters. That is now clear. The question is whether public authorities, financial institutions, investors and real estate actors can build the delivery ecosystems required to respond at the necessary scale.

In short: Europe does not only need more housing finance. It needs more financeable housing, and more effective partnerships to deliver it.

Regulation as a Key Enabler: How to Mobilise Private Capital for Affordable Housing and Reconstruction

By Olaf Pimper, Commerzbank AG, Group Treasury, Global Liquidity & Risk Management, Liquidity Portfolio Management

INTRODUCTION

Affordable housing is in short supply in many parts of the world – and this is by no means limited to emerging markets. Even in highly developed economies, public and private actors are reaching their limits: projects are not economically viable, permitting is slow, and risks are distributed unevenly. At the same time, one thing is abundant in the global financial system: capital.

Banks, insurance companies, pension funds and other institutional investors manage vast amounts of money that must be invested in a long-term, stable and profitable way. Yet between this capital surplus and the obvious need for housing, there is a persistent gap. The reason is not a shortage of money, but a shortage of investable structures.

This article looks at the issue from the perspective of an institutional investor with a bank treasury background. It explains why good political intentions are not enough, how regulation drives investment decisions, and how smart framework design can mobilise private capital for affordable housing and for the reconstruction of war-affected regions – in particular Ukraine.

1. CAPITAL IS THERE – BUT INVESTABLE STRUCTURES ARE MISSING

At the global level, the problem is not a lack of capital. On the contrary: Institutional investors are sitting on substantial funds that need to be deployed over long horizons. Demographic trends, savings surpluses and regulatory requirements for stability all contribute to large pools of capital searching for safe, long-term investments.

At the same time, housing shortages are acute in many countries:

- In major cities of advanced economies, rents and purchase prices are rising faster than incomes.
- In emerging markets, basic housing structures are often insufficient or informal.
- Political objectives – such as social inclusion, rent stability or energy-efficient housing – increase complexity further.

The obvious question is: why does this available capital not flow sufficiently into affordable housing?

The answer lies in the quality of the framework conditions. Three aspects are particularly important:

1. **Regulatory uncertainty or opacity**
   If investors do not know how their exposures will be treated from a regulatory perspective – for example in terms of capital requirements, risk weights or the recognition of collateral – they hesitate or demand substantial risk premiums.
2. **Poor risk-sharing between the public and private sectors**
   If the private side bears most of the risk, only the most profitable projects are financed. Less profitable, but socially crucial, projects simply do not happen.
3. **Misalignment between political goals and economic realities**
   Political measures that suppress rents or cap returns without compensating for the loss of income through tax reliefs, guarantees or more efficient processes make projects unattractive for private capital.

It is crucial to recognise: housing development is capital-intensive, long-term and operates with relatively low margins. Without stable and economically rational framework conditions, private investors cannot fully assume their potential role in providing affordable housing.

2. THE BANK TREASURY PERSPECTIVE: REGULATION IS NEVER A SIDE ISSUE

From a bank treasury perspective, investment decisions are never based solely on risk and return. A third, often decisive dimension is regulatory treatment.

Capital tends to flow where:

- Capital requirements are predictable and stable,
- Collateral is recognised by regulators and supervisors,
- Assets can be reflected efficiently on the balance sheet.

An investment may appear attractive economically – for instance, because of stable cash flows, solid collateral or strong underlying demand. But if it is penalised by regulation – for example through high risk weights or unfavourable classification – the bank has to allocate more equity to this exposure.

Higher capital consumption reduces risk-adjusted returns from the bank's perspective. As a consequence, the relative attractiveness of such loans drops compared to other alternatives.

The outcome is straightforward:

- These investments either do not materialise at all, or
- They are undertaken in smaller volumes than economically possible, and
- Pricing conditions become less attractive for borrowers.

The key message is clear:
Anyone seeking to mobilise private capital – especially from regulated institutions such as banks and insurers – must consider **regulatory investability** from the very beginning. Regulation is not something that comes after the design of a programme; it needs to be an integral part of the design.

GRAPH 1 | THE THREE DIMENSIONS OF AN INVESTMENT DECISION

Capital flows to assets where risk, return and regulatory treatment are in balance.

3. AFFORDABLE HOUSING: GOOD INTENTIONS ARE NOT ENOUGH

Affordable housing does not emerge from good intentions alone. It is the result of functioning economic models.

Key elements of such models are:

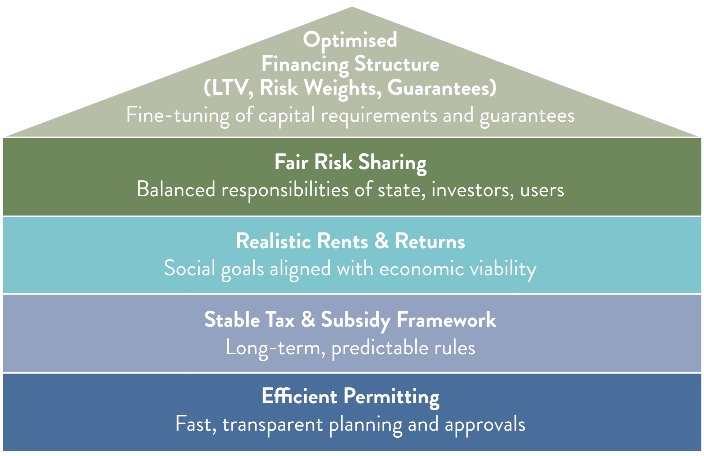
1. **Reliable and efficient permitting procedures**
   Long, unpredictable and bureaucratic permitting processes increase costs and risk. Investors either factor this into higher required returns or stay away altogether.
2. **Predictable tax frameworks**
   Tax reliefs, depreciation rules or subsidies need to be reliable and long-term. Frequent changes or retroactive adjustments undermine trust and discourage long-term commitments.
3. **Realistic assumptions for rents and yields**
   Political interventions, such as rent caps, may be justified from a social point of view. However, if they are not balanced with construction and financing costs, projects become uneconomical. Social goals must be translated into business cases that still work.
4. **Fair risk allocation between the state, investors and end-users**
   The state can mitigate risk via guarantees, subsidised loans or by providing land. Investors accept moderate returns in exchange for stability and risk-sharing. Tenants and homeowners contribute through rents or repayments at a level they can afford.

One particularly important component is the **financing structure**. Seemingly small adjustments in parameters such as:

- Loan-to-value limits (LTV),
- Risk weights for regulatory capital,
- Scope and depth of guarantee mechanisms,

can materially change the all-in cost of credit and thus determine whether a project is viable or not. In a low-margin sector like residential real estate, these details often make the difference between "go" and "no-go".

GRAPH 2 | THE BUILDING BLOCKS OF A SUSTAINABLE AFFORDABLE HOUSING MODEL



Only when all building blocks are in place can affordable housing be delivered at scale.

4. THE GERMAN CASE: HOW REGULATION CAN REDUCE FINANCING COSTS

The leverage of regulation on financing becomes clear when we look at the current debate in Germany. There, policymakers and regulators are discussing raising the regulatory loan-to-value limit (LTV) for certain real estate financings from 60% to 80%.

This may sound like a technical detail, but it has far-reaching consequences:

- A higher regulatory LTV allows banks to grant higher loans with the same amount of equity.
- For each euro of financing, the **regulatory capital consumption** decreases.
- Lower capital consumption leads to lower required margins for the bank.
- In turn, banks can offer more attractive conditions to borrowers.

Even a reduction in funding costs of as little as **5 basis points (0.05 percentage points)** can, over long maturities and large volumes, determine whether a project moves from "not viable" to "viable".

The effects include:

- Projects that were previously marginal or uneconomic can become financeable.
- The state does not need to deploy additional budgetary resources.
- Regulation acts as a lever that increases the efficiency of existing market mechanisms.

However, this approach is only one part of the equation.
Even if financing conditions improve, they do not automatically solve the problem of limited **housing supply**. Structural issues such as a shortage of building land, limited construction capacity or sluggish administrative processes can overshadow any benefits from cheaper financing.

The lesson:
Adjusting the regulatory treatment of lending is important, but it must be combined with strong supply-side measures. Both sides – financing and actual construction – have to move in tandem.

5. PORTUGAL: WHEN WELL-INTENTIONED MEASURES FUEL PRICE INCREASES

Portugal provides another instructive example.

The government introduced a guarantee scheme covering the top 20% of the loan amount for residential mortgage financing. The aim was to support home ownership, especially for younger generations.

From a social policy perspective, this is understandable. Viewed through a market lens, however, the measure illustrates a familiar problem: the intervention focuses almost exclusively on the **demand side**.

What happened was predictable:

- The guarantee made it easier for households to obtain financing.
- Demand for residential property increased.
- Supply, however, remained constrained.
- As a result, property prices rose further.

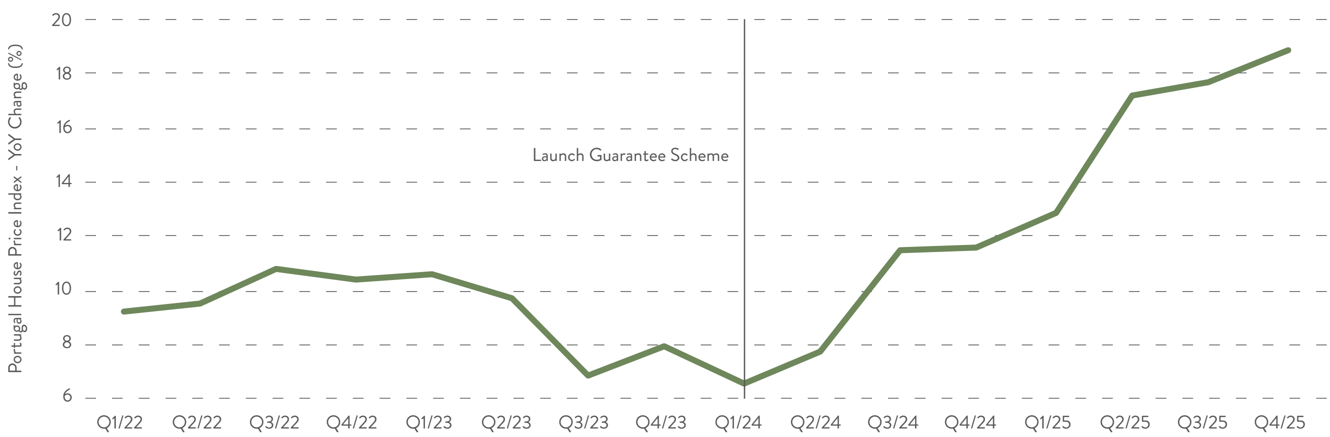
A measure designed to improve affordability unintentionally contributed to making housing more expensive.

For investors, the lesson is clear:
State guarantees can be powerful tools, but only if they are embedded in a **comprehensive strategy** that also includes:

- Expansion of new construction,
- Densification of existing neighbourhoods,
- Mobilisation of building land,
- Simplification and acceleration of permitting processes.

Demand-side support without corresponding supply-side expansion in a tight housing market almost inevitably leads to price inflation. For long-term investors, such distortions are problematic and may reduce the willingness to commit capital.

GRAPH 3 | PORTUGAL: DEMAND WITHOUT SUPPLY



6. REBUILDING WAR-AFFECTED COUNTRIES: UKRAINE AS CHALLENGE AND OPPORTUNITY

A particularly sensitive, yet crucial area is the reconstruction of war-affected countries – most notably Ukraine.

The scale of the reconstruction effort is enormous: infrastructure, housing, energy systems, healthcare facilities and businesses will all need to be rebuilt or modernised. It is clear that **public funds alone will not suffice**. Private capital will have to play a decisive role.

But once again, the same principle applies:
Private capital does not invest in abstract promises; it invests in **concrete structures**.

Essential components include:

1. **Enforceable property rights**
   Investors must have confidence that ownership is recognised, protected and enforceable in practice.
2. **Transparent and reliable investment vehicles**
   Funds, project companies or public-private partnerships must be clearly regulated, auditable and legally robust.
3. **Access to international arbitration**
   In politically or economically fragile environments, international investors need neutral, internationally recognised mechanisms to resolve disputes.
4. **Regulatory recognition in investors' home jurisdictions**
   European banks and institutional investors can only commit significant capital if exposures to Ukraine are manageable under their own regulatory regimes. This includes:
   - Recognition and risk-weighting of collateral,
   - Treatment of sovereign or multilateral guarantees,
   - Clear rules for capital and liquidity requirements.

Given these needs, **public-private partnerships (PPP)** and **guarantee schemes** with multilateral development banks, European institutions and national governments will be crucial. If risks can be shared in a way that is acceptable to both sides, private investors will be more willing to contribute.

There are signs that Ukraine is moving in the right direction, working on legal reforms, institutional frameworks and closer cooperation with international partners. The opportunity is significant: a successful reconstruction, built on transparent and robust structures, could attract long-term capital and support sustainable growth.

7. EUROPE: CAPITAL IS READY – IF IT IS ALLOWED TO WORK

Looking across Europe, one thing is evident:
Investors are willing to:

- Enter new markets,
- Take calculated risks,
- Think in long time horizons.

What they need, however, is not primarily more incentives, but a functional environment:

- **Regulatory clarity**: predictable rules on capital requirements, collateral recognition and supervisory expectations.
- **Consistent and reliable frameworks**: fewer abrupt policy shifts, more long-term orientation.
- **Procedural reliability**: viable projects must not fail because of technicalities, bureaucratic hurdles or uncertainty about regulatory treatment.

Capital is mobile. It flows to projects and regions where risk, return and regulation are in a reasonable balance. If Europe manages to align these three dimensions, substantial volumes of private capital can be mobilised – for affordable housing, sustainable urban development and the reconstruction of war-torn regions.

8. CONCLUSION: REGULATION AS A TOOL TO SHAPE OUTCOMES

Affordable housing, liveable cities and the reconstruction of destroyed regions are not in conflict with economic thinking. In fact, they require sound economic thinking to be sustainable.

What is needed is a shift in perspective:

- View **regulation not as a constraint**, but as a **tool to shape outcomes**.
- Combine **public and private capital intelligently**, using guarantees, PPPs and robust legal frameworks.
- Strengthen the **dialogue between policymakers, regulators and investors** so that projects are structured in a way that is both socially beneficial and attractive to capital providers.

Ultimately, this is not about abstract financial flows or theoretical models. It is about homes, neighbourhoods and living spaces. It is about tangible improvements in people's lives.

If political objectives, regulatory frameworks and economic realities are brought into alignment, private capital will not only be available – it will actively seek these opportunities. The task ahead is to build the structures that enable it to do so.

Affordable Housing: The EU Policy Response

By Beatrice Marin, Luca Bertalot, Jennifer Johnson, European Mortgage Federation – European Covered Bond Council

The year 2025 saw the beginning of a quiet revolution around housing from the perspective of the European Union (EU) institutions. Housing per se has never been a priority topic for the supranational political agenda; rather, it was touched indirectly through related policy files concerning housing finance, renovation, or social rights. This is mostly because in the treaties establishing the existence and functioning of the European Union, there is no legal basis for an EU-level competence on housing, as it remains firmly held at the national level, with complex systems of multilevel governance often involving regional and local authorities, down to the municipal level. EU policy has therefore only shaped housing systems through competences it legally holds: some examples are the Mortgage Credit Directive, Covered Bond Directive, Capital Requirement Regulation and Capital Requirement Directive, through the competence on the internal market and financial regulation, or the Energy Performance of Buildings Directive, Energy Efficiency Directive and Social Climate Fund through the competences on energy and climate policy.

The shift began in the autumn of 2024, at the time of the portfolio allocations for the Commissioners for the 2024-2029 legislative cycle, after elections for the European Parliament took place earlier in the spring. Dan Jørgensen, the Danish Commissioner, was appointed and later approved as the first European Commissioner for Energy and Housing. Among the tasks for his mandate are the delivery of a European Affordable Housing Plan, a strategy for housing construction, and attracting more public and private investment to the sector, alongside energy efficiency, a just transition and reducing energy poverty.

In December 2025, the Commission published the first European Affordable Housing Plan, resting on four pillars (I) boosting supply of social and affordable housing; (II) mobilising public and private investment; (III) immediate support plus structural reforms; and (IV) protecting the most affected groups. The Plan frames housing affordability both as an opportunity to reshape the housing market and promote affordability by acting on the supply side, and as an opportunity to rethink the system from a social policy perspective by including vulnerable households who are most affected by the housing crisis, while focusing on financial innovation and highlighting that public funding must be accompanied by private investment to deliver change.

The Commission's Plan was followed in March 2026 by the adoption of the Report on the housing crisis in the European Union with the aim of proposing solutions for decent, sustainable and affordable housing, prepared by the newly established Special Committee on Housing in the European Parliament and supervised by Spanish MEP Borja Giménez Larraz, belonging to the EPP political group. The Report builds on several of the problems identified by the Commission plan, with a sharp focus on supply-side and construction issues.

An accurate reading of the Plan and the Report clearly explains why housing became a policy priority, as the catalyst and pivot around which many of the current challenges and priorities of the European institutions are currently turning. The current political cycle is built around the idea of relaunching European competitiveness, as concluded in the influential 2025 Draghi Report, which can be achieved by strengthening the Single Market, increasing productivity, and acquiring strategic autonomy both in industrial capacity and geopolitical projection. In housing, the challenge of achieving these goals materialised in the affordability crisis: across the EU, housing and rent prices have increased, and what was an issue mostly confined to urban areas has become generalised, affecting both rural and metropolitan areas across all Member States.

With housing at the core of the functioning of our society, as the place where people live, work, become part of their community, and build families, the connection becomes visible: the housing crisis has become a barrier to Europe's competitiveness because it undermines productivity, makes regions less attractive for investment, and hinders access to employment and workers' labour mobility, creating worker shortages. Moreover, by hurting mobility, access to education and family formation, the housing crisis hampers both the competitiveness of the EU economy and social cohesion. Housing is therefore connected to many of the other "crises" affecting Europe: beyond competitiveness, also demography, by creating constraints on household and family formation; the clean transition, as buildings are the largest single energy-consuming sector; and the investment gap and the Savings and Investments Union, as private finance needs to be mobilised to match investment needs.

These are cross-country, cross-regional issues which affect the EU as a whole, for which housing as a national competence alone would provide insufficient solutions. The EU still has room for action – acting as an enabler through funding, state aid rules, coordination, and the creation of best practices. The Affordable Housing Plan kickstarted the following upcoming and ongoing policy initiatives:

- **Affordable Housing Act**: it will help public authorities identify areas of housing stress on the basis of publicly available data and, respecting subsidiarity, take measures to protect affordability there, including on short-term rentals, alongside supply-side measures on new build, vacant properties, social housing and planning simplification.
- **Pan-European Investment Platform for Affordable and Sustainable Housing**: aimed at addressing an investment gap of around €150 billion a year, via a digital portal, an expert group and voluntary national financing hubs, in synergy with the European Energy Efficiency Financing Coalition. Roughly €10 billion is expected via InvestEU across 2026 and 2027, plus €1.5 billion from cohesion reprogramming.
- **Housing Simplification Package**: one of the European Affordable Housing Plan priorities, focused on permitting and administrative burdens.
- **Housing in the European Semester**: includes structural reform recommendations on spatial planning, social housing and taxation.
- **European Housing Alliance and the Housing Summit**: fora to promote stakeholder convening and the exchange of implementation practices.
- **Citizens Energy Package**: to complement the Plan in 2026, it focuses on reducing energy bills, promoting a just transition and tackling energy poverty.
- **Council Recommendation on fighting housing exclusion**: to be proposed under the 2026 Anti-poverty Strategy, it aims at preventing and addressing homelessness through person-centred, housing-led approaches.

The negotiations of the Multiannual Financial Framework for the years 2028-2034 will reveal the extent to which the European institutions will commit a share of the common budget to housing-related policies. In parallel, work on the Savings and Investment Union, aimed at completing a union of capital markets, is continuing to revise and update files related to mortgage funding and securitisation, including the review of the securitisation legislation and the ongoing discussions on the Basel framework and macroprudential rules.

The planned next steps reveal a strong commitment by the European institutions to tackling the housing crisis not as a replacement, but as a partner to Member States and regional and local authorities, showcasing an exercise of multilevel governance upon which the European institutions are built. The focus on housing as the link to many policy areas directly connected to the current political priorities demonstrates that acting on this crucial sector can have a positive impact beyond strictly solving the problem of housing affordability. Its emergence at the forefront of the European political agenda also highlights the extent to which housing has always been closely connected to the wider objectives of the European project.

A review of European housing and mortgage markets in 2025

By Sage Douglas, Luca Bertalot, Jennifer Johnson, European Mortgage Federation – European Covered Bond Council; Richard Kemmish, External Consultant

Editorial note

This review looks at the European housing and mortgage markets to the end of 2025. The data in this report covers the impact of recent macroeconomic disruptions, increasing prices, trade and energy supply uncertainty, and the ongoing political crises that have shaped countries around the world. Readers will find further information on the current state of the housing and mortgage markets, as well as forward-looking highlights, in the individual country chapters. For more up-to-date information, please see the EMF Quarterly Review.

MACROECONOMIC OVERVIEW

Over the course of 2025, the European Central Bank cut its deposit rate to 2%, having reached that level in June following a series of cuts that began in 2024. Quarterly GDP growth across the EU27 remained within a 0% to 0.50% range in every quarter since Q4 2023, as shown in Graph 1.

Beneath that stable aggregate, different regions of Europe behaved quite differently. On a GDP-weighted basis, Northern Europe recorded the highest average growth over the period, at 0.68% per quarter, ahead of Eastern Europe (0.51%) and Southern Europe (0.45%); Western Europe lagged behind, averaging 0.15%. Southern and Western Europe were the steadiest of the four on a weighted basis, with quarterly growth confined to narrow bands of roughly 0.33 and 0.25 percentage points respectively. Northern Europe, by contrast, was considerably more erratic, swinging from -1.46% in Q4 2023 to 2.74% in Q3 2024 before turning negative again in the following quarters, despite recording the highest average growth of the four regions. A substantial part of this volatility can be traced to Ireland, whose quarterly GDP figures are known for large swings tied to the accounting treatment of multinational corporate activity; Irish growth alone ranged from -4.90% to 7.60% across the two years.

CONSUMER AND CONSTRUCTION PRODUCER PRICE INDICES

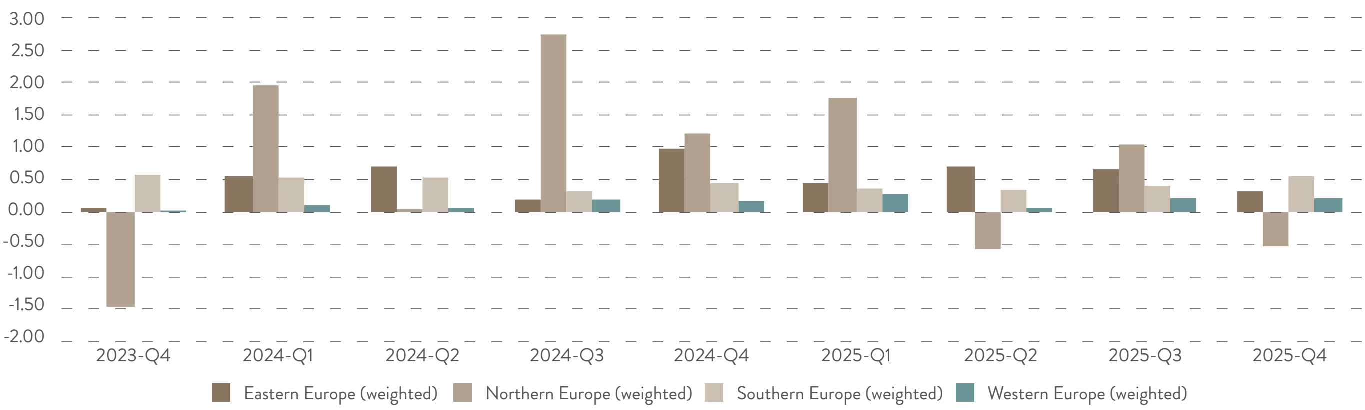
Two related but distinct price measures help complete this picture: the harmonised index of consumer prices (HICP), which tracks the cost of goods and services purchased by households and underpins the ECB's inflation target, and the construction producer price (CPP) index, a narrower business-cycle indicator that captures the costs faced by contractors in the residential building process. The two do not move in lockstep. During the 2021-2022 energy and materials shock tied to the war in Ukraine, construction producer price growth rose considerably faster than consumer price inflation, peaking at 12.20% in 2022 against a HICP peak of 9.20% the same year.

Both measures have since decelerated substantially, but not at the same pace. By 2025, annual HICP inflation stood at 2.50%, while construction producer price growth had fallen further still, to 1.22% – meaning the cost pressures facing residential builders are now easing faster than the general cost of living, having earlier outpaced it. On a cumulative basis, the construction producer price index (2015 = 100) had reached 148.20 by 2025, reflecting the compounding effect of the sharper price rises recorded through the 2021-2023 period.

POPULATION

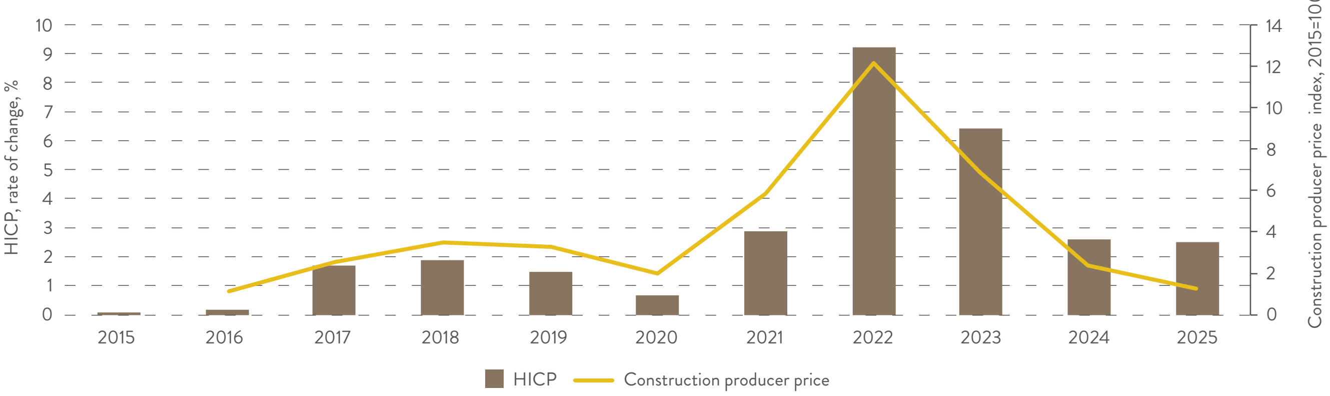
Housing demand is shaped as much by demographic change as by financing conditions, and the period since 2020 has produced a wide spread of population outcomes across the EU27. Population fell in nine Member States over the five years to 2025 – Bulgaria (-7.40%), Croatia (-4.53%), Poland (-3.85%), Greece (-3.23%), Latvia (-2.47%), Hungary (-2.35%), Romania (-1.48%), Italy (-1.17%) and Slovakia (-0.70%) – while four countries grew by more than 5.00%: Malta (+11.60%), Cyprus (+10.69%), Ireland (+9.58%) and Luxembourg (+8.92%).

GRAPH 1 | GROSS DOMESTIC PRODUCT CHANGE BY REGION, %



Sources: Eurostat teina011 (GDP volumes); Eurostat namq_10_gdp (GDP weights, for population/GDP-weighted regional averages)

GRAPH 2 | CONSTRUCTION PRODUCER PRICES AND HICP, EU27 (INDEX: 2015 = 100)

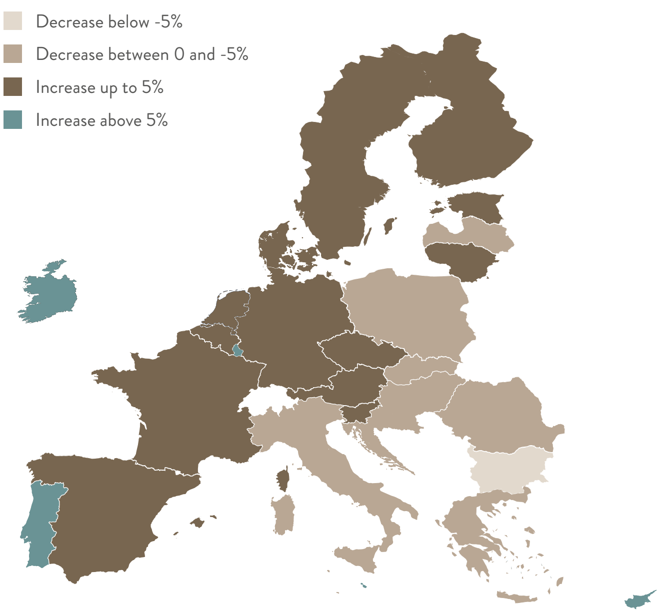


Source: Eurostat, construction producer price index for new residential buildings (sts_copi_a / sts_copigr_a)

Portugal followed at a more moderate +4.44%, the next-highest rate in the bloc. Taken together, this leaves a spread of almost 19 percentage points between the fastest-growing and fastest-shrinking Member States, against an EU27 average of approximately +1.92%.

Ageing is compounding these divergences. The share of the EU27 population aged 80 and over climbed from 3.80% in 2004 to 6.20% in 2025, and the old-age dependency ratio – the number of people aged 65 and over relative to the working-age population – stood at 34.5% at the start of 2025, meaning just over three people of working age for every person aged 65 or above. In Italy (7.80%), Germany (7.20%) and Greece (7.10%), the 80-and-over cohort now exceeds 7.00% of the population outright. Housing supply has not kept pace with either of these trends – population growth in some markets, or the ageing and eventual downsizing needs of residents in others – a mismatch the European Commission's first European Affordable Housing Plan, launched in December 2025, identified as a structural driver of the bloc's housing affordability pressures.

GRAPH 3 | POPULATION EVOLUTION BETWEEN, 2020 AND 2025



Source: Eurostat tps00001

EMPLOYMENT

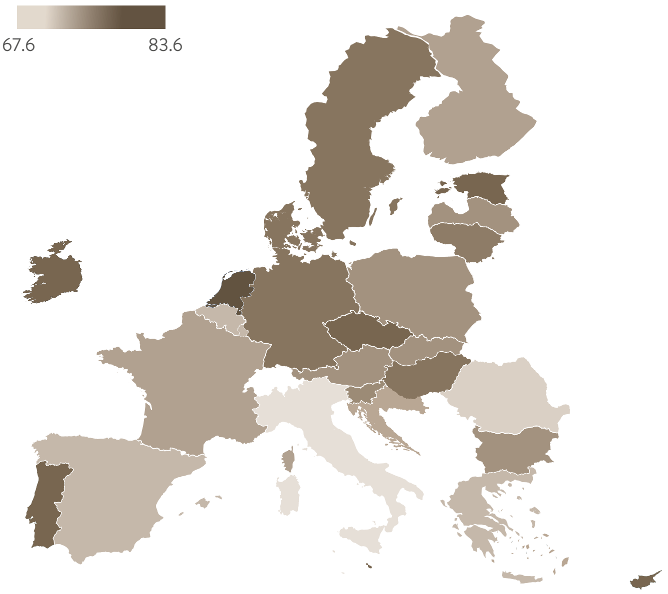
Employment provides a second demand-side lens on the housing market. In 2025, Malta recorded the fastest employment growth in the bloc (+3.90%), followed by Spain (+2.70%), Croatia (+1.80%), Ireland (+1.50%) and Cyprus (+1.20%). At the other end of the distribution, employment contracted in three Member States: Romania (-3.50%), the sharpest fall in the bloc, alongside Lithuania (-0.70%) and Latvia (-0.10%). Germany (+0.10%) and Austria (+0.20%) posted only marginal gains, suggesting employment growth in the bloc's two largest German-speaking economies has largely plateaued.

Looking at employment levels rather than growth rates (Graph 4) – specifically, the share of the working-age population (20–64) that is in employment – the EU27 population-weighted average stood at 76.1% in 2025, though the spread either side of that figure remains wide. Nine countries sit above the 80% mark, led by Malta (83.60%) and the Netherlands (83.40%), followed by Czechia (82.90%), Sweden (81.80%), Estonia (81.70%), Cyprus (81.30%), Germany and Hungary (both 81.10%) and Ireland (80.20%). At the other extreme, Italy (67.60%) and Romania (69.00%) remain the only two Member States below 70%, with Greece (71.00%) not far above that threshold.

Comparing GDP growth against employment growth for 2025 (Graph 5) highlights that faster economic growth did not translate into proportionally faster job creation everywhere. Across the EU27, average GDP growth (2.18%) outpaced average employment growth (0.54%), and the two measures were only moderately correlated (a data-derived correlation of roughly 0.35 across all 27 countries, rising to 0.40 once Ireland, Malta and Romania – the three most extreme outliers on either axis – are excluded) – meaning above-average GDP growth was a reasonable, but far from reliable, predictor of above-average employment growth.

Malta, Spain, Croatia, Ireland and Cyprus combined above-average growth in both measures. A larger group – Luxembourg, Greece, Denmark, Portugal, Italy and the Netherlands – saw employment growth outpace what their GDP growth alone would suggest. Conversely, Slovenia, Poland, Bulgaria, Czechia and Lithuania posted above-average GDP growth without a matching rise in employment, a pattern consistent with productivity-driven rather than labour-driven growth in these economies. The remaining eleven countries – Belgium, France, Sweden, Austria, Finland, Hungary, Slovakia, Estonia, Germany, Latvia and Romania – recorded below-average growth on both measures.

GRAPH 4 | EMPLOYMENT LEVEL IN 2025



Source: Eurostat lfsi_emp_a

GOVERNMENT DEBT AND HOUSEHOLD LEVERAGE

Government debt-to-GDP ratios sit against a specific legislative backdrop: under the EU's reformed Stability and Growth Pact (Regulation (EU) 2024/1263), which entered into force in 2024, Member States remain bound by the Treaty reference values of 60% of GDP for debt and 3% for deficit. Most recently Austria was placed under an excessive deficit procedure during 2025.

Plotting government debt-to-GDP against household loans-to-GDP by country (Graph 6) separates the EU27 along two distinct dimensions of leverage: how much a state borrows, and how much its households borrow. On public leverage, Greece (146.1%), Italy (137.1%), France (115.6%), Belgium (107.9%) and Spain (100.7%) sit well above the rest of the bloc; Estonia (24.1%), Luxembourg (26.5%), Denmark (27.9%) and Bulgaria (29.9%) anchor the opposite end. On household leverage, the Netherlands (93.3%), Denmark (85.8%), Sweden (83.4%), Finland (63.9%) and Luxembourg (61.6%) carry by far the largest household debt loads relative to the size of their economies; Romania (12.5%), Hungary (17.2%), Latvia (19.2%), Lithuania (21.9%) and Poland (22.6%) show comparatively little household debt relative to GDP.

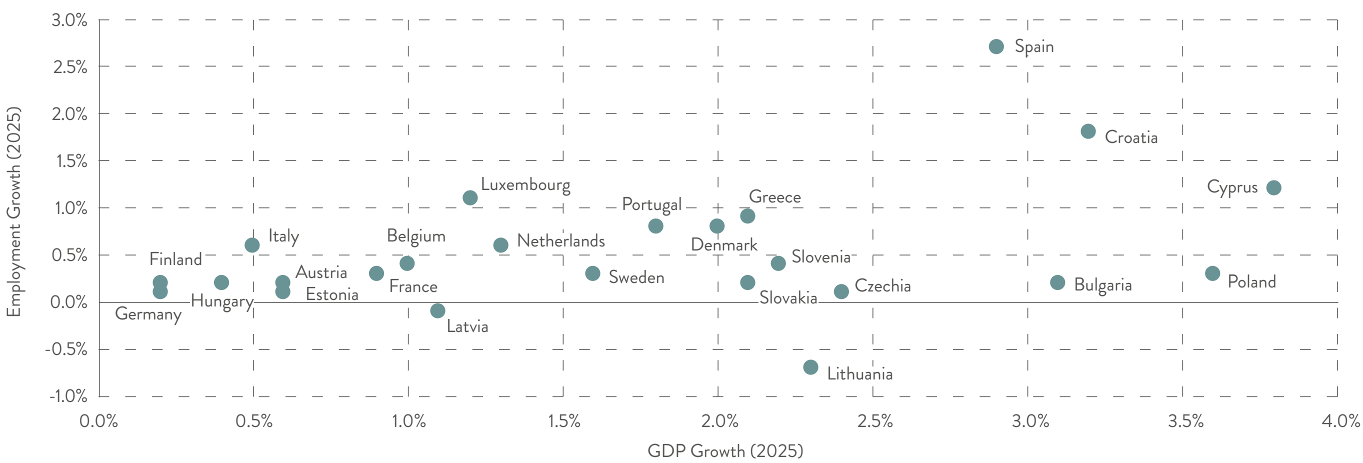
The two dimensions combine in informative ways. Greece and Italy occupy the quadrant of high public debt paired with comparatively low household debt, meaning leverage in these economies sits predominantly with the state rather than the household sector. The Netherlands, Denmark and Sweden sit in the opposite quadrant – comparatively low government debt alongside high household debt – a pattern more commonly associated with market-driven, privately-financed housing systems.

ARREARS AND REFINANCING

Arrears data provide a complementary measure of mortgage-market stress alongside the debt and leverage indicators discussed above. According to Eurostat's EU-SILC survey, 9.2% of the EU population lived in a household in arrears on mortgage or rent, utility bills, or hire-purchase payments in 2024. This population-wide average conceals substantial variation by household type: the arrears rate rose to 17.2% among single-adult households with dependent children and 16.6% among households with two adults and three or more dependent children, against the 9.2% recorded for the population as a whole.

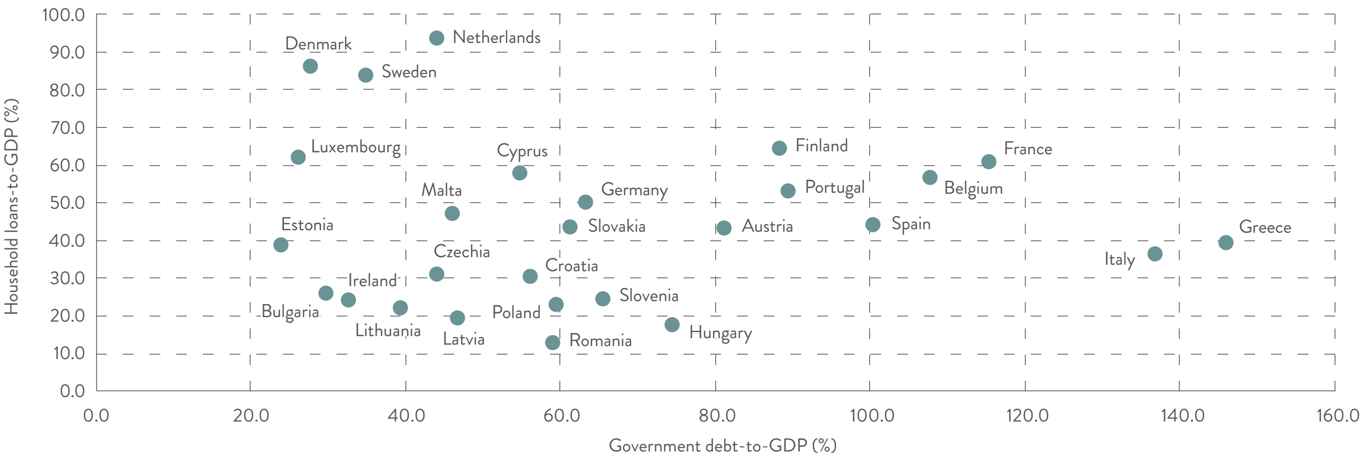
At the banking-sector level, the European Banking Authority's Risk Assessment Report (December 2025) recorded EUR 373 billion in non-performing loans across EU/EEA banks as of June 2025, equivalent to an NPL ratio of 1.84%, essentially unchanged on the year despite macroeconomic uncertainty linked to trade tensions and geopolitical risk. The EBA attributed the resilience of asset quality in household lending specifically to the combination of lower interest rates and a robust labour market, both of which have eased debt-servicing pressure even as mortgage lending volumes continued to expand; its Autumn 2025 Risk Assessment Questionnaire found that more than 60% of banks expected mortgage demand to increase further, against only 5% expecting a decline.

GRAPH 5 | GDP VS EMPLOYMENT GROWTH, 2025



**Extreme outliers have been excluded including: Ireland, GDP Growth above 12%; Malta, Employment Growth above 4%; Romania, Employment Growth below -3.0%.*
Sources: Eurostat nama_10_gdp (GDP growth); Eurostat nama_10_a10_e (employment growth)

GRAPH 6 | GOVERNMENT DEBT-TO-GDP VS HOUSEHOLD LOANS-TO-GDP, EU27



Sources: Eurostat tipspd22 (household debt, consolidated, % of GDP); Eurostat gov_10q_ggdebt (government debt-to-GDP, Q4 2025)

The declining interest-rate environment described earlier in this article has also shaped refinancing activity. Under the EU's Mortgage Credit Directive, lenders are required to exercise reasonable forbearance with borrowers in arrears before initiating foreclosure proceedings, a framework the European Banking Authority has further detailed in its guidelines on arrears and foreclosure. At national level, several Member States have gone further still: Portugal extended into 2025 a temporary rule, first introduced in 2022, waiving early-repayment fees for households with variable-rate mortgages, a measure the Portuguese parliament described as intended to keep refinancing and accelerated repayment accessible to households as Euribor rates fell.

MORTGAGE MARKET

The availability of and access to housing finance plays a crucial role in shaping both the housing market and the broader economy. Easier access to mortgage credit allows more households, particularly those with lower or middle incomes, to build equity through homeownership rather than renting indefinitely, with knock-on effects for wealth distribution across society.

Outstanding residential loans

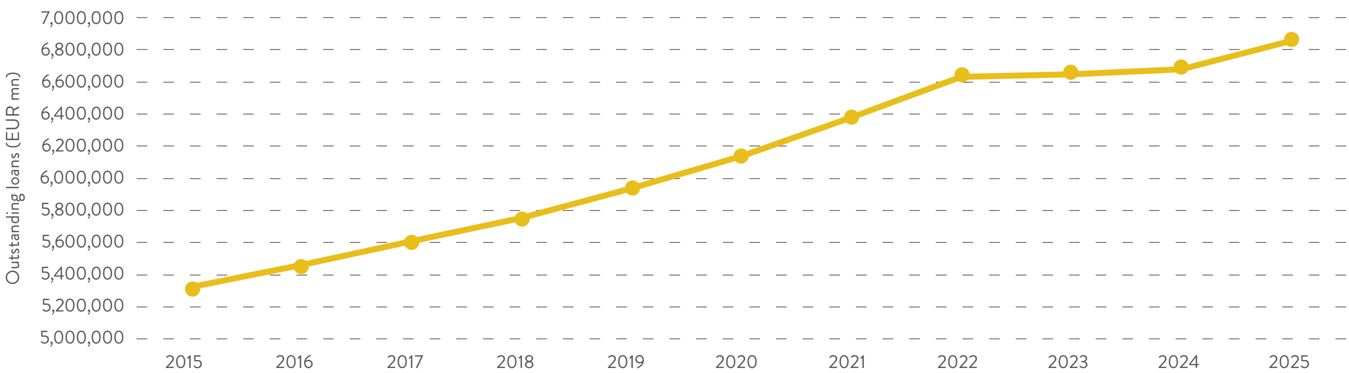
The stock of outstanding loans for house purchase in the euro area continued to grow through 2025. Euro area households owed EUR 6,861,449 million in outstanding loans for house purchase at the end of 2025, up 2.61% from EUR 6,686,775 million a year earlier, continuing an unbroken upward trend that stretches back to 2015 (Graph 7).

The Total Outstanding Residential Loans-to-Disposable Income of Households ratio (Graph 8) gives a sense of household financial exposure relative to income. Luxembourg stands apart: at 231.45%, its households carry mortgage debt worth well over double their annual disposable income, followed by the Netherlands (114.39%) and Malta (109.13%). At the other end, Italy (49.25%), Lithuania (50.85%) and Bulgaria (55.21%) show comparatively light household debt burdens relative to income.

Outstanding residential loans per capita (Graph 9) tells a broadly similar story from a different angle. Luxembourg again leads by a wide margin (EUR 97,403 per person), followed by the Netherlands (EUR 36,268) and Germany (EUR 25,113); these figures largely reflect deep, well-established mortgage markets and higher average house prices rather than proportionally more borrowers. Bulgaria (EUR 4,468), Lithuania (EUR 6,842) and Croatia (EUR 7,092) sit at the other end, consistent with smaller, less mortgage-intensive housing finance markets.

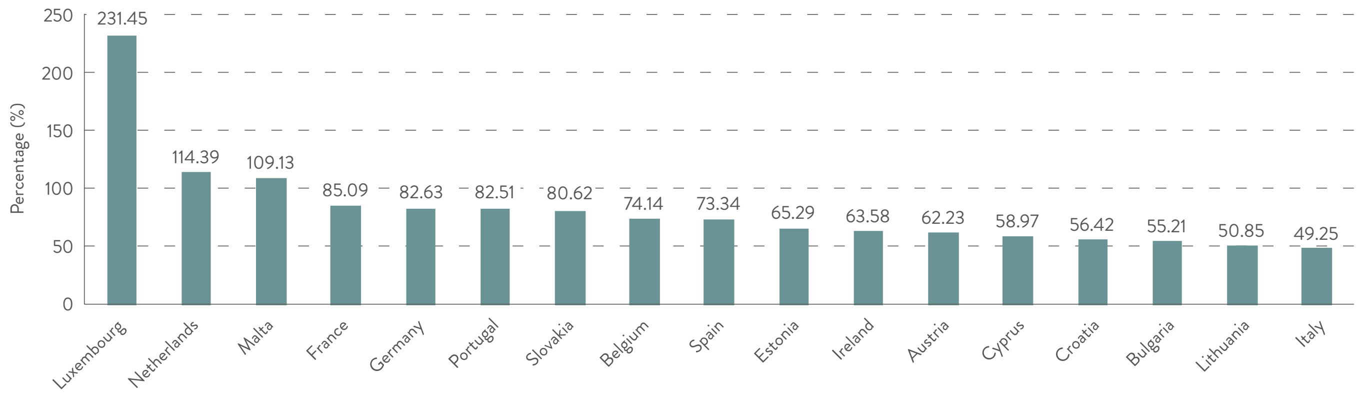
Coverage note: Graphs 8 and 9 cover 17 of the EU27. Czechia, Denmark, Finland, Greece, Hungary, Latvia, Poland, Romania, Slovenia and Sweden are not included,

GRAPH 7 | EURO AREA OUTSTANDING LOANS FOR HOUSE PURCHASE, 2015-2025



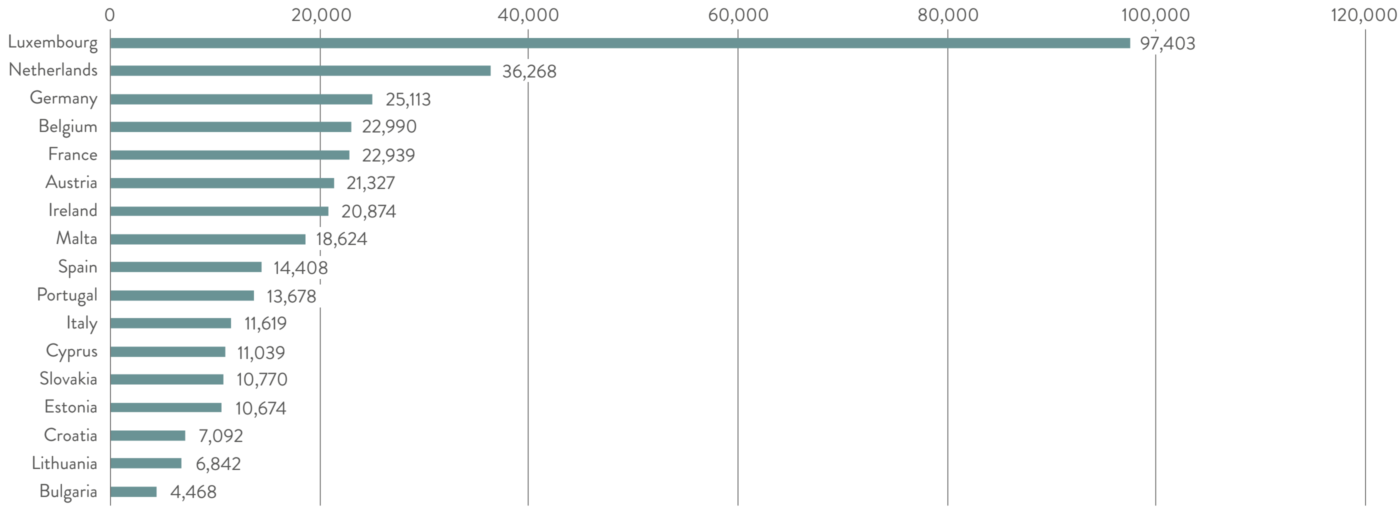
Sources: ECB Data Portal, series BSI.M.U2.N.A.A20.A.1.U2.2250.Z01.E

GRAPH 8 | TOTAL OUTSTANDING RESIDENTIAL LOANS TO DISPOSABLE INCOME OF HOUSEHOLDS, 2025 (%)



Source: ECB Data Portal (outstanding loans); Eurostat (population, GDP per capita, disposable income); Eurostat gov_10q_ggdebt (government debt-to-GDP)

GRAPH 9 | TOTAL OUTSTANDING RESIDENTIAL LOANS PER CAPITA, 2025 (EUR)



Source: ECB Data Portal (outstanding loans); Eurostat (population, GDP per capita, disposable income); Eurostat gov_10q_ggdebt (government debt-to-GDP)

as comparable outstanding-loans data was not available for these countries at the time of writing.

INTEREST RATES

Representative mortgage rates on new residential loans moved almost uniformly lower across Europe between 2023 and 2025, consistent with the European Central Bank's rate-cutting cycle described earlier in this article. Of the 29 countries in the sample, 27 recorded lower average rates in 2025 than in 2023; only France (+0.01 percentage points, effectively unchanged at 3.02%) and Norway (+0.31 percentage points, to 5.17%) moved in the opposite direction. The simple average across the sample fell from 4.78% in 2023 to 3.87% in 2025, a decline of just under one percentage point. Average rates of this kind mask considerable variation in typical loan duration and fixation period between countries, so absolute comparisons of the headline average between countries should be treated with some caution.

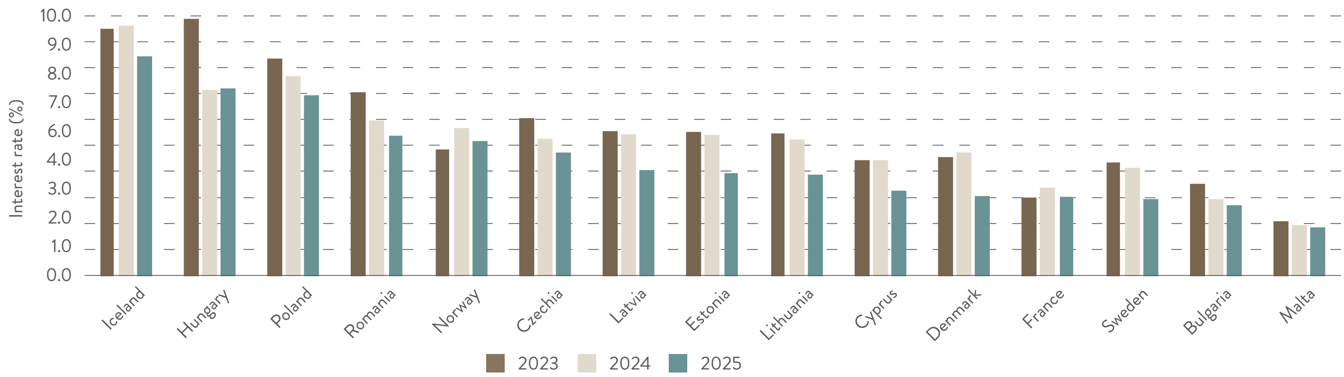
The scale of the fall varied considerably by country. Hungary recorded by far the largest decline (-2.65 percentage points, from 9.85% to 7.20%), though it remains, together with Iceland (8.43%) and Poland (6.93%), among the highest-rate countries in the sample. At the other end, declines were far more modest in Slovakia (-0.17 points), Ireland (-0.21 points) and Malta (-0.23 points), all of which had comparatively low or already-declining rates going into the period.

FIXED AND VARIABLE INTEREST RATES

The balance between fixed and variable-rate lending (defined as an initial fixed period of one year or less, contrasting with initial fixed periods of more than one year, which includes medium-term fixings and 'fixed for life' mortgages) remains one of the more persistently national features of European mortgage markets. Taking the four regions together, the share of gross lending carried out at variable rates fell in Eastern Europe (56.03% in 2015 to 29.92% in 2025), Southern Europe (77.26% to 17.20%), and in Western Europe (27.03% to 16.71%), while Northern Europe, though also lower than a decade ago, stood considerably higher at 75.00% in 2025, reflecting a handful of countries – notably the Baltic states – where variable-rate lending remains the norm rather than the exception.

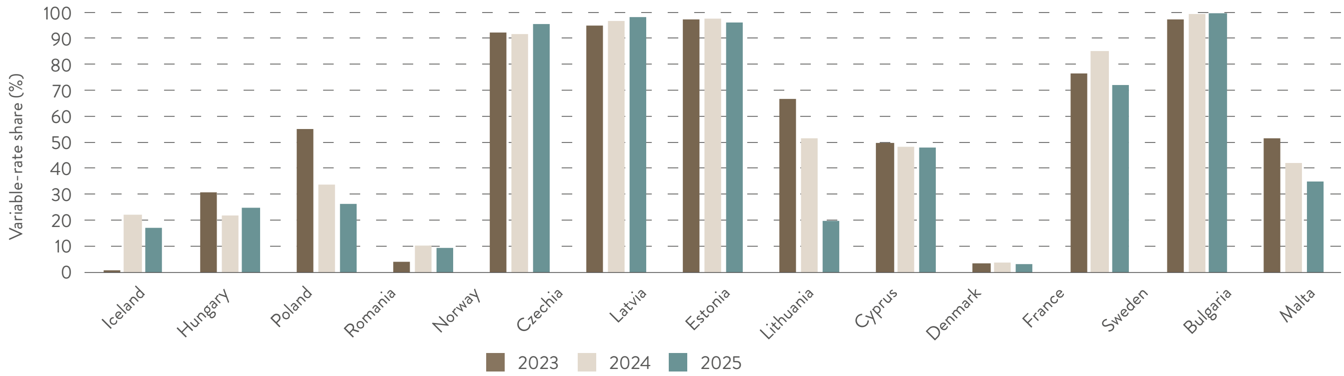
At the country level, variable-rate lending is now heavily concentrated in a small group of markets: Bulgaria (99.55%), Estonia (98.09%), Lithuania (95.78%), Finland (95.50%) and Latvia (95.44%) all financed almost all new lending

GRAPH 10 | NEW RESIDENTIAL LOAN RATES, %



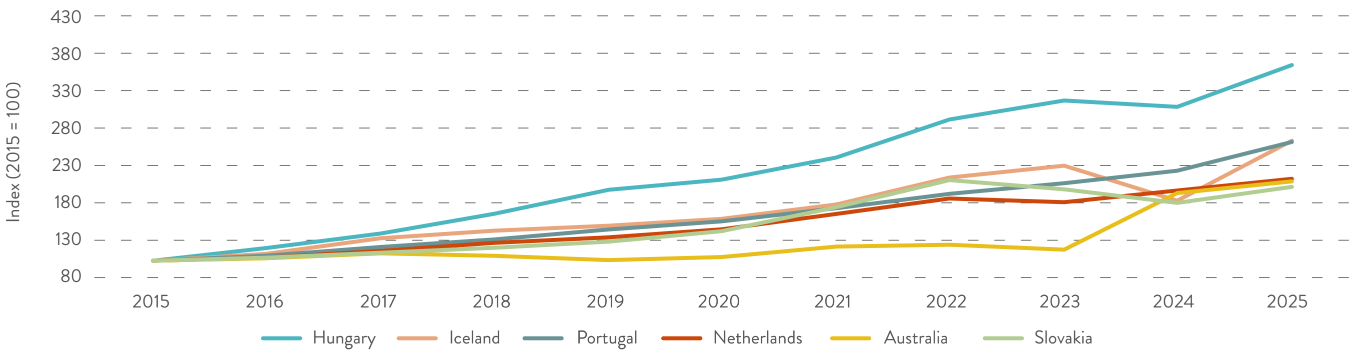
Source: ECB Data Portal, MIR.M.U2.B.A2C.A.R.A.2250.EUR.N (per-country series)

GRAPH 11 | VARIABLE-RATE SHARE OF NEW HOUSING LOANS, %



Source: ECB Data Portal, RAI series SVLHPHH (per-country) for euro-area countries; national central banks for non-euro-area countries (Bulgaria, Czechia, Denmark, Hungary, Poland, Romania, Sweden)

GRAPH 12 | NOMINAL HOUSE PRICE INDEX, 2015=100 – SAMPLE OF COUNTRIES ABOVE 200 IN 2025



Source: European Mortgage Federation, National Statistics Offices, OECD, ECB, and Eurostat (per country); Eurostat quarterly HPI data (EU27 and Euro area aggregate rows)

at variable rates in 2025. At the other end, fixed-rate lending dominates in Slovenia (1.50% variable), Slovakia (1.89%), Croatia (2.62%), France (3.32%) and Belgium (7.32%).

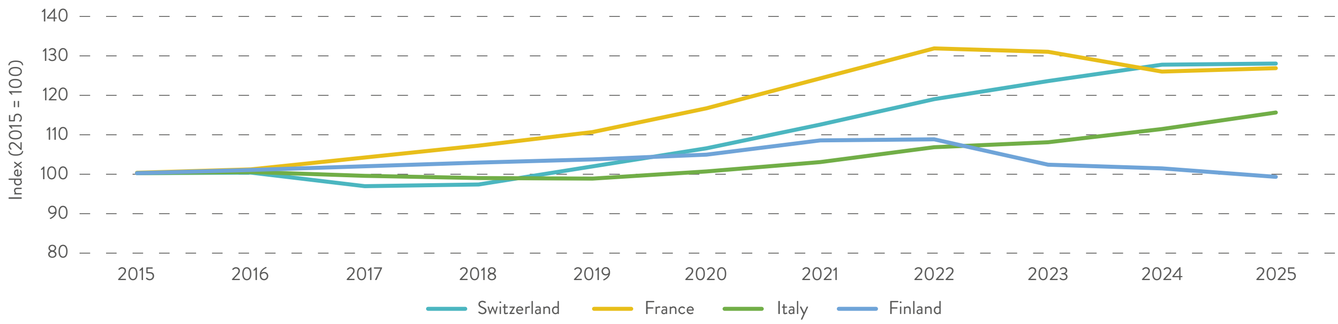
Single-year movements between 2023 and 2025 were sharpest in Cyprus, where the variable-rate share collapsed from 66.55% to 19.84% (-46.71 percentage points), and Romania, which fell from 55.02% to 26.41% (-28.61 points). Malta (-16.48 points) and Sweden, which eased back from a 2024 high of 85.01% to 72.00% in 2025, also moved substantially towards fixed-rate lending. Hungary was the clearest exception to the broader trend, with its variable-rate share rising sharply from 1.01% in 2023 to 17.06% in 2025.

HOUSE PRICES

House prices across the EU27 continued to rise in 2025. Taking the EU27 aggregate (Eurostat quarterly House Price Index data), the index stood at 161.93 in 2025 (2015 = 100), up 5.53% on 2024 and 34.81 points higher than in 2020. That aggregate figure sits between two very different groups of countries.

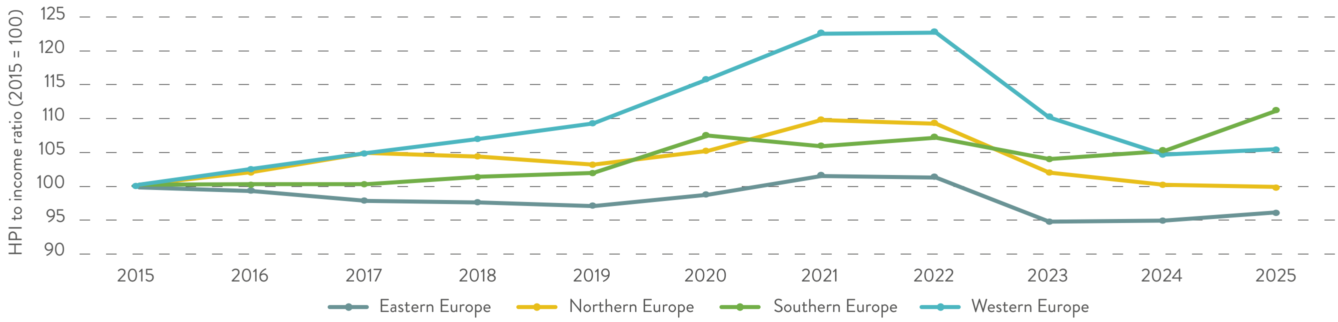
At one end, twelve Member States have more than doubled their nominal house price index since 2015: Hungary (366.62), Portugal (263.85), Lithuania (258.11), Bulgaria (249.23), Czechia (245.40), Croatia (227.09), Estonia (220.72), Poland (216.80), the Netherlands (215.15), Slovenia (214.90), Latvia (214.05)

GRAPH 13 | NOMINAL HOUSE PRICE INDEX, 2015=100 – SAMPLE OF COUNTRIES BELOW 130 IN 2025



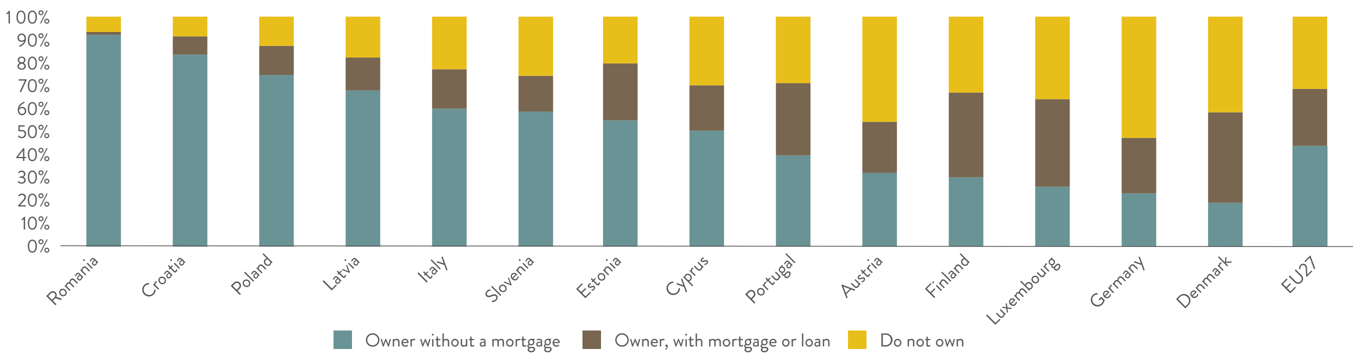
Source: European Mortgage Federation, National Statistics Offices, OECD, ECB, and Eurostat (per country); Eurostat quarterly HPI data (EU27 and Euro area aggregate rows)

GRAPH 14 | HOUSE PRICE INDEX RELATIVE TO GDP PER CAPITA, REGIONAL AVERAGES (2015 = 100)



Sources: OECD Analytical House Price Database, indicator HM1.2 / HPI_YDH; Eurostat tps00001 (population, for regional weighting)

GRAPH 15 | OWNERSHIP TYPES BY COUNTRY



Source: Eurostat ilc_lvho02 (EU-SILC housing tenure statistics)

and Slovakia (204.22). At the other end, Finland (99.03) has fallen slightly below its 2015 starting point, while Greece (111.20), Italy (116.20) and France (127.26) round out the slowest-growing markets in the sample.

The year-on-year picture for 2025 broadly continues this pattern. Hungary (+18.32%), Portugal (+17.56%), Bulgaria (+14.60%), Croatia (+13.86%) and Spain (+12.70%) recorded the strongest single-year gains. Declines were rare: only Greece and Finland recorded year-on-year falls in 2025.

HPI AND GDP PER CAPITA

House price-to-income developments are tracked here using the OECD's Analytical House Price Database ratio (2015 = 100), which relates nominal house prices directly to household disposable income rather than to GDP per capita, and is population-weighted at the regional level.

On this measure, the ratio has risen furthest in Southern Europe, reaching 111.47 in 2025, and in Western Europe, which peaked at 122.9 in 2022 before easing back to 105.35 by 2025. Northern Europe has moved in a comparatively narrow band, standing at 99.70 in 2025 – essentially unchanged from its 2015 level. Eastern Europe is the only region where the ratio now sits below its 2015 starting point, at 96.05 in 2025, indicating that household income has, in aggregate, grown faster than house prices across the region since 2015.

At the country level, Portugal recorded the largest cumulative increase in the ratio (166.7 in 2025), followed by the Netherlands (135.3), Czechia (128.5), Hungary (126.1) and Spain (124.9). Romania recorded by far the largest fall (55.1, little more than half its 2015 level), followed by Finland (78.8) and Italy (88.5). Cyprus and Malta are not covered, as this indicator is not published by the OECD for either country.

HOUSING CONDITIONS

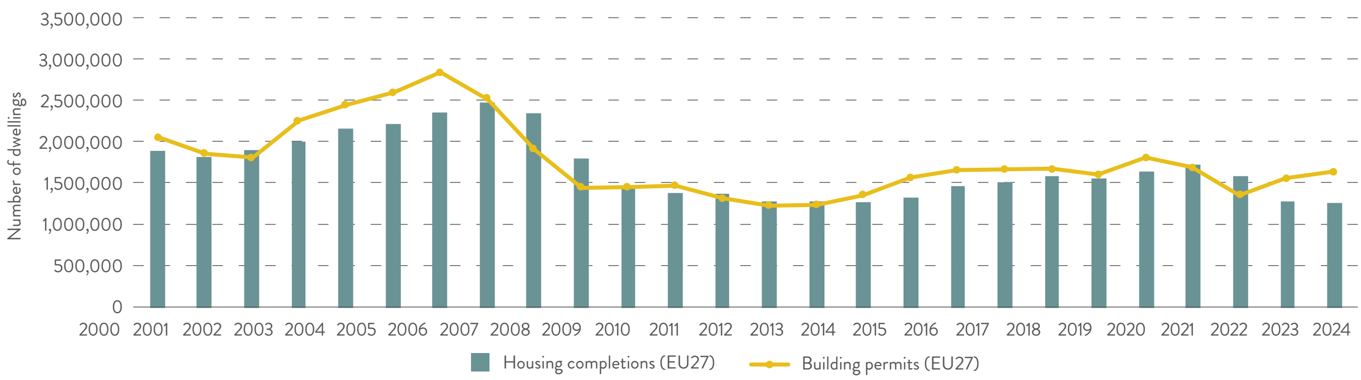
Looking at how homeownership is financed (Graph 15), the EU27 splits roughly into 43.70% owning outright without a mortgage, 24.80% owning with a mortgage or loan, and 31.50% renting. Mortgage-financed ownership is most common in the Netherlands (57.90%) and Norway (61.60%), both markets with deep, mature mortgage systems, whereas outright ownership without a mortgage dominates in Romania (92.00%) and Bulgaria (84.40%), consistent with those countries' comparatively small outstanding mortgage books discussed earlier in this article.

Housing supply indicators point to a divergence between permits and completions in 2025. Building permits issued across the EU27 rose for a second consecutive year, to 1,623,100 in 2025, up 5.11% from 1,544,200 in 2024, which had itself risen 16.43% on a 2023 trough of 1,326,245. The 2025 total nonetheless remains below the recent peak of 1,801,087 permits recorded in 2021. Housing completions moved in the opposite direction, falling for a third consecutive year to 1,255,320 in 2025 (-1.57% on 2024), having already fallen 19.60% in 2024 and 7.93% in 2023 from a 2022 peak of 1,722,863. Because permits typically lead completions by one to two years, the renewed rise in permits since 2023 has not yet been reflected in the completions series.

Owner occupation rates vary widely across the EU27, shaped by long-running historical, cultural and policy differences in how households finance and access housing (Graph 17). Germany remains the only country in the sample with an owner-occupation rate below 50% (47.20%), reflecting its comparatively well-established rental sector. Austria (54.20%) and Denmark (58.40%) are the next lowest.

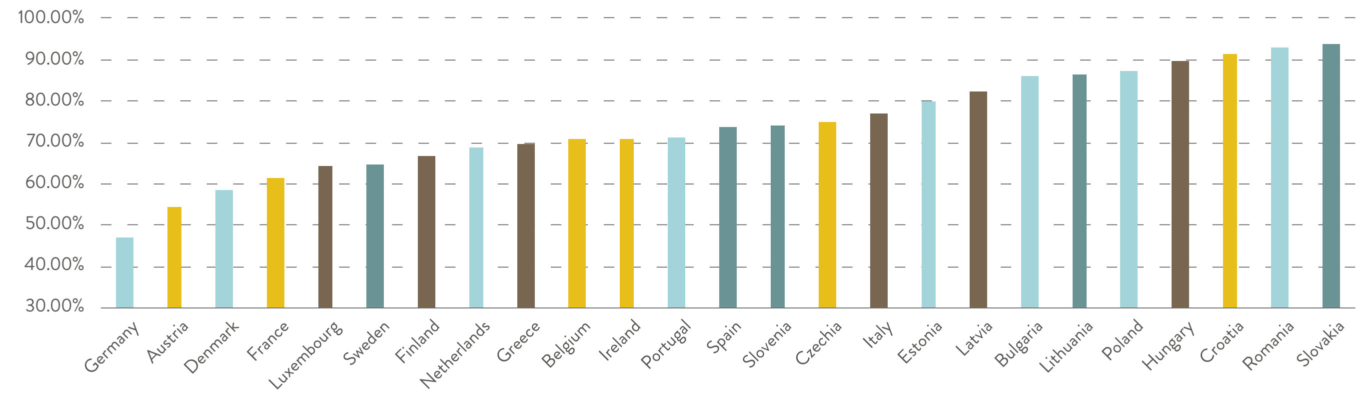
At the other end, only three countries now have owner-occupation rates above 90%: Slovakia (93.80%), Romania (93.20%) and Croatia (91.40%). Hungary, which has exceeded 90% in previous years, has slipped just below that threshold to 89.80% in 2025.

GRAPH 16 | EU27 HOUSING COMPLETIONS VS BUILDING PERMITS, 2000-2025



Source: Permits - Eurostat; U.S. Census Bureau (United States). Housing completions - Eurostat. For France and Italy, 2017-2025: Building Permits/Authorizations figures are used as a proxy, since completions data is not published for these two countries in this period.

GRAPH 17 | OWNER OCCUPATION RATE IN 2025



Source: Eurostat ilc_lvho02 (EU-SILC housing tenure statistics)

Austria

By Wolfgang Amann, Institut für Immobilien, Bauen und Wohnen GmbH (IIBW)
Karin Wagner, Oesterreichische Nationalbank (OeNB)

DISCLAIMER: The views expressed in this contribution are those of the authors and not necessarily those of the OeNB or the Eurosystem.

IN A NUTSHELL

→ In its March 2026 Interim Outlook for the period from 2026 to 2028, the OeNB expects Austria's economy to grow at a subdued rate of 0.5% in 2026 and indicates that the war in the Middle East has made the economic outlook for Austria more uncertain.

→ The latest data on residential real estate price trends in Austria indicate a moderate increase for 2025 of 6.6% year-on-year for Austria as a whole, after a decrease of -4.1% in 2024.

→ With the decline in interest rates starting in 2024, new mortgage lending rose again to the long-term average.

→ In terms of housing policy, the major challenge at present is to resolve the conflict between affordability and decarbonisation.

→ Minor policy reforms were implemented in 2025. The essential major reforms are still to come. The political framework is promising.

MACRO-ECONOMIC OVERVIEW

In its March 2026 Interim Outlook for the period from 2026 to 2028, the OeNB indicates that the war in the Middle East has made the economic outlook for Austria more uncertain. The OeNB currently expects Austria's economy to grow at a subdued rate of 0.5% in 2026. After that, growth is expected to accelerate to 1.0% in 2027 and 1.1% in 2028. Owing to higher commodity prices, inflation in Austria is forecast to reach 2.7% in 2026 as a whole – the war in the Middle East contributes +0.6 percentage points. Judging from market expectations, commodity prices will decline again substantially over the course of 2026, causing inflation to subside to 2.3% in 2027 and further to 2.1% in 2028. The unemployment rate in Austria is projected to remain at 7.5% in 2026. Compared to our December 2025 outlook for Austria, this implies a downward revision of growth expectations by 0.3 percentage points for 2026.

In December 2025, the OeNB forecasted a general government budget balance of -4.5% for 2025, -4.2% for 2026 and 2027, and -4.4% for 2028 (all as a percentage of nominal GDP). From the March 2026 perspective, 2025 figures will be slightly better than expected, thus leading to an improved starting position for 2026. At the same time, however, the outlook for GDP growth has deteriorated. Moreover, since the December 2025 outlook, the Austrian government has approved reductions in the electricity levy and in VAT on basic food items. The upward revision of the inflation outlook for Austria has no significant effects on the general government budget balance. They therefore expect budget balance developments for the period from 2026 to 2028 to remain similar to those projected in December. Revisions to the outlook for 2027 and 2028 will only be possible once the government has completed the budget.

LOOKING AHEAD

To account for the uncertain outcomes of the war in the Middle East, the OeNB has calculated outcome scenarios. A sustained and more pronounced rise in oil and gas prices would pose a risk to the economy. In a scenario assuming oil prices of USD 100 per barrel and natural gas prices of EUR 70 per MWh on an annual average, growth rates would decline to just 0.2% in 2026. HICP inflation, in turn, would climb to 3.8%. Should things take a particularly unfavorable turn – if, e.g., higher risk premiums, continued high geopolitical uncertainties, weaker export demand and rising fertilizer prices were to materialise – this might send Austria into a mild recession in 2026. Economic output would contract by 0.2%, while HICP inflation would go up to 4.2%.

HOUSING MARKETS

The latest data on house price trends in Austria indicate a moderate increase for 2025. Against a backdrop of lower interest rates and higher wages, prices for condominiums and single-family homes rose by 2.1% (in nominal terms). Adjusted for inflation, real estate prices thus fell once again in 2025, given the inflation rate of 3.8%.

From Q2 2023 onwards, we saw falling house prices. At the end of 2023 we observed a turning point probably resulting in a sideways movement. Data for residential real estate sold in the first quarter of 2025 show a slight price increase of 0.4% year-on-year for Austria as a whole, after a decrease of -1.1% in the fourth quarter of 2024. During 2025, there was a slight increase (Q1 0.4% to 2.1% in Q4). In terms of short-term dynamics – measured by the growth compared to the previous quarter – in mid of 2025 the negative data turned to slight increases for Austria as a whole and came to 0.4% (after 1.3% in 3Q2025).

The number of residential properties being sold has returned to the long-term average. At the same time, there are significant differences between new construction and existing stock, as well as between Vienna and the rest of Austria – prices in Vienna have risen more sharply than in the rest of Austria: real estate prices for condominiums and single-family homes increased in 2025 by 2.9% in Vienna, which is 1.3 percentage points more than in Austria excluding Vienna (1.6%). Over the long term, house prices in Austria have fallen by 3.3% since the ECB Governing Council began raising key interest rates in the third quarter of 2022.

During the period of low interest rates prior to the key interest rate hike on 27 July 2022, a sharp rise in prices was observed for both new and existing condominiums. The first increase in key interest rates also marked a turning point in price trends: Prices for used condominiums fell sharply between the third quarter of 2022 and the second quarter of 2024 (-9.4% in Vienna, -6.5%

in the rest of Austria). Prices for new condominiums, however, showed little reaction during this phase or even rose slightly. Since the key interest rate cut on 12 June 2024, prices for both new and used condominiums have risen again, with the increase being somewhat more pronounced for new units.

MORTGAGE MARKETS

Higher interest rates starting in 2022 have significantly reduced demand for residential mortgage loans. However, real estate prices declined less sharply than would be expected given such a sharp rise in interest rates. As a result, many households were unable or unwilling to afford a mortgage.

This is reflected in the data on new lending. By mid-2022, the very low interest rates had significantly accelerated the issuance of new residential mortgages. It was above the long-term average. With the rise in interest rates starting in mid-2022, new lending fell below the average. With the decline in interest rates starting in 2024, new lending rose again to the long-term average. The volume of new residential mortgages fell from EUR 2.7 billion in July 2022 – at an interest rate of 1.77% to EUR 1.2 billion at an interest rate of 3.45% in January 2026.

In Austria, we find larger shifts over time than in the euro area: the share of variable interest loans (new business), which was 86% in 2014, fell to 32% in the first quarter of 2022 and went down to 19.7% in Q4 2025; the proportion of loans with an interest lock-in period of more than 10 years, which was as low as 2% in 2014, rose to 53% in Q2 2022 and decreased to 47% in Q4 2025.

The Austrian results of the euro area bank lending survey from Q4 2025 show that Austrian firms' loan demand has been gradually rising since the third quarter of 2025 as economic growth is slowly gathering pace. The turnaround in loan demand marked the end of a three-year decline amid a protracted period of economic weakness. The current increase in loan demand is attributable to three reasons: 1) increased financing needs for inventories and working capital, 2) lower interest rates and 3) a trend reversal in corporate investment activity. The survey also shows that there are two notable exceptions to the general trend: energy-intensive industrial firms and firms in the automotive industry, including suppliers; in these segments, loan demand continued to decline in the second half of 2025. This reflects the specific problems in these industries: high energy prices and the structural weakness of the European automotive sector. Banks have been tightening their lending policies due to heightened risks since 2022. For firms, taking out loans has become more difficult. This concerns, in particular, the real estate sector, with commercial real estate firms having been more severely affected than residential real estate firms. By contrast, demand for housing loans has been rising for two years, mainly because of lower interest rates.

HOUSING POLICY

The key characteristics of housing policy are still its focus on regulated rental housing and its financing tools. The Limited-Profit Housing sector continues to be a stabilising factor. Although the number of completed apartments has fallen significantly to only 13,700 in 2024 (1.5 units per 1,000 inhabitants, -17% below the 10-year average), its share of total new construction has nevertheless increased. Social housing supply follows a generalist eligibility approach with high income limits. Hence Austrian housing policy still promotes integrated rental markets.

Financing of affordable housing mainly relies on the subsidy schemes of Austrian Länder ("Wohnbauförderung"), which spent approx. 2.5 bn EUR in new construction, refurbishment, and housing allowances in 2024. In addition, the Federal State has strongly increased its activities for decarbonisation of the housing stock, with excessive expenditures of 1.45 bn EUR in 2024. Other tools, such as tax subsidies or subsidies on financing products, play a subsidiary role.

Conditions changed considerably in 2025: in addition to the existing downturn in the construction industry, the new federal government has massive budget savings requirements. This has led to a sharp cut in federal subsidies for housing decarbonisation measures. The 'Länder' will also cut their subsidies. One aim of the new federal government is to compensate for cuts in subsidies through reforms in housing legislation. This plan has yet to be realised.

The financing system of the "Wohnbauförderung" gains its efficiency through the close interaction with the system of limited profit housing construction and tailor-made capital market financing instruments. Altogether, public expenditure on housing is around 0.8% of GDP, which is still in the lower half of OECD countries. Nevertheless, outputs are quite remarkable, taking into account quantity and quality of housing, affordability, aspects of social integration and progress in housing decarbonisation.

The government programme of February 2025 contains numerous housing policy measures. A few of these were already implemented in 2025. These include a cap on rents for older private rental properties and social housing, new rules on rent indexation, and an extension of the minimum lease term for rental properties. The aim is to resolve the conflict between affordability and decarbonisation.

	AUSTRIA 2024	AUSTRIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	-1.0	0.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	5.2	5.7	6.0
HICP inflation (%) (1)	2.9	3.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	54.5	54.2	68.5
Gross Fixed Investment in Housing (annual change) (1)	-6.9	-3.2	2.8
Building Permits (2015=100) (2)	61.4	31.7	86.9
House Price Index - country (2015=100) (1)	157.0	167.33	161.92
House Price Index - capital (2015=100) (2)	142.3	146.5	n/a
Nominal house price growth (%) (1)*	-4.1	6.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	136,341.00	138,136.00	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	14,194	15,014	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	42.5	59.2	81.39
Gross residential lending, annual growth (%) (1)	-17.0	1.3	2.8
Typical mortgage rate, annual average (%) (2)	3.89	3.32	3.31

(1) Eurostat Data
(2) European Mortgage Federation - Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

AUSTRIA FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgage lending is mainly financed via banks and Bausparkassen.
What is the market share of new mortgage issuances between these entities?	Not available
Which entities hold what proportion of outstanding mortgage loans in your country?	Bausparkassen hold the biggest proportion of residential mortgages in Austria. In combination with the Saving Banks Group, Bausparkassen represent the largest market share of the mortgage market.
What is the typical LTV ratio on residential mortgage loans in your country?	According to the OeNB Financial Stability Report 44 (November 2022), most LTV ratios amounted to around 50% since very rarely are loans granted with LTV ratios higher than 75% and the industry standard requires certain guarantees or an insurance against defaults in the higher LTV brackets.
How is the distinction made between loans for residential and non-residential purposes in your country?	Not available
What is/are the most common mortgage product(s) in your country?	Both variable rate loans and foreign currency loans are common mortgage products in Austria, but variable rate loans remain the most popular choice. However, there is a falling trend in their share in total loans over many years (in Q1 2019 around 11% of mortgage loans were foreign currency loans and around 45% of new issued mortgage loans were variable rated loans).
What is the typical/average maturity for a mortgage in your country?	Mortgages typically have a maturity rate of 25–30 years.
What is/are the most common ways to fund mortgage lending in your country?	According to the EMF-ECBC, in 2022 outstanding mortgage backed-up covered bonds amounted to EUR 70 mn, while outstanding mortgages amounted to EUR 142 mn. Beside covered bonds, deposits are the main way of funding. Meanwhile securitisation as a way of funding is even less popular.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	In addition to the cost of borrowing, one should add a mortgage fee, VAT, notary fees and taxes. In total, around 10% of the purchase price are to be added as costs at the house purchase.
What is the level (if any) of government subsidies for house purchases in your country?	Not available

Belgium

By Alissa Lefebre, ING Belgium

IN A NUTSHELL

- → Despite lower rates, growth remained slow at 1% and unemployment rose slightly to 6.2%.
- → However, mortgage lending remained exceptionally strong, new loans increased by 15% in number and 29% in value.
- → Lower registration fees in Wallonia and Flanders helped to increase activity.
- → The total mortgage market shrank to EUR 322 bn (EUR 323 bn in 2024).

MACRO-ECONOMIC OVERVIEW

The economy continued to grow slowly, at 1%, the same rate as in 2024. However, it relied more heavily on domestic consumption as both investment and exports fell. Demand was largely supported by the fall in ECB policy rates (the deposit rate fell from 3% to 2% over the year) and the automatic indexation of wages.

Unemployment, although relatively low with shortages in specific sectors, overall rose to 6.2% from 5.7%. Employment in manufacturing fell, whilst the number in services and public sector jobs rose. The headline rate overstated the total as labour participation rates rose from 70.8% of the 15–64-year-old population to 71.9%, reflecting a higher retirement age and tax changes to encourage ‘flexi working’. There were, as ever, significant differences between Belgium’s three regions with Flanders near full employment (4.3% at year end), whilst in the capital region unemployment was 11.2%. In Wallonia it was 8.4%.

Despite the falling rates, consumer sentiment (European Commission Harmonised consumer confidence index) remained below its long-term average, presumably due to geopolitical concerns and rising unemployment.

Despite falling from 4.3% to 3% over the year, inflation remained above ECB target rates and significantly above most Western European eurozone countries. Energy and food prices fell significantly over the year but prices for services continued to increase rapidly, at least partly due to Belgium’s system of automatic wage indexation which made the recent inflation shock more persistent than in other countries.

HOUSING MARKET

Across the whole country house prices rose by 3.3% (2.3% in 2024), but the average masks significant variations, prices rose for detached and semi-detached houses (5.4% and 7.7% respectively) much more significantly than for apartments (2.9%), reversing the pattern in 2024. House prices in Wallonia rose by as much as 12.1% (detached) and 13.1% (semi-detached), significantly more than in the other two regions.

To some extent the price increases reflected the continued slow supply. The number of new building permits continued its three-year decline, this year the number fell by 3% after falls of 8% in 2024 and 9% in 2023.

There were significant regional changes to the (historically very high) costs associated with house purchases. In particular, in Wallonia, where the registration duty (effectively a property transfer tax) was cut from 12.5% to 3% for most properties. This could be a cause of the significant house price increases there. In Flanders, which has been cutting the rate gradually since 2020, the rate was cut from 3% to 2%. In Brussels the rate remains 12.5% but with some adjustments to the tax free allowance. Other costs associated with a house purchase with a mortgage, including notary fees, mortgage registration charges, administrative fees and taxes remain high.

Energy performance requirements remained significant. In Flanders, buyers of houses with low energy performance are obliged to upgrade them within 5 years of the purchase. The definition of low performance (currently grade D to F) is increasing over time. Whilst in Wallonia the approach is ‘more carrot than stick’ with incentives, grants and subsidized loans available, largely reflecting the differing economic capacity to fund upgrades there.

MORTGAGE MARKET

Residential mortgage debt increased from approximately EUR 313.90 billion at end-2024 to EUR 321.80 billion at end-2025, growth of 2.5%. Banks dominated; according to ECB statistics they provided EUR 280 bn (EUR 272 bn in 2024).

New lending was responsible for almost all of the growth. Members of Febelfin (who represent 90% of the total market) granted more than 214,000 new loans for a total value exceeding €40 billion, an increase of 15% in volume and 29% in value y-o-y. A breakdown of new lending by region is not available, but given the tax changes in Wallonia noted above, and the 16.7% growth in the number of transactions, it is reasonable to assume that the mortgage growth was highest in the southern province.

New loans remain overwhelmingly at a long-term fixed rate; 86% of loans are fixed either for life or for at least 10 years. As such, although new mortgage rates have fallen in line with ECB easing, the impact has been very limited for existing borrowers and the recent rate volatility means that different borrowers currently pay very different interest rates.

NON-MARKET LED INITIATIVES

In addition to the changes in the headline rate of registration duty noted above, there were several simplifications including the abolition of lower rates for first time buyers and smaller homes in Wallonia. The tax deductibility of mortgage interest was removed for investment properties and the lower, 6%, VAT rate for renovation was restricted to owner occupied houses.

As a result of their improved optimism about mortgage risks the NBB announced that they would withdraw the mortgage specific capital buffer originally introduced in 2013 and include mortgages alongside other banking products in the countercyclical buffer. They estimate that this will cut the capital consumption of the mortgage stock from EUR 3.9 bn to EUR 3.3 bn.

As noted above, the energy efficiency of buildings continued to be a major policy objective, although in very different ways in the three regions. In Flanders, in addition to the requirement to upgrade the lowest rated houses after purchase, property tax was also linked to energy efficiency measures. In Wallonia, various grants and interest free loans are available for qualifying works and for lower income households.

MORTGAGE FUNDING

Deposits continued to significantly exceed loans in the banking sector; at 80% the ratio is one of the lowest amongst peer countries (for example, the Netherlands and France, where the ratio is approximately 100% and Germany where it is 90%). Despite this, Belgian banks have a significant presence in the covered bond market, with the four largest banks having circa EUR 70 bn outstanding. Securitisations, although occasionally used to fund Belgian mortgages, are not a material part of the total funding.

GREEN FUNDING

Despite the frequent issuance of green senior unsecured bonds by Belgian banks and the policy rules regarding EPC, no green covered bonds have been issued yet.

	BELGIUM 2024	BELGIUM 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	1.0	1.0	1.5
Unemployment Rate (LSF), annual average (%) (1)	5.7	6.2	6.0
HICP inflation (%) (1)	4.3	3.0	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	70.3	70.9	68.5
Gross Fixed Investment in Housing (annual change) (1)	-1.5	0.4	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	145.93	144.86	161.92
House Price Index - capital (2015=100) (2)	129.21	150.70	n/a
Nominal house price growth (%) (2)	0.07	0.73	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	323,996	321,800	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	27,418	26,947	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	89.7	84.32	81.39
Gross residential lending, annual growth (%) (2)	n/a	29.0	2.8
Typical mortgage rate, annual average (%) (2)	3.41	3.9	3.31

(1) Eurostat Data
(2) European Mortgage Federation - Hypostat 2026, Statistical Tables

BELGIUM FACT TABLE

Which entities can issue mortgage loans in your country?	Banks, insurance companies and other types of lenders that have been authorised (licence) or registered by the supervising authority FSMA to grant mortgage credit according to the Belgian law on mortgage credit.
What is the market share of new mortgage issuances between these entities?	Based on the membership of our Association (UPC), representing c.a. 90% of the total Belgian market, the following market shares can be approximatively given in amount: • Banks: ca 96,4% • Insurance companies: 0.5% • Other types of lenders: 3.2% N.B.: These figures do not take into account the social credit lenders. However, their market share is rather low.
Which entities hold what proportion of outstanding mortgage loans in your country?	The list of mortgage credit lenders and the end-of-year outstanding amount of mortgage loans was published until 2013 on an annual basis by the supervising authority FSMA. This publication has been stopped since then. On the basis of UPC membership, the following market shares can be approximatively given in amount: • Banks: ca 95.9% • Insurance companies: 1.2% • Other types of lenders: 2.9%
What is the typical LTV ratio on residential mortgage loans in your country?	According to the Financial Stability Review issued by the National Bank of Belgium (NBB), the average loan-to-value ratio was about 80% in the period 1996-2006. It dropped to about 65% (and even below that) in the years 2007-2014. However, this average loan-to-value ratio has to be interpreted with caution, as the data are the result of a very wide distribution of loan-to-value ratios at origination. For the first half of 2020 vintage, about 53% of the volume of new mortgage loans was made up of loans with an LTV ratio above 80%. As a consequence of recommendations imposed by the NBB, the share of new mortgage loans with an LTV ratio above 80% has decreased to about 40% in 2022. In 2023, the share of new mortgage loans with an LTV higher than 80% again increased. Average LTV-O was at 71%, compared to 72% in 2022.
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential purposes means that it is for private housing (consumers). The Belgian mortgage credit law applies to mortgage credit as funding for acquiring or safeguarding immovable real rights granted to a natural person chiefly acting for a purpose deemed to lie mainly outside the scope of his commercial, professional or crafting activities and having his normal place of residence in Belgium, at the moment when the agreement is being signed: a) either by a lender having his principal place of business or chief residence in Belgium b) or by a lender having his principal place of business or chief residence outside Belgium, provided a special offer or publicity had been made in Belgium before the agreement was signed and the actions needed for signing the agreement have been undertaken by the borrower in Belgium.
What is/are the most common mortgage product(s) in your country?	The most common mortgage credit product is a loan with a term of 20 - 25 years, a fixed interest rate throughout the full loan term and a fixed amount of monthly instalments.

What is the typical/ average maturity for a mortgage in your country?	The median maturity of a mortgage loan at origination is about 20 years. Since 2007, lenders have continued to tighten customers' access to mortgage loans with long maturities. The percentage of loans granted with a maturity of more than 25 years has plummeted from 23% in 2007 production volumes to only 2% in 2015 and 2016. At the same time, the share of loans with a maturity between 20 and 25 years in mortgage loan vintages remained relatively stable until 2016 while the share of loans with a maturity between 15 and 20 years clearly increased. These trends seem to have influenced the average maturity level of total outstanding stock as from 2013; by the end of 2015, 11% was associated with initial maturities above 25 years, down from 20% in 2012. Whereas in 2016 only 29.0% of mortgage loans was granted with a maturity of over 20 years, this number rose to almost 40% in 2019. Since then, the market share of new mortgage loans with a maturity of over 20 years remained almost stable at about 40%. For last year, the proportion of new loans with a maturity of more than 20 years rose to 49% in 2022 and to 54% in 2023, from around 40% in the period 2018-2021. The part of loans with a maturity of >25 years, however, remained stable. In 2023, the market share of loans with a maturity of 20 to 25 years further increased to more than 55%.
What is/are the most common ways to fund mortgage lending in your country?	Most funding still comes from deposits. A few major lenders issue covered bonds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The registration duty in Flanders changed at the start of 2022. It increased to 12% (coming from 10%) of the purchase price of a dwelling that is not the own and only home as the main residence. For the own and only home as the main residence, this duty is lowered to 3% (coming from 6%) of the purchase price. It only amounts to 1% in case of a deep energetic renovation in the first 5 years after the purchase. Application of an additional reduction of EUR 2,800 in case the purchase price does not exceed EUR 220,000 (EUR 240,000 in the main cities and some cities around Brussels). Moreover, the principle of "portability of registration duties" existed in Flanders: upon the purchase of a new housing property intended to replace the previous principal residence, registration duties up to EUR 13,000 could be "transferred", meaning these duties did not have to be paid a second time. This "portability of registration duties", that applied in Flanders until 2022, was reformed: until 01.01.2024, consumers could choose to apply the new lowered registration duty or still to pay the former (higher) level of registration duty in combination with the portability of registration duties. From 01.01.2024 on, the portability of registration duties no longer exists. In Wallonia, the registration duty amounts to 12.5% of the purchase price. However, in case of a main residence, the first EUR 20,000 of the purchase price is exempt from registration tax. In 2023, the registration tax amounts to only 6% on the first slice of EUR +/- 178,000 in case of small properties in some cities and on the first slice of EUR +/- 167,000 in more rural areas. The tax on those slices is even lowered to 5% in case of social mortgage credit. In the Brussels region, the normal registration duty amounts to 12.5% of the purchase price. However, buyers can benefit from an "abattement" (= exemption on which the buyer is not required to pay registration duties) on the first slice of EUR 200,000. This exemption is only applicable to properties of under EUR 600.000 and provided that it concerns the buyer's own and only home as his main residence. An additional "abattement" of EUR 25.000 per energy label category is possible if the energy class of the purchased home improves by at least 2 energy label categories in the first 5 years after the purchase. There is also a registration duty on the amount of the mortgage loan covered by a mortgage registration.

What is the level (if any) of government subsidies for house purchases in your country?	Across the regions (Flanders, Wallonia and Brussels) the schemes differ, with each region pursuing its own policy: Flanders no longer provides a tax reduction. The "housing bonus" system, which allowed the owner of a single house to obtain deductions (40% tax relief) for construction/ purchase/ renovation up to the total amount of EUR 1,520 (and even EUR 2,280 during the first 10 years of the mortgage) has been replaced since 01.01.2020 by a reduction of the registration duty. In Wallonia, the so-called "Cheque habitat", applies from 2016 on. More information is available on: https://logement.wallonie.be/fr/aide/le-cheque-habitat The Brussels region also no longer provides a tax reduction. It was replaced by a higher tax relief on registration duties (first slice of EUR 200,000) to buyers purchasing their own and only home as their main residence. The federal state provided until end 2023 a tax reduction if one buys a second house: a deduction of up to EUR 1,520 (tax relief of 40%) for capital repayments and debt balance insurance premium in case of a loan for the purchase/ construction/renovation of a second house in 2023. As from 01.01.2024, this measure has ended.

Bulgaria

By Petar Ivanov, Tsvetkova Bebov & Partners, member of Eversheds Sutherland

IN A NUTSHELL

→ Bulgaria's GDP is projected to grow by 3.1% with inflation increasing to 5%.
→ Despite house price and general inflation, low interest rates and increasing income fuelled mortgage market growth.
→ Landmark first issuance of covered bonds under the new Bulgarian Covered Bonds Act.
→ Bulgaria entered the eurozone on 1 January 2026.
→ 2026 begins with a moderation of housing market and credit growth.

MACRO-ECONOMIC OVERVIEW

The economy remained stable throughout most of 2025. GDP growth is projected to be 3.1% (to EUR 116 bn) over the year compared to the EU average of 1.5% and eurozone average of 1.4%.

Still, factors such as the expected introduction of the euro as of 1 January 2026 contributed to a renewed increase of inflation with the HICP up 3.5% y-o-y (2.6% in 2024) compared to the EU average of 2.5% and the eurozone average of 2.1%. CPI marked an annual increase of 5%.

Unemployment reached a historical low at 3.5% (EU average of 6%, 6.4% in the eurozone), compared to 4.2% in 2024.

Inflation, shortage of qualified labour and higher wage growth in the public sector, contributed to further growth of average wages, which in Q4 marks an annual increase of 11% to BGN 2678 (EUR 1,369.24).

LOOKING AHEAD

In 2026 growth is expected to slow down and inflation to rise, as a result of weaker consumer confidence and an increase of energy prices.

According to its spring economic forecast, the European Commission expects real GDP growth in 2026 of 2.5% (1.1% in the EU and 0.9% in the eurozone) and projects an increase in inflation measured on the HICP to 4.2% from 3.5% in 2025 (3.1% in the EU and 3.0% in the eurozone). Wage growth is expected to slow down, while the labour market will remain tight.

The general government deficit reached 3.5% of GDP in 2025 and the deficit is expected to exceed 4% in 2026. As a result in the spring of 2026, the European Commission proposed that the Council open an excessive deficit procedure for Bulgaria. Controlling the budget deficit has been set as a priority of the new Bulgarian government, which was elected following a landslide victory by a coalition led by former president and now prime minister Rumen Radev at the latest parliamentary elections in April 2026.

The above factors, together with a drop in demand after the introduction of the euro on 1 January 2026, have moderated activity in the housing market in the first months of 2026. Still, in Q1 2026 the amount on new mortgage loans increased by 17.6% compared to Q1 2025 to EUR 1.6 bn.

HOUSING MARKETS

In 2025 the growth of the housing market regained its momentum. The number of building permits issued increased by 13.7% to 8,850 (from 7,786 in 2023) marking a record high since 2007/2008. Housing starts increased to 6,651 (6,184 in 2024), and completions increased to 5,930 (5,201 in 2024). With this background, new residential lending grew more than 30% from EUR 5.4 bn in 2024 to EUR 7.1 bn in 2025.

The increased demand further accelerated house prices, which averaged 249.2% of the index's base value in 2015 compared to 217.5% in 2024.

The housing market varies regionally: prices in Sofia and the third largest city – Varna – outperform the average and reached 284.8% (248% in 2024), and 257.1% (218.2% in 2024), respectively. At the opposite end is the fourth largest city – Burgas – and its South-east region of Bulgaria with HPIs of 221.5% and 204.8%, respectively. There were higher average wages and more diverse job opportunities in the largest cities – for instance, the average wage in Sofia was 40% higher than the country average contributing to the asymmetric price increases.

Similarly, the rental market prices and demand in Sofia have steadily increased compared to the other regions, for the same reasons.

MORTGAGE MARKET

MARKET DYNAMICS

2025 arguably marked the strongest year for the Bulgarian mortgage market since the 2008/2009 financial crisis.

The total amount of outstanding residential loans grew by 19.6% to a total amount of outstanding residential loans of EUR 16.9 bn. Average interest rates decreased to an all-time low of 2.47%. In the first quarter of 2026 interest rates remained low.

Most new loans are at a floating rate (99%) and – before the statutory conversion to the euro as of 1 January 2026 – were originated in BGN. The maximum maturity for new mortgages is 30 years with an average of 20 – 25 years. Due to the rise in inflation and house prices the average borrowed amount for new loans has increased in the past years to around EUR 120,000) with an LTV of 70-80%, with an 85% limit prescribed by the Bulgarian National Bank.

Housing NPLs continued to decrease to 0.73% (EUR 133.6 m) of all outstanding mortgage loans (BGN 145.7 mn in 2024).

On the supply side, credit standards for house purchases remained largely unchanged. As of October 2024, the Bulgarian National Bank introduced restrictions on mortgage lending activity, which consist of ceilings on maturity (30 years) and LTV (max. 85%) for new and renegotiated loans, as well as a Debt Service to Income Ratio at Origination (DSTI-O) of 50%. These restrictions did not materially change the dynamics of the mortgage market in 2025.

Favourable mortgage market conditions, fears of inflation (including in the context of the adoption of the euro), and traditional regard for investment in housing were the main drivers of demand in 2025.

With the increase in prices and the drying up of the supply of high-quality housing, it is expected that 2026 will be more moderate compared to 2025. Indicative of this is a 15.5% drop in real estate transactions in Q1 2026 compared to Q1 2025.

MORTGAGE FUNDING

The funding of banks in Bulgaria is dominated by deposits. As of the end of 2025, the banking sector had EUR 97.4 bn of deposits (2024 – EUR 83.3 bn), equal to approximately 84% of GDP and 84% of banking assets. Household deposits were EUR 56.8 bn or 58% of the total, followed by deposits of non-financial entities – EUR 27.3 bn or 28%, and deposits of financial entities (including banks) – EUR 11.4 bn or 11.7%. There is a well-established preference among households and non-financial entities to keep their free funds in bank deposits. The growth in deposits is also a result of the strengthening of consumer confidence in the banking system in recent years.

Typical wholesale funding tools such as securitisations and covered bonds play an insignificant role. In recent years, through guarantee programmes of the European Investment Bank and the European Investment Fund, several of the larger Bulgarian banks, which are part of international banking groups, have engaged in private synthetic securitisations of SME loan portfolios. The size of these transactions is modest compared to the funding needs of the market.

In July 2025, Eurobank Bulgaria AD, the Bulgarian bank that is part of Eurobank Group, issued Bulgaria's first covered bonds under the Bulgarian Covered Bonds Act, which transposes the EU Covered Bonds Directive. The inaugural issue of EUR 500,000,000 floating rate mortgage loan covered bonds due in 2032 has been awarded a rating from Moody's of Aa2 and admitted to trading on the Euro MTF organised by the Luxembourg Stock Exchange. The issue was retained by the issuer.

Until now central bank funding was practically non-existent due to limitations on the powers of the Bulgarian National Bank as a result of the pegging of the Bulgarian lev to the euro (so-called currency board). This is likely to change after Bulgaria's entry in the eurozone and the Bulgarian National Bank, as the national central bank, takes up its new responsibilities in the formulation and implementation of the Eurosystem's monetary policy.

GREEN FUNDING

The National Recovery and Resilience Plan, part of NextGenerationEU, establishes a National Programme for Energy Renovation of Residential and Non-residential Buildings (the Program) under the auspices of the Ministry of Regional Development and Public Works. The total funds dedicated to the programme are BGN 2.47 bn (EUR 1.26 bn) for the renovation of multifamily residential buildings, public and commercial buildings in the period 2022 – 2026. The main goal of the programme is to achieve a 30% increase in energy efficiency in participating buildings through the funding of projects, such as thermal insulation, renovation of common heating, cooling and ventilation systems, and the construction of renewable energy installations. The application period for a first stage of the programme started in December 2022.

The National Recovery and Resilience Plan also envisages the co-funding of individual investments to increase the energy efficiency of single family and multifamily buildings, such as the construction of solar energy installations, in a total amount of BGN 240 m (EUR 12.3 m) in the period 2022 – 2025.

Due to the prolonged period of political instability and changing geopolitical conditions, the implementation of the National Recovery and Resilience Plan is behind schedule, and it is expected that certain projects will be amended or excluded from the plan as part of an ongoing revision. It is to be seen how the implementation of the National Recovery and Resilience Plan will facilitate green projects in Bulgaria.

	BULGARIA 2024	BULGARIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.8	3.1	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.2	3.5	6.0
HICP inflation (%) (1)	2.6	3.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	86.0	86.1	68.5
Gross Fixed Investment in Housing (annual change) (1)	5.2	4.1	2.8
Building Permits (2015=100) (2)	45.1	49.8	86.9
House Price Index - country (2015=100) (1)	217.5	249.2	161.92
House Price Index - capital (2015=100) (2)	248.0	284.8	n/a
Nominal house price growth (%) (1)*	16.5	14.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	14,100	16,863.67	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	2,187.6	2,625.43	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	n/a	n/a	81.39
Gross residential lending, annual growth (%) (1)	39.2	28.1	2.8
Typical mortgage rate, annual average (%) (2)	2.95	2.47	3.31

(1) Eurostat Data
(2) European Mortgage Federation - Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

BULGARIA FACT TABLE

Which entities can issue mortgage loans in your country?	In Bulgaria there are no specialised mortgage banks. Therefore, all licensed commercial credit institutions can provide mortgage loans. Some of the active leaders of residential loans are DSK Bank (DSK), United Bulgarian Bank (UBB), UniCredit Bulbank (UCB), Eurobank Bulgaria (Eurobank), First Investment Bank (FIB), as well as 'tier 2' banks Central Cooperative Bank (CCB) and Allianz Bank Bulgaria (Allianz).
What is the market share of new mortgage issuances between these entities?	In 2025, the total amount of outstanding mortgage loans increased by ca. 19.6% or BGN* 5.4 bn from BGN 27.6 bn to BGN 33.0 bn. The 7 most active banks on the Bulgarian residential mortgage loan market account for around 95% of this increase – DSK (26,5%), UBB (21,7%), UCB (18,9%), Eurobank (16.2%), FIB (5,2%), CCB (3,8%), Allianz (3%). * EUR 1 = BGN 1.95583
Which entities hold what proportion of outstanding mortgage loans in your country?	As of 31.12.2025 the total nominal (principal) value of residential mortgage loans issued is BGN 33.0 bn. The 7 banks mentioned above form BGN 31.4 bn (ca. 95%) of this amount, of which DSK holds BGN 8.74 bn (ca. 26.5%); UBB – BGN 7.16 bn (ca. 21,7%); UCB – BGN 6.23 bn (ca. 18,9%), Eurobank – BGN 5.34 bn (ca. 16,2%), FIB – BGN 1.72 bn(ca. 5,1%), CCB – BGN 1.25 bn (ca. 3,8%), Allianz – BGN 0.99 bn (ca. 3%). * EUR 1 = BGN 1.95583
What is the typical LTV ratio on residential mortgage loans in your country?	The average LTV ratio is 80%.
How is the distinction made between loans for residential and non-residential purposes in your country?	In the official statistics of the Bulgarian National Bank (BNB), information is provided only on residential mortgage loans reported at nominal (principal) value before deduction of provisions, without fees and currently accrued interest. BNB defines "residential" or "housing" loans as loans granted to households for the purpose of investing in dwellings for their own use or for letting out, including for the construction and improvement of dwellings, which can be secured by various types of assets.
What is/are the most common mortgage product(s) in your country?	The most widely used mortgage products in Bulgaria are local currency denominated housing loans with variable rates, which are generally defined in the banks' own lending policies. The average size of loans is cited as EUR 120.000. In 2025, the average interest rate on BGN denominated housing loans is 2,47%, which is near all-time low figures.
What is the typical/ average maturity for a mortgage in your country?	The average maturity of newly issued mortgage loans is around 26 years with maximum term of any mortgage being 30 years.
What is/are the most common ways to fund mortgage lending in your country?	In Bulgaria the funding of mortgage loans is mainly based on deposits, even though there are alternative funding sources such as securitisation and covered bonds, but they are uncommon.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The process of purchasing a house in Bulgaria is accompanied by variety of taxes and fees, most of which vary according to the property's price, but which may also depend on whether the property has land attached, whether it is being bought through an agent (as opposed to directly from the vendor), or whether there are other consultants involved (e.g. lawyer, surveyor or translator). In particular, a purchaser should be aware of the following related costs: municipal tax (up to 3% of the purchase price depending on municipality involved, no cap); notary expenses for the purchase and for the establishment of a mortgage (each notarisation costs between EUR 255,65 and EUR 3.067,75 depending on the price of the property); state fee for registration of the purchase and the mortgage in the Bulgarian Property Register (each registration costs 0,1% of the property price, no cap); potential VAT implications of the purchase must also be considered.
What is the level (if any) of government subsidies for house purchases in your country?	This information is not available, other than limited tax benefits for young families (spouse not elder than 35 years), which can deduct from their taxable income interest payments on loans (or the part of loans) up to EUR 51.129,19.

Croatia

By Richard Kemmish, External Consultant

IN A NUTSHELL

- → The economy again grew at a significantly above euro area average of 3.4%.
- → House prices continued to accelerate sharply, by approximately 14% fuelled by domestic and foreign demand and higher construction costs.
- → Housing loans increased to EUR 13.7bn, a 15.5% growth rate.
- → Macroprudential limits were strengthened in July.

MACRO-ECONOMIC OVERVIEW

The economy continued its strong growth, real GDP expanded by 3.4% (3.9% in 2024), supported in particular by private consumption, foreign and domestic investment, growth in employment and receipts from the EU's Recovery and Resilience Facility. The European Commission forecasts that growth will continue but at a slower pace in 2026 (2.7% forecast) and 2027 (2.5%) as the facility tapers and domestic demand weakens.

The labour market remains tight, with unemployment falling to 4.9% (from 5.0% at end 2024), close to historical lows. Unsurprisingly, inflation remains high and significantly above the ECB's target rate. CPI by year end was 3.3% (3.4% in 2024), while HICP was 4.4% in 2025 compared to 4.0% in 2024. Wage inflation was even higher at 11.2% (gross wages in nominal terms, compared with 15.9% a year previously). The EU predicts inflation to increase to 4.6% in 2026 with Croatia particularly vulnerable to energy price increases.

The IMF reports that imbalances are emerging due to the rapid growth with credit and house price growth specifically mentioned.

HOUSING MARKETS

Residential property prices rose rapidly. According to the national statistics office, prices rose by 14.1%, a fourth consecutive year of double digit increases. Prices grew faster in newly built properties (16.4% compared with 14.7% for existing). Geographically the rest of the country was 'catching up' with previous rises in Zagreb and the tourist regions. Prices rose by 14.9% in Zagreb, 14.5% in the Adriatic coast and 23.3% in the rest of the country. According to the OECD prices are being driven higher by a combination of foreign and domestic demand, higher construction costs, tourism and high vacancy rates.

Despite rising prices construction has not increased significantly, building permits were slightly down (0.8%) over the year, although the number of dwellings covered by these permits increased by 6.9%, suggesting a strong increase in multiple property developments. Housing completions were not available at time of going to press but in 2024 they increased by only 0.6% y-o-y.

Croatia adopted a National Housing Policy Plan for the first time in 2025 highlighting the need for affordable housing, sustainable housing and better management of existing housing. Under the plan over EUR 2bn will be invested via state programmes, grants for energy efficient renovation and encouragement of affordable renting. In addition new taxes were introduced on real estate (at rates set by local government) ostensibly to encourage the selling of vacant properties. In contrast, tax refunds were introduced for buyers under the age of 45 including up to 50% of the VAT on a new property. Finally, subsidies were introduced for owners renting properties that have been vacant for at least two years.

On the supply side the government introduced a package of laws to accelerate and digitalise the planning permits process.

Rules were introduced to require the consent of neighbours in multi-flat blocks before a flat could be used for short-term rentals. This is particularly relevant in tourist areas.

MORTGAGE MARKETS

MARKET DYNAMICS

Unsurprisingly, mortgages outstanding grew significantly, up 20.7% to EUR 13.7bn by year end.

Some of the growth was due to front-loading ahead of new credit rules introduced by the national bank, including that 80% of a bank's new lending must have a 45% DSTI cap and a 90% LTV cap. They noted that currently 31% of new loans had a DSTI over 45% and 28% had an LTV over 90%.

Early evidence suggests these measures are affecting underwriting: the HNB reported in February 2026 that the share of new loans with a DSTI over 45% fell from around one third of all loans to 15% after the rules were introduced and the share of high LTV loans fell from 30% to 20%.

The vast majority of mortgages (over 90%) are fixed for 10 years or longer. If anything the average fixing period has increased as the effect of the rate cuts have been more pronounced at the long end, 10 year and floating rate mortgages now have broadly similar rates.

MORTGAGE FUNDING

Mortgage funding remains primarily deposit-funded by banks. At end-2025, domestic deposits were EUR 69.8bn, well above total loans to the domestic economy of EUR 50.7bn. Because of the high level of liquidity in the banking sector the covered bond law introduced in 2022 remains sadly unused.

GREEN FUNDING

Several banks offer green mortgages, with either lower rates for properties rated A or A+ or loans for specific energy efficiency upgrades.

Historically energy efficiency measures have been introduced by direct grants from the government but the "Loans for Energy Renovation of Multi-Apartment Buildings" scheme is operated by banks who channel a government subsidy.

The Act on Energy Efficiency in Building Construction enters into force on 1 January 2026 and is aligned with the EU Energy Performance of Buildings Directive.

	CROATIA 2024	CROATIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	3.9	3.4	1.5
Unemployment Rate (LSF), annual average (%) (1)	5.0	4.9	6.0
HICP inflation (%) (1)	4.0	4.4	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	91.0	91.4	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	20.4	21.7	86.9
House Price Index - country (2015=100) (1)	198.5	226.46	161.92
House Price Index - capital (2015=100) (2)	218.8	249.9	n/a
Nominal house price growth (%) (1)*	6.6	14.1	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	11395	13,757	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	2,951	3,550.81	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	22.2	24.76	81.39
Gross residential lending, annual growth (%) (1)	-9.5	15.5	2.8
Typical mortgage rate, annual average (%) (2)	3.73	3.04	3.31

(1) Eurostat Data
(2) European Mortgage Federation - Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

CROATIA FACT TABLE

Which entities can issue mortgage loans in your country?	Commercial banks and housing saving banks.
What is the market share of new mortgage issuances between these entities?	Commercial banks dominate the market.
Which entities hold what proportion of outstanding mortgage loans in your country?	Commercial banks hold 94.5%, and housing saving banks hold the rest 5.5%
What is the typical LTV ratio on residential mortgage loans in your country?	Between 70 and 80%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The 'Consumer Housing Loans Act' defines "housing loan" as a loan: a) collateralised by a security on residential immovable property or a transfer of ownership of residential immovable property for the purpose of securing the loan; or b) the loan the purpose of which is for the consumer to acquire or retain the ownership of residential immovable property. Loans not falling within this description would not be residential.
What is/are the most common mortgage product(s) in your country?	Housing loans.
What is the typical/average maturity for a mortgage in your country?	Between 20 and 30 years.
What is/are the most common ways to fund mortgage lending in your country?	Deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Real estate transfer tax (3% of market value, application from January 2019); transaction costs (fees and commissions): up to 2% of market value; and other costs agency intermediation, public notary, etc.): 2-4% of market value.
What is the level (if any) of government subsidies for house purchases in your country?	Low (in the part of government supported "Publicly Subsidised Residential Construction Program", through the governmental incentives for housing savings and through the limited government financial support for first housing property purchase).

Cyprus

By Ioannis Tirkides and Nektarios Michail, Bank of Cyprus

IN A NUTSHELL

→ GDP increased by 3.8%.

→ House prices continue to increase due to the beneficial macroeconomic environment.

→ Housing demand and construction activity continue to be strong.

→ Bank liquidity remains high.

MACRO-ECONOMIC OVERVIEW

The economy continues to be resilient, with real GDP rising by 3.8%, after registering a 3.9% growth rate in 2024. This was followed by a 3% flash estimate for real GDP growth in 2026Q1. Growth was reported in all sectors of the economy, with the largest drivers being the information and communication sector trade, as well as the transport and accommodation sector, benefiting also from the material growth in tourism arrivals and revenue. Growth was also registered in the industrial sector, while construction growth also remained high. The related categories of real estate activities and professional and administrative services also registered important growth. Overall, growth was fuelled by private consumption, which rose by 3.2% over the year and contributed 2 percentage points, with fixed investment, largely driven by the construction of dwellings as well as intellectual property products, also contributing to growth. The unemployment rate has been declining since its 2013-2015 peak, dropping to 5.5% in the fourth quarter of 2023, further down to 4.6% in the fourth quarter of 2024, and ending 2025 at 4.1% seasonally adjusted.

Cyprus registered the lowest inflation rate in the euro area in 2025, averaging at 0.1%. This reflects the drop in energy and food prices, which had a negative contribution to overall inflation, especially from the second quarter onwards.

The budget surplus stood at 3.7% of GDP, assisting public debt to decline to 55.3%.

HOUSING MARKET

Building permits increased, with total year growth standing at 19.5%, although the figures may be distorted by the local authority restructuring that has taken place and has allowed for a faster processing of cases and a reduction of the backlog. The number of permits for dwellings increased as well, up 42.7% for the year. While the number of permits for office buildings declined, their overall size and value increased by approximately 10%. Along with this increase in building permits, transactions (measured via contracts of sale), have increased in 2025. As per Eurostat data, fixed investment was largely driven by the construction of dwellings (40% of the total), with overall construction activity providing around 60% of fixed investment.

The Central Bank of Cyprus property price index suggests that growth continued during the year, with prices rising by approximately 7.1% in 2025, in line with GDP developments. At 2.4%, compared to an EU average of 8.2%, Cyprus has the lowest housing cost overburden rate in Europe, a metric which shows the share of the population living in a household where total housing costs represent more than 40% of disposable income.

MORTGAGE MARKET

MARKET DYNAMICS

New mortgage lending continued to register steady increases, with around EUR 1.3 bn of new loans granted compared to EUR 1.1 bn in 2024, aided by the continued economic growth as well as the low prevailing debt-to-GDP ratio of the resident private sector (excluding the government), which stood at just 57% in December 2025. Non-performing exposures have declined materially, at 1.6% overall, highlighting the significant progress made in the banking sector.

Interest rates for new mortgage loans (floating and up to one-year initial fixation) stood below 4% in 2025. The weighted average interest rate for all mortgages fell to 3.12% from 4.3% last December.

The applicable Loan-to-Value (LTV) limits vary according to several factors. For loans intended for the purchase of a primary residence, LTV limits are 80%, for non-primary residences the LTV is generally lower, often up to 70% and for investment properties it is often lower still potentially up to 60%.

NON-MARKET LED INITIATIVES

An amendment to the Transfer and Mortgage of Immovable Property Laws of 1965 fixes long-standing title deed problems affecting thousands of buyers, as for contracts lodged with the Land Registry by 31 December 2014, or contracts concluded by 31 December 2024 the law requires the issuance of separate title deeds within two years and eight months of the law's enactment.

In July the framework for "trapped purchasers" – buyers who have paid for a property but cannot obtain the legal title, for example due to a developer's mortgage, another prior encumbrance, or unresolved planning and building issues – was introduced. The law replaced provisions ruled unconstitutional by the Court of Appeal in the previous year. It principally covers sale contracts concluded by 2014. Where an earlier mortgage exists, its holder must consent to its release. Alternatively, a purchaser who has paid the full purchase price may seek a court ruling that consent has been withheld abusively and without justification.

As part of the broader tax reform, stamp duty on property sale and purchase agreements has been eliminated (although VAT is still payable in the case of newly built houses), as well as capital gains tax exemption amounts have been increased. These changes come into effect in 2026.

MORTGAGE FUNDING

Bank and thus mortgage funding stems primarily from customer deposits. Funding conditions are comfortable as reflected in the gross loans to deposit ratio of 48% at the end of 2025. The loan to deposits ratio has been below 50% since early 2023, despite being higher than 100% until early 2018. At the same time, the fact that 84% of total deposits belong to the resident private sector (88% when including the government) as well as the fact that more than half of them are household deposits, provides an additional degree of funding stability. Cypriot banks have access to ECB funding should they require it. The securitisation legislation was enacted in July 2018, and the covered bond legislation in 2010.

	CYPRUS 2024	CYPRUS 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	3.9	3.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.4	4.4	6.0
HICP inflation (%) (1)	2.3	0.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	69.4	69.2	68.5
Gross Fixed Investment in Housing (annual change) (1)	3.2	2.6	2.8
Building Permits (2015=100) (2)	11.3	16.2	86.9
House Price Index - country (2015=100) (1)	118.3	101.93	161.92
House Price Index - capital (2015=100) (2)	112.6	113	n/a
Nominal house price growth (%) (1)*	7.3	-13.84	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	8,488	8,693.42	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	8,783	8,993	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	43.5	38.94	81.39
Gross residential lending, annual growth (%) (1)	2.2	4.1	2.8
Typical mortgage rate, annual average (%) (2)	4.7	3.95	3.31

(1) Eurostat Data
(2) European Mortgage Federation - Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

CYPRUS FACT TABLE

Which entities can issue mortgage loans in your country?	Banks and non-credit institutions licensed by the Central Bank of Cyprus.
What is the market share of new mortgage issuances between these entities?	Banks issue the vast majority of new mortgages.
Which entities hold what proportion of outstanding mortgage loans in your country?	Deposit taking institutions hold the largest share of outstanding mortgage loans, with credit acquiring companies also holding a significant part, although this has been declining over time.
What is the typical LTV ratio on residential mortgage loans in your country?	The maximum allowable LTV is 80% for a primary residence, 70% for other residential property and 60% for investment properties. In practice, LTV ratios are lower.
How is the distinction made between loans for residential and non-residential purposes in your country?	A residential mortgage is a loan to an individual, to be used for the purpose of buying a residential asset.
What is/are the most common mortgage product(s) in your country?	Mortgages with maturities of 20 to 30 years and interest rate reset periods of 3 to 5 years. The share of new loans to households for house purchase with a variable interest rate has followed a sharply declining trend in recent years, in line with the euro area. Standing at almost 100% in early 2022, it had dropped to 12.2% by March 2026, close to the European median.
What is the typical/average maturity for a mortgage in your country?	20 to 30 years.
What is/are the most common ways to fund mortgage lending in your country?	Customer deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	VAT is payable in the case of a newly built house. Stamp duty applied during 2025 but was abolished from 2026 onwards.
What is the level (if any) of government subsidies for house purchases in your country?	The government has introduced some help-to-buy programmes and pays interest benefits to certain groups including young couples, low-income households and descendants of refugees from the Turkish invasion in 1974.

Czechia

By Martin Kotek and Jaromír Šindel, Czech Banking Association

IN A NUTSHELL

- → The economy grew by 2.6%, consumer inflation remained broadly unchanged at 2.5% and the central bank finished its cutting cycle with its policy rate at 3.5% in May 2025 after 4% by end-2024 and 7% in November 2023.
- → The mortgage market grew by more than 50% y-o-y in 2025; the average interest rate declined towards 4.5% by the end of year and average fixed rate periods remained lower over 3 years.
- → The house price index increased by 10.4%; higher prices increased the LTV ratio to above 70% but mortgage related NPLs eased to below 0.6%.

MACRO-ECONOMIC OVERVIEW

The Czech economy continued its recovery in 2025 and exceeded earlier expectations despite trade-related uncertainty linked to U.S. tariff policies. Real GDP growth accelerated to 2.6% from 1.1% in 2024, outperforming both the euro area and part of the Central European region. Growth was driven mainly by household consumption (+3.0%), supported by strong wage growth, easing inflation, and lower interest rates. Government consumption increased by 2.1%, while fiscal policy remained only mildly restrictive in an election year. Fixed investment rebounded by 2.6% after three years of decline, although investment in machinery remained subdued. Export activity strengthened significantly, growing by 4.1% despite weak demand in key European markets.

Inflation remained broadly stable at 2.5%, close to the upper part of the Czech National Bank's (CNB) target range and slightly above the 2.4% average recorded in 2024. Food prices contributed most to inflationary pressures, while headline inflation slowed to 2.1% by year-end. Core inflation increased moderately to 2.7%, reflecting persistent services inflation, strong house-price growth and continued labour market tightness. The labour market showed signs of gradual easing from its previous tightness. The registered unemployment share rose to 4.4% from 3.8% in 2024, while nominal wage growth remained at 6.6% y-o-y as in 2024, resulting into unchanged 4.1% real wage growth supporting a recovery in household purchasing power.

Persistent domestic inflationary pressures led the CNB to complete its easing cycle in May 2025, lowering the two-week repo rate to 3.5% from 7.0% at the start of the easing cycle in late 2023. The CNB subsequently kept rates unchanged for the rest of the year. Stronger economic growth, a positive interest-rate differential, and easing concerns over trade tensions supported a modest appreciation of the Czech koruna. The general government deficit remained contained at 2.1% of GDP with public debt increasing moderately to 44.3% of GDP.

LOOKING AHEAD

The Czech economy is expected to continue growing, although at a slower pace amid a more challenging external environment. According to the Czech Banking Association forecast, real GDP growth should moderate from 2.6% in 2025 to 2.0% in 2026 before accelerating to 2.4% in 2027. Domestic demand will remain the key driver, supported by real wage growth, resilient household consumption, and a gradual recovery in investment.

Key risks stem from geopolitical tensions, particularly in the Middle East, weaker euro area growth, and uncertainty surrounding future fiscal and monetary policies. Higher oil prices have worsened the inflation outlook. Consumer inflation is projected to average 2.5% in 2026 and increase to 2.7% in 2027, while core inflation is expected to remain elevated due to persistent domestic cost pressures and wage growth.

This creates upward pressure on the CNB to hike its policy rate from 3.5%. Higher long-term market rates have already affected financing conditions. The outlook for the mortgage and housing market remains broadly positive. Household lending is projected to grow by 8.2% in 2026 and 7.5% in 2027, supported by rising incomes, improving affordability relative to previous years and strong underlying housing demand. Mortgage activity in early 2026 is also being boosted by front-loaded borrowing ahead of tighter macroprudential measures. However, higher long-term yields may weigh on demand later this year. Continued house price growth and limited housing supply are expected to support market activity while remaining a challenge for affordability, especially in major cities.

A key downside scenario assumes prolonged disruption of Gulf commodity supplies. In such a case, GDP growth could slow to around 1.6% in 2026, inflation could exceed 3%, and the likelihood of further CNB rate hikes, higher mortgage rates, and weaker housing market activity would increase.

HOUSING MARKETS

The main determinants of house price growth were recovering household purchasing power, robust wage growth, high household savings, improving credit availability and a gradual revival of the mortgage market. At the same time, structural supply constraints continued to support prices. Housing demand strengthened considerably after the temporary market correction of 2022–2023, resulting in renewed growth in both housing transactions and property prices.

Although housing construction activity showed signs of stabilisation, the number of completed dwellings remained insufficient relative to underlying demand. Housing starts recovered during 2025, supported by lower financing costs and stronger demand, while building permit activity remained volatile, reflecting lengthy permitting procedures and capacity constraints in the construction sector. Overall, the Czech housing market entered 2026 with strong momentum, characterised by rising transaction activity, renewed mortgage growth, and continuing upward pressure on residential property prices.

According to the Czech Statistical Office's House Price Index (HPI), residential property prices increased by 10.3% y-o-y in the fourth quarter of 2025. Over the past five years, house prices have risen by almost 60%, reflecting a long-standing imbalance between housing demand and supply. The owner-occupied housing price index, which includes self-built housing and major renovations, grew more moderately, highlighting that transaction prices have been increasing faster than construction-related housing costs.

The strongest price growth continued to be observed in Prague and other large urban areas, where housing supply remains particularly constrained. However, regional differences narrowed somewhat as demand increasingly spread to surrounding regions and larger regional cities. Prague remains by far the most expensive housing market in the country, while affordability pressures are generally lower in less densely populated regions.

Transaction activity recovered even more strongly than prices. According to Flat Zone data, average transaction prices of new and nearly new apartments reached CZK 137,000 per square metre in the fourth quarter of 2025, approximately 20% above 2022 levels. Transaction volumes more than doubled compared with late 2022. In the secondary market, prices of existing apartments reached CZK 75,000 per square metre, around 19% above 2022 levels, while transaction volumes increased by almost 90%. This indicates that the market recovery has been driven not only by higher prices but also by a substantial return of buyers.

MORTGAGE MARKETS

MARKET DYNAMICS

Banks and building societies arranged mortgages of CZK 376 bn. (EUR 15.3 bn) which represents 53% y-o-y growth, out of which new mortgages were CZK 320 bn (+51% y-o-y), and remortgaging CZK 56 bn. (+67% y-o-y). This trend was still based on the fact that 2023 represented a long-term minimum since the crisis of 2008-2010, so the basis was favourable for growth. On the other hand, the market began to approach its maximum from 2021.

While the first quarter followed on from the previous year rather smoothly, the growth accelerated from the second quarter of the year, when quarterly sales of mortgage loans reach the amount of CZK 100 bn.

Recovery was significant in refinancing, which was driven by a decrease of interest rates on one hand and by deferred activity of the customers on the other hand.

The credit impulse from newly originated residential mortgages recovered to 3.7% of GDP in 2025, following 2.6% in 2024 and 1.5% in 2023. It exceeded the 2014-2019 average of 2.9%, and strengthened further to 4.8% in Q1 2026, matching the average level observed during the 2020-2021 housing boom. Unlike the previous cycle, however, the current upswing has been driven primarily by a higher average mortgage size, while the number of new mortgages has recovered to the solid levels seen in 2016-2018.

The positive development of the mortgage market was influenced by a mix of factors: an improved economic situation, the recovery of real estate prices, and a decrease in the mortgage rate. Confirmed easing of consumer inflation resulted in the recovery of households' purchasing power, a slight improvement of still challenging affordability of housing and it eventually allowed the central bank to stabilise monetary policy. Generally, these factors contributed to improving consumer confidence and restoring demand for financing. Demand was also supported by addressing deferred housing financing needs and by expectations of the future housing market development.

The Czech National Bank continued to ease monetary policy. In 2025, the basic interest rate was decreased in two steps, from 4.00% at the beginning of the year to 3.50% in May, after which it remained effective till the end of the year. In fact, this decrease confirmed downward trend and contributed to the stabilisation of mortgage interest rates in the second half of the year. The average interest rate on new mortgages declined (4.64% in 2025 vs. 5.16% in 2024), it started at 4.81% in Q1 and ended at 4.54% in Q4.

In expectation of future developments, customers preferred shorter- term fixation, usually 3 years; very short fixations up to 1 year decreased in comparison to previous year and reached a 9.7% share, falling to 7.5% in Q4 of 2025. On the other hand, almost 70% of all loans were granted with a fixation period of 1 – 3 years.

The average LTV ratio remained at 65.8% in 2025, the NPL ratio for households' mortgages decreased to 0.55% from 0.6% in 2024.

NON-MARKET LED INITIATIVES

The Czech National Bank announced at the end of 2025 slightly stricter rules for providing mortgage loans for the purchase of investment residential property, broadly defined as the acquisition of a third or subsequent property. The LTV indicator may not exceed 70% and the DTI (Debt-to-Income) indicator may not exceed a value of 7. This change has been effective since April 1st, 2026.

There have not been any explicit indicators specifically for investment mortgages valid until now. The Czech National Bank has only recommended a more prudent approach when providing loans for investment residential property to cover potentially increased risks connected with financing real estate that is not intended for the housing of the debtor.

Other limits remained unchanged. The central bank generally kept the LTV ratio at 80% (90% for borrowers under 36 years) and deactivated DTI and DSTI ratios.

The announced regulation of investment mortgages brought a pre-stocking effect and accelerated the sale of these loans in Q1 2026.

The Middle-east conflict caused an increase in interest rates at the beginning of Q2 2026 and cooling in demand for housing financing is expected as the temporary reaction by customers.

GREEN FUNDING

The New Green Saving programmes' goal was to increase the energy efficiency of buildings and reduce emissions of greenhouse gases and other pollutants in the air. Support is aimed at building insulation, the construction or purchase of houses with very low energy consumption, ecological methods of heating buildings, including the replacement of inadequate heat sources or the use of renewable energy sources. The New Green Savings programme is financed from a portion of the proceeds of emission allowance auctions.

There are two main pillars of the support provided to households – (i) providing consultancy to enable households to receive a direct subsidy and (ii) if a household needs an additional loan, the state provides zero interest funding to the financial institution of up to 50% of that loan provided to household. Based on this scheme the state sets an upper limit on the interest rate of loans provided to households on a semi-annual basis that is actually half of the market interest rate on housings loans to households.

This program will be changed in 2026, with the grants provided only to low-income households, while the government will fully subsidise the interest rate on loans.

	CZECHIA 2024	CZECHIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.1	2.6	1.5
Unemployment Rate (LSF), annual average (%) (1)	2.6	2.8	6.0
HICP inflation (%) (1)	2.7	2.3	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	74.7	75.1	68.5
Gross Fixed Investment in Housing (annual change) (1)	-3.1	1.5	2.8
Building Permits (2015=100) (2)	34.6	33.9	86.9
House Price Index - country (2015=100) (1)	222.3	245.40	161.92
House Price Index - capital (2015=100) (2)	221.8	253.4	n/a
Nominal house price growth (%) (1)*	6.5	10.4	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	68,359	76,352	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	6,271	7,010.5	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	40.6	38.1	81.39
Gross residential lending, annual growth (%) (1)	80.4	n/a	2.8
Typical mortgage rate, annual average (%) (2)	5.2	4.65	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

CZECHIA FACT TABLE

Which entities can issue mortgage loans in your country?	The only subjects that are entitled to issue mortgage loans remain the banks.
What is the market share of new mortgage issuances between these entities?	Banks issue 100% of new mortgages.
Which entities hold what proportion of outstanding mortgage loans in your country?	The three biggest retail banks hold >70% of the outstanding volume.
What is the typical LTV ratio on residential mortgage loans in your country?	The macroprudential measures require the LTV ratio of new mortgage loans to be between 80% to 90% for customers younger than 36 years old. Its average and median values were around 66% and 70% respectively in 2024-2025, up from around 62% and 67.5% in 2022-23.
How is the distinction made between loans for residential and non-residential purposes in your country?	Majority of mortgage loans is issued for residential purpose.
What is/are the most common mortgage product(s) in your country?	The most typical product in 2025 was the mortgage loan for purchase or (re)construction of residential property, secured by this financed property, with a fixed interest rate for 3 years and an average maturity of 27 years (median value at 30 years). The average number of debtors was 1.6 (or median at 2).
What is the typical/ average maturity for a mortgage in your country?	The average maturity of mortgages granted in 2025 was 27 years or a median value at 30 years.
What is/are the most common ways to fund mortgage lending in your country?	The most common are a combination of retail deposits and covered bonds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Costs include administrative fees for record of the ownership change and fees for mortgage lien establishment to the Real Estate Cadastre (state database of real estate), which cost about 80 EUR per record. Also, the real estate agency fee (only for purchase intermediated by RE agency) exists. There is also a fee for a notary or lawyer connected with preparation of purchase contract and notarial custody of purchase price (only if seller and buyer use legal services). The transaction tax is zero after its previous rate at 4% was cancelled in 2020.
What is the level (if any) of government subsidies for house purchases in your country?	There is a limited range of subsidies available: - Tax-deductible paid interests: The amount paid in interest on a mortgage loan to finance housing needs can be deducted from the tax base of physical entities' income, up to CZK 150,000 per year (≈6,200 EUR); for mortgage loans granted before 2021 up to CZK 300,000 per year (≈12,400 EUR). - Relaxed LTV ratio applied for housing loans for applicants younger than 36 years old (max. 90% instead of 80%). - State subsidies via New Green Saving program targets energy savings in family and apartment buildings. - State subsidies for establishing social housing for disadvantaged people due to their age or health.

Denmark

By Nicholas Gudmund Hansen, Kristoffer Fahnøe Lynggaard and Theis Scheuer Jansen, Finans Danmark

IN A NUTSHELL

- → The economy grew by 3.5%.
- → Mortgage interest rates have fallen.
- → Housing market activity is higher than last year.
- → House prices continued to increase over the year.

MACRO-ECONOMIC OVERVIEW

The economy grew by 3.5% in real terms, 0.4 pps less than 2024. Growth was again primarily supported by exports, while domestic demand contributed more than in the previous year. Consumer prices increased by 1.9%.

The employment rate remained at a high level throughout 2025, starting at 77.1% in Q1 2025 and ending at 76.6% in Q4. Unemployment was 6.4% according to Eurostat. The government had a budget surplus of 2.9% of GDP. Gross government debt was 27.9% of GDP, which remains low in Europe.

The deposit rate at Danmarks Nationalbank continued to follow the ECB during 2025 due to the fixed exchange rate policy between the DKK and EUR.

HOUSING MARKETS

Nominal house prices increased by 4.4% in 2025, continuing the upward trend from 2024. Prices increased markedly more in the capital region, and by the end of 2025 prices in Copenhagen were 13.2% higher than the year before for houses, and 15% higher for owner-occupied apartments. The national House Price Index reached 149.3 (2015=100), while the index for the capital region reached 196.4.

In total, 78,182 houses and owner-occupied flats were sold, significantly more than the 68,041 in 2024. Lower mortgage rates and continued resilience in the real economy have contributed to the rising housing market activity in 2025.

House completions fell by 7.9%, while commenced construction increased by 27.1% and the number of building permits issued increased by 15.8% compared with 2024. The pick-up in housing starts and permits suggests that supply is beginning to respond to the recovery in demand observed over the past two years.

MORTGAGE MARKETS

MARKET DYNAMICS

By the end of 2025, outstanding mortgage loans from mortgage banks[1] were DKK 3,123 bn (EUR 418 bn equivalent) of which approximately DKK 1,818 bn (EUR 243 bn) was for owner-occupied housing. Housing loans from universal banks amounted to DKK 327 bn (EUR 44 bn). In total, mortgage credit growth was 2.4% in 2025.

Mortgage lending activity in 2025 increased compared to previous years. Gross lending activity by mortgage banks was higher than in 2024. Total gross lending reached DKK 544 bn (EUR 73 bn). Residential mortgages were 65.3% of gross lending, 3.9 pps more than in 2024. Gross lending activity is up by 29%.

Outstanding mortgage loans issued by mortgage banks are split between fixed rate mortgages (33.1% by year end 2025), mortgages with an interest rate under 1 year (39.7%) and mortgages with an interest rate above 1 year (27.2%). In 2025 fixed rate mortgages (typically fixed for 30 years) were 36% of total gross lending, a change of 5 pps. Adjustable-rate mortgages and interest reset mortgages were 64%. The short-term interest rate for borrowers was on average 3.25% in 2025.

Interest rates have been falling throughout 2025 as inflation has moved closer to the ECB's target of 2% and central banks have continued to ease monetary policy. The drop in mortgage rates has supported borrower demand and contributed to the increased housing market activity. Borrowers continued to show a preference for adjustable-rate and interest reset mortgages, reflecting expectations of further rate declines and the possibility to lower monthly payments compared to those on fixed rate loans.

MORTGAGE FUNDING

Mortgage loans issued by mortgage banks are solely funded through the issue of covered bonds. Mortgage banks continuously supply extra collateral on a loan-by-loan basis if the value of cover assets (properties) deteriorates.

The funding mix – for the main part bullet bonds or callable long-term bonds – adjusts continuously according to borrower demand. Bonds are tapped and bullet bonds behind interest reset loans are refinanced by the month end in March, June, September and December. December remains traditionally the largest refinancing date, however new bullet bonds have not been issued with maturity in December for the past years, spreading refinancing activity and hence the point risk more evenly across the year.

[1] Mortgage banks are financial institutions specialized in a narrow range of activities. They provide loans secured by mortgages on real property. These loans are exclusively funded through the issuance of covered bonds. Deposits are not allowed. There is a direct match between each loan and the corresponding bond issued to finance it. Borrowers may prepay their loans at any time by repurchasing the bonds at their current market value. Universal banks operate across a broad spectrum of financial services. Loans may be funded through customer deposits, short-term borrowing, or the issuance of bonds. Deposits are allowed. Unlike mortgage banks, there is no direct match between individual loans and the instruments used to fund them. In the case of loan prepayments, the universal bank determines the applicable terms and pricing.

	DENMARK 2024	DENMARK 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	3.9	3.5	1.5
Unemployment Rate (LSF), annual average (%) (1)	6.2	6.4	6.0
HICP inflation (%) (1)	1.3	1.9	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	60.9	58.4	68.5
Gross Fixed Investment in Housing (annual change) (1)	-2.0	2.1	2.8
Building Permits (2015=100) (2)	18.8	20	86.9
House Price Index - country (2015=100) (1)	143.0	149.3	161.92
House Price Index - capital (2015=100) (2)	173.0	196.4	n/a
Nominal house price growth (%) (1)*	3.5	4.4	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	278,687	286,384.47	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	46,750	47,493.28	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	149.99	134.78	81.39
Gross residential lending, annual growth (%) (1)	-43.4	n/a	2.8
Typical mortgage rate, annual average (%) (2)	4.73	3.25	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

DENMARK FACT TABLE

Which entities can issue mortgage loans in your country?	Universal banks and mortgage banks.
What is the market share of new mortgage issuances between these entities?	Not available – the available data for residential mortgages reflect issuances by mortgage banks only (data for universal banks are not available).
Which entities hold what proportion of outstanding mortgage loans in your country?	Over the past twelve months, the proportion of outstanding mortgage loans for owner-occupied housing has been as follows: - Retail banks: 15% - Mortgage banks: 85%
What is the typical LTV ratio on residential mortgage loans in your country?	For new loans for owner-occupied housing, the LTV is normally up to 80%. For other new residential loans, the LTV is normally up to 60%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction depends on whether the borrower occupies the property as their residence.
What is/are the most common mortgage product(s) in your country?	There are three main types of mortgage loans: Fixed-rate loans. Interest reset loans. Variable-rate loans, with or without an interest rate cap.
What is the typical/ average maturity for a mortgage in your country?	For new housing loans, the maturity is normally 30 years.
What is/are the most common ways to fund mortgage lending in your country?	For mortgage banks, the primary source of funding is covered bonds. For universal banks, the main funding sources are covered bonds, deposits, and unsecured bonds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	For new loans of DKK 1 million (EUR 134,000) with a fixed rate, the following costs apply: - Taxes paid to the State: Approximately DKK 17,000 (EUR 2,280). - Costs paid to the mortgage bank: Approximately DKK 10,000 (EUR 1,340).
What is the level (if any) of government subsidies for house purchases in your country?	The government does not play a role in financing house purchases and does not provide subsidies for house purchases.

Estonia

By Irina Markitanova and Kaire Husu, Luminor Bank AS

IN A NUTSHELL

- → GDP increased by 0.6%, after a small contraction in 2024.
- → Mortgage market continued to grow fast, 10% to EUR 13.2bn.
- → Housing prices increased by 5.8%.
- → Covered bond funding increased to EUR 3.5bn.

MACRO-ECONOMIC OVERVIEW

The economy grew by 0.6% in 2025 after a 0.1% decline in 2024. Industrial production increased by 1.7%. Total domestic demand improved by 1.8% with private consumption decreasing by 0.1%, investments increasing by 3.2% and government consumption by 2.6%. The government budget remained in deficit by 2% and government debt remained at 24.1% of GDP, increasing only marginally because of strong nominal growth.

Consumer prices increased by 4.8% mainly because of various tax increases including the increase in the value added tax, various excise duties and introduction of car tax, and administrative changes such as increasing the price of visit to doctors. Wages increased by 5.6%, slightly more than prices, but with the increase in the personal income tax, the purchasing power of net wages decreased. Unemployment decreased from 7.6% a year ago to 7.5%, and the level is elevated due to the inclusion of Ukrainian war immigrants in the statistics. The unemployment rates are lower for longer term residents. Companies maintained staffing levels in anticipation of returning demand and employment levels are very close to historic peak levels.

The economic outlook is more optimistic. Because of the income tax change in 2026, net wages for those earning more than median wage increased substantially. Together with an expected 5% average wage increase, the net income is expected to grow by more than 10% for average wage earners, which is expected to boost private consumption in 2026 by 1-2%. Together with the increase in defence spending the planned budget deficit is over 4% of GDP, giving rise to substantial domestic demand. Economic growth is expected to increase to 2% in 2026 and to 3% in 2027. If this is the case the real estate market is expected to remain active and prices to increase. Employment remains high and unemployment moderate, giving signs that mortgage repayment quality remains high.

HOUSING MARKET

Average residential real estate transaction prices increased by 5.2% in 2025. Prices of flats increased by 5.0% and prices of houses increased by 5.9%. Price growth was lower than the substantial increases seen in 2021 and early 2022 but continued to outpace the broader economy. The overall levels of price increases are likely to overestimate the true increase, as better-renovated houses and flats with fewer square metres, but a higher number of rooms, accounted for more turnover.

Real estate developers continued to put new housing on the market despite demand being quite moderate. The number of new dwellings added to the market grew by 4% to 6,059. The number of building permits increased by 34.6% in 2025, and construction projects started remained at the 2024 level. The size of the average real estate property decreased by 5.7%, confirming the demand for smaller flats and houses.

The affordability index decreased as the house price index increased more than net wages. However, with the decline in interest rates and the better outlook for 2026, the cost of housing improved, which resulted in higher real estate market and mortgage turnover rates.

MORTGAGE MARKETS

MARKET DYNAMICS

The recovery of the economy and the continued decline in interest rates in 2025 supported demand. The number of transactions in apartments increased by about 4% in 2025, while the mortgage market grew by 10% to EUR 13,169 million, a historic high, equal to 32% of GDP. The number of new housing loan contracts increased by 10% compared to the previous year, and the average outstanding housing loan amount grew by 9.1% to EUR 67,815. The housing loan portfolio continued to grow faster than GDP.

Housing loan maturities are up to 30 years. The average interest rate on new housing loans fell from 5.02% to 3.6% in 2025. Borrowers can borrow up to 85% of the property value with a standard contract structure and up to 90% if they qualify for the housing guarantee programme supported by the government. The Estonian Business and Innovation Agency offers state guarantees for purchasing and renovating homes. In cases where a guarantee is applied, the loan-to-value limit can be increased to 90%. In 2025, approximately 16% of all newly issued mortgage loans were issued with an EIS guarantee.

The DSTI requirement states that the ratio of the payments due on the total liabilities of the borrower to their net income may not exceed 50% at the time of the loan decision. The LTV and DSTI limits may be breached for up to 15% of the loans originated in any one quarter.

The mortgage market consists mainly of commercial banks. Housing loans account for approximately 40% of the aggregate loan and lease portfolio of the banks, according to the Bank of Estonia. The banking sector is well capitalised, and the quality of housing loans remained good in 2025. Only 0.1% of housing loans were overdue by more than 90 days at year-end, as reported by the Bank of Estonia. The importance and volume of this type of loan reflect the preference of households for homeownership over renting, as well as the concentration of the domestic market.

NON-MARKET LED INITIATIVES

The Bank of Estonia's macroprudential policies remained broadly unchanged. Macroprudential measures are applied when necessary to prevent risks to the functioning of the financial sector and to increase the resilience of the sector. The requirements setting the maximum LTV of 85%, DSTI of 50%, and a maximum maturity of 30 years have been in place since 2015. The housing loan requirements of the Bank of Estonia require the borrowing capacity of the household to be assessed assuming either the interest rate applied in the loan contract or an annual rate of 6%, whichever is higher. The Bank of Estonia has set a limit of 50% for the DSTI ratio calculated in this way.

Credit institutions operating in Estonia must currently comply with the following macroprudential requirements of the central bank: (1) systemically important banks (Swedbank, Luminor, LHV and SEB Pank) must maintain an additional capital buffer of 2% of risk-weighted assets, whilst smaller banks must maintain a buffer of 0.5%; (2) banks using the internal ratings-based method must apply the minimum risk weight floor for mortgages in their capital calculations; (3) all banks must comply with borrower-specific requirements for issuing housing loans; and (4) a countercyclical capital buffer requirement of 1.5%. The Bank of Estonia raised the countercyclical capital buffer rate to 1.5% because of the risks that followed from the rapid growth in credit in 2021–2022. The new rate started to apply from 1 December 2023.

The systemic risk buffer rate remains at 0%. However, if banks registered in Estonia have granted mortgage loans to residents of Lithuania, then a 2% systemic risk buffer has applied since 1 July 2022 to those exposures.

MORTGAGE FUNDING

The most important source of funds for the Estonian banking sector continues to be deposits. As deposits have grown strongly in recent years, they have been sufficient to finance the demand for credit. The ratio of loans to deposits was around 91% at the end of 2025.

The share of market-based funding increased during 2025 compared to 2024. At the end of 2025, Estonian banks had EUR 3,450 million of covered bonds outstanding, of which EUR 1,650 million was retained and EUR 1,800 million was issued through public issuances, although the portfolios are not exclusively Estonian, as assets in Latvia and Lithuania may also back Estonian covered bonds. In 2025, there were three new public covered bond issuances amounting to EUR 1,050 million.

GREEN FUNDING

EIS provides grants and loans to improve the energy efficiency of apartment buildings.

	ESTONIA 2024	ESTONIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	-0.1	0.6	1.5
Unemployment Rate (LSF), annual average (%) (1)	7.6	7.5	6.0
HICP inflation (%) (1)	3.7	4.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	79.3	79.7	68.5
Gross Fixed Investment in Housing (annual change) (1)	-3.5	4.6	2.8
Building Permits (2015=100) (2)	89.0	n/a	86.9
House Price Index - country (2015=100) (1)	209.8	222	161.92
House Price Index - capital (2015=100) (2)	n/a	n/a	n/a
Nominal house price growth (%) (1)*	6.1	5.8	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	11,966.8	13,169.2	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	8,705	9645.15	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	54.4	n/a	81.39
Gross residential lending, annual growth (%) (1)	15.3	10.3	2.8
Typical mortgage rate, annual average (%) (2)	5.02	3.6	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

ESTONIA FACT TABLE

Which entities can issue mortgage loans in your country?	Although the market is dominated by commercial banks, there is no limitation on lenders. Both financial and non-financial entities can offer loans. However, the small size of the Estonian market means that there have always been few suppliers of housing loans.
What is the market share of new mortgage issuances between these entities?	The mortgage market consists mainly of commercial banks. The five banks that issued most of the housing loans in 2025 were Swedbank, SEB Pank, LHV Pank, Luminor Bank and Coop Pank. LHV increased its market share from 13% to 14%, while the market shares of the other banks were unchanged or slightly decreased. Swedbank and SEB Pank remained the leaders in the housing loan market, with market shares of 40% and 27%, respectively, followed by LHV and Luminor with 14% and 8%, respectively.
Which entities hold what proportion of outstanding mortgage loans in your country?	Commercial banks hold the majority of outstanding mortgage loans.
What is the typical LTV ratio on residential mortgage loans in your country?	Eesti Pank has set an LTV limit of 85%. For state-guaranteed housing loans, the LTV ratio may be up to 90%. The average LTV for new mortgage loans issued in 2025 was 68%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Not available.
What is/are the most common mortgage product(s) in your country?	Floating-rate mortgage loans (6-month Euribor plus an interest margin).
What is the typical/ average maturity for a mortgage in your country?	Eesti Pank has a set maximum mortgage maturity of 30 years. The average maturity for new mortgage loans issued in 2025 was 26.1 years.
What is/are the most common ways to fund mortgage lending in your country?	Commercial banks' lending activities are covered mainly with domestic deposits. But in addition, local banks have implemented covered bond frameworks to use covered bonds as a contingency funding tool and especially in volatile periods.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Not available.
What is the level (if any) of government subsidies for house purchases in your country?	The Estonian Business and Innovation Agency (EIS, formerly known as KredEx) offers state-backed loan guarantees for purchasing and renovating homes. In 2025, approximately 16% of all newly issued mortgage loans were issued with an EIS guarantee.

Finland

By Jussi Kettunen and Veli-Matti Mattila, Finance Finland

IN A NUTSHELL

- → The economic development was still slow in 2025, as real GDP increased by 0.8%.
- → Residential construction remained depressed, new permits fell by 13% and there were more bankruptcies in the construction industry (768) than during the global financial crisis in 2009.
- → Outstanding mortgages stayed at the same level compared to previous year.
- → House prices decreased by 2.3% y-o-y.

MACRO-ECONOMIC OVERVIEW

The economic growth was very slight, 0.8% in real terms.

During the year the economy began to recover. Inflation slowed on the basis of Finnish CPI to 0.3% (1.6%), but on the basis of HICP (which excludes mortgage interest costs) it increased to 1.8% from 1% in 2024. Interest rates remained at low level compared to previous years.

According to Statistics Finland's labour force survey, there was an average of 2,590,000 employed and 278,000 unemployed people aged 15–74 in 2025. There were 12,000 fewer employed and 39,000 more unemployed than in the previous year. The employment rate for people aged 20–64 was 76.0% in 2025. The employment rate decreased by 0.7 percentage points from 2024. The unemployment rate is 9.7% (up from 8.4% last year).

LOOKING AHEAD

In 2026, GDP is expected to grow between 0.6%-1.4%, from which it will accelerate to 1.3%-1.7% the following year.

HOUSING MARKETS

Building permits were granted for 16,266 dwellings which was 13% less than a year prior.

In 2025, the construction of 7,903 new dwellings started with state support. There were 5,540 rental apartments and 2,363 right-of-occupancy apartments. The number of rental apartments decreased by 5% from the previous year and the number of right-of-occupancy apartments by 8%.

The construction industry experienced more bankruptcies (768) than during the global financial crisis in 2009.

Housing allowance for owner occupied properties was abolished.

MORTGAGE MARKETS

MARKET DYNAMICS

During the coronavirus pandemic and Russia's war of aggression, the Finnish banking sector has continued to lend to households for home purchases as usual, which has been important for the growing popularity of remote work and labour mobility, among other things.

The mood in the housing market was expectant throughout 2025. The impact of the coronavirus pandemic, which boosted housing sales, had receded at the end of 2022. The relatively high level of heating energy prices and loan interest rates, as well as the general increase in uncertainty, kept housing demand moderate compared to historical levels.

In the end, demand for housing loans remained moderate during the year, and at the end of 2025, the stock of housing loans stood at EUR 106.3 billion (Q4 2024: EUR 105.8 billion). At the end of 2025, the average interest rate on housing loans was 2.88% (3.9% in 2024), and the average interest rate on buy-to-let housing loans was 2.86% (3.71% in 2024).

The prevalence of variable-rate housing loans – 95% of the total - has meant that the effects of the ECB's monetary policy easing have been felt more strongly in Finland than in many other euro area countries. On the other hand, in previous years, when market interest rates were zero or even below, housing loan interest rates in Finland were among the lowest in the euro area, and the difference with other countries was at best several percentage points.

At the end of December 2025, the stock of loans granted to housing corporations, especially housing companies, stood at EUR 45.9 bn. Part of this is the responsibility of households, part is the responsibility of housing investment funds and other housing investors, and part of it is the responsibility of companies. In the statistics, housing corporation loans are included in banks' corporate loans.

MORTGAGE FUNDING

Mortgages are generally funded via deposits and covered bonds. All outstanding covered bonds in Finland are primarily backed by mortgages and the ratio of outstanding covered bonds to residential loans was approximately 45%. Therefore, covered bonds are an essential source of funding for the mortgage sector.

GREEN FUNDING

One example of complementary public financial instruments is the European Investment Fund (EIF) Loan Guarantee Programme, which aims to boost clean technology investments and energy efficiency renovations by SMEs, households and housing companies. In 2024 the European Investment Fund (EIF) signed agreements with eight Finnish banks and financial institutions to support small and medium-sized enterprises (SMEs), small mid-caps and housing companies. The agreements will enable approximately EUR 1 billion in loan financing for projects that promote Finland's climate goals and environmental sustainability.

	FINLAND 2024	FINLAND 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	0.9	0.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	8.4	9.7	6.0
HICP inflation (%) (1)	1.0	1.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	68.1	66.9	68.5
Gross Fixed Investment in Housing (annual change) (1)	-9.8	-2.4	2.8
Building Permits (2015=100) (2)	53.1	n/a	86.9
House Price Index - country (2015=100) (1)	99.6	99.03	161.92
House Price Index - capital (2015=100) (2)	111.8	106.8	n/a
Nominal house price growth (%) (1)*	-2.7	-2.3	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	105,760	106,272	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	18,873	18,799.22	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	114.23	110.99	81.39
Gross residential lending, annual growth (%) (1)	-1.0	0.1	2.8
Typical mortgage rate, annual average (%) (2)	3.9	2.88	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

FINLAND FACT TABLE

Which entities can issue mortgage loans in your country?	Credit institutions.
What is the market share of new mortgage issuances between these entities?	Credit institutions account for 100% of new mortgage issuances. The market shares are as follows: OP Financial Group 39%, Nordea 30%, Danske Bank 9%, and all other institutions 22%.
Which entities hold what proportion of outstanding mortgage loans in your country?	Banking groups hold 100% of the housing loan stock (banking groups include mortgage banks as subsidiaries).
What is the typical LTV ratio on residential mortgage loans in your country?	Loan-to-Collateral (LTC): 80% for first-time buyers (median for new loans) and 60% for other borrowers (median for new loans).
How is the distinction made between loans for residential and non-residential purposes in your country?	Not available.
What is/are the most common mortgage product(s) in your country?	Housing loans.
What is the typical/average maturity for a mortgage in your country?	A maturity of 25 years is typical. The average maturity for owner-occupied loans was 22 years and 11 months (as of September 2025).
What is/are the most common ways to fund mortgage lending in your country?	Deposits and covered bonds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Since October 2023: 1.5% transaction tax has applied to apartments and a 3% transaction tax for real property.
What is the level (if any) of government subsidies for house purchases in your country?	State support in the form of subsidies and guarantees for qualifying properties (mostly social housing) is provided via the Centre for State-Subsidised Housing (Varke).

France

By Bertrand Cartier, Groupe BPCE (Banques Populaires-Caisses d'Epargne)

IN A NUTSHELL

- → Average home loan rates kept decreasing in 2025, from 3.32% in January to 3.09% in December;
- → Housing sales annually rebounded by 12%, supported by existing home transactions (+13%) and single-family detached house sales (+33%);
- → Prices of existing dwellings increased by 0.6% over the year, with larger improvements in Provincial France (+0.8%) and for flats (+1.0%);
- → New home loans surged by 29% in 2025, but new amounts were still not enough to truly relaunch the growth of the total outstanding home loans (+0.1% YoY at the end of December 2025);
- → The shift in the housing policy towards existing dwellings continued with a promotion of large-scale renovations.

MACRO-ECONOMIC OVERVIEW

The French economy grew by 0.8% (+1.5% in 2024). The labour market was a bit less resilient than the previous year, with unemployment increasing by 0.6 pp y-o-y to 7.9% in Q4-2025, moving away from its recent multi-decade low. The employment rate (of 15-64 years old) remained near its historical high, averaging 69.3% over the year.

As in 2024, the number of business failures continued to rise after a period of low volumes between 2020 and 2022, reaching 68,800 units in 2025 (up by 3.7% y-o-y). Firms in the housing sector showed contrasting trends: in the construction sector, failures began to recede (dropping by 3.2%), yet still representing 22% of the total of national failures. In contrast, the real estate sector (4% of the total failures) remained under pressure during the first part of the year, driven by the drop in real estate development activity, before showing early signs of stabilizing for real estate agencies towards the end of the year.

Inflation fell sharply to 0.7% at the end of 2025 (compared to 1.8% at the end of 2024). The net purchasing power of households declined by 0.4% and contributed to the modest annual rise in household consumption (+0.5%). The saving rate remained at a very high historical level (17.8% in 2025 vs. 18.5% in 2024) and the continued slump for household investment illustrated the very cautious behaviour adopted by households (-0.2% y-o-y after -9.8% in 2024). Despite the economic context of 2025, the recovery in the market for existing homes and new single-family detached houses was helped by lower interest rate levels than last year, a movement that was not sufficient to avoid another year of decline for real estate development.

LOOKING AHEAD

According to forecasts from Banque de France in June 2026, in a context of high uncertainty with the war in the Middle-East, GDP is expected to grow by 0.5% in 2026. With inflation (HICP) expected at 2.5%, the household purchasing power could decline for another year in a row (-0.4%) and could limit the growth of households' consumption (+0.2%). Moreover, the saving rate is expected to remain at 17.4%, still above its pre-pandemic level due to political and economic uncertainty and would not contribute to the recovery in household investment (stable compared to 2025).

After a cycle of continuous cuts in its key rates during the first half of 2025, the ECB began a first rate hike in June 2026 in the face of persistent inflationary pressures mainly linked to the war in the Middle East. Combined with an upward trend for the 10-year OAT (expected at 3.7% on average in 2026 vs. 3.4% in 2025), interest rates for new home loans could slightly increase over the next months. With traditionally 80% of houses financed with a home loan, the start of higher interest rates since the beginning of 2026 could limit expected housing purchases for the current year and may specifically slow down the positive trend recorded by new single-family detached houses (whose traditional buyers depend more on home loans than the average).

HOUSING MARKETS

Sales of existing dwellings – 87% of all housing transactions – reached 951,000 units in 2025, annually increasing by 13% (at the same path for Provincial France, representing approximately 88% of this total, as for the Ile-de-France region).

House prices rebounded annually in France by 0.6%, breaking down into +1.0% for flats and +0.4% for single-family detached houses. The provincial France benefited the most from this positive trend, with +0.8% y-o-y (+1.2% for flats and +0.6% for houses). In Ile-de-France region, prices increased by 1.0% in Paris city and by 0.3% in other areas, while they continued to decline for houses (-1.2% y-o-y);

After 2 years of crisis, the beginning of recovery started in 2025 for the building sector. The number of housing permits rebounded over a year by 15% to 369,540, and housing starts by 2% to 264,230. Despite those positive signs, activity remained lower compared to the average of the last 5 years (respectively by 8% and by 18%). Housing starts for multifamily residential (169,850 units) annually increased by 4% (still close to their lowest level since 2003), those for collective residences augmented also by 4% (with 31,755 units, notably in favour of student and senior housing) and those for single-family detached homes kept shrinking for the fourth year in a row to 62,630 units (- 3% y-o-y), their lowest level since the 1960s.

Sales of homes by real estate developers declined for the fourth year in a row, by -6% compared to 2024 to their lowest volume (65,205 sales) since the housing crisis of the 90's and new homes put up for sale rebounded by 17% (at 72 920 units). Besides, the estimated number of sale cancellations by households in 2025 was equal to 16% of the annual sales and the estimated number of housing operations cancelled by developers was equal to 21% of the annual new homes put up for sale. Consequently, the stock of available homes for sale annually decreased by 10%, remaining at a high level with 117,740 units. Despite the difficulties in selling, annual average prices increased over the year by 3.5% for new flats (average sale price of EUR 4,917 per square meter) and by 3.1% for new houses (average sale price of EUR 351,327), partly due to the increase in cost of construction.

After the worst years in 2024 for sales of new single-family detached homes with 50,800 units, they surged by 33.3% to 67,800 units. This strong recovery was mainly due to the extension of the Zero-Interest Loan throughout France for new single-family houses since April 2025. Despite this improvement, annual sales remained 42% below the long-term historical average (around 117,000 units). The goal of "Zero Net Land Take" net zero artificialization of soils, in 2050 (and the intermediate stage of 50% reduction by 2031) introduced by the 2021 "Climate and Resilience Act" has already partially limited the development of new construction sites, which could also support the increasing trend in prices for new constructions.

MORTGAGE MARKETS

MARKET DYNAMICS

The year 2025 constituted a phase of normalization for the housing loan market. Average interest rates at origination, after climbing from 1.1% at the end of 2021 to 4.2% in early 2024, declined gradually until June 2025 before stabilising around 3.09% in the second half of 2025.

The easing of financial conditions supported a sharp rebound in new home loans (+20% in terms of number compared to 2024). Annual home loans production reached EUR 171.3bn, up by 29% and was concentrated at 78% for main residence purchases (breaking down into 60% for first-time buyers and 40% for repeat buyers). As a share of GDP, new home loans stood at 7.1% in 2025 (vs. 5.5% in the previous year). After contracting in 2023-2024 in line with lower new home loans linked to higher interest rates, outstanding home loans returned to growth in the second half of 2025, reaching EUR 1,285 bn in December (+0.1% y-o-y).

In this context of a very dynamic loan activity, lending standards loosened slightly without any significant drift. The average loan rose by 5.8% to €193,948, reflecting borrowers' increased borrowing capacity as rates fell. The average maturity at origination reached 22.4 years (of which 23.7 years for first-time buyers), while the average debt-to-income ratio remained stable at 30.4%. Moreover, the average Loan-To-Value (LTV) ratio at origination rose by 2.1 pp to 79.9%, due to a bit smaller down payments from borrowers, while the LTV on outstanding home loans was 67.5%.

Credit risk remained contained despite a slight increase. Defaults represented 0.62% of performing loans, the IFRS9 Stage 3 ratio remained low at 1.2% (+0.1pp YoY), and the share of stage 2 exposures declined to 9.0%. The cost of risk was still very limited, at 0.03% of outstanding loans (versus 0.02% in the previous year).

Banks lend money to households based on their capacity to reimburse and not on the value of the purchased residence, an analysis of risks enhanced by the notion of "amount left to live on". With a vast majority of outstanding loans covered by guarantees or collaterals (97.4%) and new home loans massively fixed-rate (99.6%), the French lending market has created a resilient framework over the last decades, helping to stabilize the NPL ratio at a low level whatever the economic cycle.

NON-MARKET LED INITIATIVES

Several structural shifts shaped the market in 2025. Firstly, the first-time buyer's share of new lending rose to 43.7% (+3.1pp), recording an annual growth of 29% in new amounts. Concerning the buy-to-let lending, the rate environment remained quite unattractive to that segment, combined with the absence of a specific scheme to support it for the first time since 1986 (the Pinel scheme ended at the end of 2024) which mainly explained the fall of the share to 12.0% in the total of home loans (from 14.9% in 2024).

Secondly, the share of renegotiations fell during the year from 16.8% in January to 13.2% in December. This represented an annual average share of 14.4% in the total new loans, while the production of new home loans excluding renegotiations, loan transfers and debt consolidation jumped by 33.2% to EUR 147 bn. Besides, the share of bridge loans declined to 6.4%, illustrating a more fluid market, with extended bridge loans lower by EUR 1.9 bn y-o-y.

Thirdly, the share of mortgages in new lending fell this year by 3pp to 16% of total new home loans. This shift has been made in favour of specifically loans with guarantees from insurance-sector guarantors (+3 pp to 41%), reinforcing France's distinctive reliance on the caution system (72.4% of new home loans in 2025).

Finally, the High Council of Financial Stability (HCSF) standard continued to frame French lending at origination, with a limit of 35 for the Debt-Service-To-Income ratio and of 25 years for the maturity (plus a maximum 2 year grace period on repayments in case of off-plan sales). The share of new home loans exceeding those thresholds reached 16.6% (+1 pp YoY), rising gradually but still below the 20% flexibility ceiling authorized by HCSF. The growing use of the flexibility margin contributed to the lending recovery, particularly for first-time buyers.

Despite the decline in interest rates for new home loans in 2025, they remained high in comparison with the previous ten years. This may have slowed down some households in their desire to take out a loan to buy a home, especially repeat buyers. Consequently, the share of housing acquisitions financed by a loan represented 70% of all transactions in 2025 (versus more than 80% in the long-term average). After the start of a period of higher interest rates in the first part of 2026 (3.21% in average for the first 5 months), this situation could persist if interest rates continue to rise in H2-2026.

With the end of the scheme, new home purchases recorded by real estate developers for a rental investment sharply dropped by 46% to around 10,430 units in 2025. With the launch of the new Jeanbrun scheme dedicated to the rental segment in Q1 2026, sales by private developers should be better, but without quickly recording volumes known before 2022. More broadly, the French government has launched a large support plan for the new housing sector in 2026, with the aim of constructing 400,000 housing units per year until 2030, including 50,000 housing units built for rental investment.

MORTGAGE FUNDING

As home loans are mainly distributed by retail banks, new home loans are mostly funded by deposits. Domestic private customers' deposits reached EUR 2,743 bn at year end (+0.7% vs. 2024), of which 70% were from households (including individual entrepreneurs and NPISH) and 30% from non-financial corporations. Household overnight deposits augmented by 1.2% to EUR 567.8

bn between December 2024 and December 2025, whereas their accounts with agreed maturity declined by 4.1% to EUR 169.5 bn.

The total amount of outstanding mortgage covered bonds reached EUR 379.1 bn (Fact Book 2025, European Covered Bond Council) at the end of 2024, equal to 16% of the outstanding home loans in EU27.

Outstanding RMBS was EUR 146.3 bn as of Q4 2024, compared to EUR 140.6 bn one year prior, marking a yearly increase of 4%. Total RMBS issuance, in turn, was EUR 28.6 bn, following a decrease of 45% compared to 2023's EUR 64.2 bn end-year value.

GREEN FUNDING

Since January 1st, 2025, all housing characterized by an Energy Performance Certificate "G" has been impossible to rent as a main residence (representing in 2025 around 1.5 million of main residences and 4.8% of all main residences). Following the complementary energy audit required for the sale of a single-ownership accommodation with EPC "F" or "G" since April 2023, middle-size collective housing has been concerned by a collective EPC since January 2025. This audit indicates the kind and the cost of renovation works needed to improve the EPC (homes characterized by an EPC "E" will be concerned from January 1st, 2028). This is one of the operative tools used by the French government to promote a massive movement of renovation for the French housing stock.

The largest public financial support for energy renovation (MaPrimeRénov') was significantly restructured in 2025, marked by budget cuts, a revision of aid for large-scale renovations and a reduction in aid for small renovations. In 2025, 307,731 homes were renovated (of which 120,306 had large renovation works) with the financial help of MaPrimeRénov', representing EUR 4.39 bn of financial aid. Moreover, several kinds of energy efficiency works are eligible for reduced VAT at 5.5% (vs. 10% or 20% for other kinds of renovation works).

Finally, a total of 126,030 Eco-PTZ (a zero-interest rate loan to improve energy performance of homes) were distributed in 2025 (+11% vs. 2024), for a total close to EUR 2 bn. According to Banque de France, home improvement loans for households were estimated for 2025 at EUR 12 bn, up by 35% year-over-year, but still below volumes recorded between 2016 and 2022.

	FRANCE 2024	FRANCE 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	1.5	0.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	7.4	7.5	6.0
HICP inflation (%) (1)	2.3	0.9	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	61.2	61.4	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	126.18	126.95	161.92
House Price Index - capital (2015=100) (2)	119.28	120.48	n/a
Nominal house price growth (%) (2)	-4.0	0.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	1,283,174	1,284,701	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	18,741	18,695	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	66.2	65.6	81.39
Gross residential lending, annual growth (%) (2)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	3.41	3.03	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

FRANCE FACT TABLE

Which entities can issue mortgage loans in your country?	About 323 credit institutions (including banks, mutual banks, municipal credit banks and special credit institutions) are approved by the French supervisory authority (ACPR) and listed in the register of financial officers (REGAFI).
What is the market share of new mortgage issuances between these entities?	Two main categories of credit institutions are involved in property lending in France: - Mutual and cooperative banks, with the largest market share for many years and at its highest historical level (81.7% as of June 30, 2025, for the total outstanding home loans, +0.2 pp over a year according to ACPR) - Private banks (15.2% as of June 30, 2025, for the total outstanding home loans).
Which entities hold what proportion of outstanding mortgage loans in your country?	Six banking groups and their subsidiaries (3 Mutual, 2 Private and 1 Public) represent almost 100% of the total amount of home loans as of June 30, 2025. Digital credit (Tel and Internet) kept developing with the offers of traditional banks, but still with a limited market share.
What is the typical LTV ratio on residential mortgage loans in your country?	In 2025, the average LTV ratio was estimated at 79.9%, up by 2.1pp versus 2024.
How is the distinction made between loans for residential and non-residential purposes in your country?	French banking regulation requires a distinction depending on the purpose of the loan (residential or non-residential). Thus, applicable conditions differ for each kind of financed asset and the ACPR publishes statistics identifying the residential financing of households.
What is/are the most common mortgage product(s) in your country?	The most common product is a fixed rate over the total duration of the loan. Like previous years, almost 100% of new credits were fixed-rate loans in 2025 and 98% were secured by some form of guarantee (of which 72% by an insurance or a collateral provided by a specialized financial institution, and 16% with a registered mortgage). 73% of new lending was a fully amortized loan (versus 3% of interest only loans).
What is the typical/average maturity for a mortgage in your country?	In 2025, the average maturity of new home loans was 22.4 years (almost stable compared to the previous year, at 22.3 years).
What is/are the most common ways to fund mortgage lending in your country?	Traditionally, the main sources of funding for housing lending in France are the households' and companies' deposits (term deposits or savings accounts, etc.) and bond issues subscribed by institutional investors.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	In France, the purchase costs depend on the nature of the purchased house, whether new or existing: - Existing properties: 7% to 8% for transfer duties (DMTO) and 4-6% for real estate agencies. - New properties: 2% to 3% for a new home (transfer duties only), plus 20% VAT in most cases (except for social/ANRU area sales which have a 5.5%, and 10% for sales of intermediate rental housing). The 2025 finance law authorizes departments from April 1, 2025 to March 31, 2028 to increase the maximum property transfer tax (DMTO) rate from 4.5% to 5% to address the decline in real estate transactions. First-time buyers purchasing their primary residence remain protected, however, and are fully exempt from this tax increase.
What is the level (if any) of government subsidies for house purchases in your country?	**To become homeowner of a primary residence:** Main supports: - PTZ (Zero-Interest Loan): This scheme allows first-time buyers to obtain an interest-free loan to finance part of the purchase of a primary residence (73,062 in 2025). The amount and eligibility conditions depend on the property's location and the borrower's income. - "Prêt Action Logement": Formerly known as the "1% Housing contribution", it is a contribution from companies with more than 50 employees to the construction effort and is now called "Action Logement". This loan is offered by Action Logement to help access homeownership, particularly for employees of private companies. It provides favourable conditions, including a reduced interest rate. - Bail Réel Solidaire (BRS, "Real Joint and Several Lease", around 3,700 eligible homes built between 2017 and 2024): It allows modest households to become homeowners, especially in densely populated areas, at a relatively affordable cost compared with the prices of a home bought on the market. It is based on a land-building separation (the household buys only the housing and leases the land to a government-approved organisation). - MaPrimRenov': A financial aid for renovation works which can indirectly support the purchase of an existing home at a lower price with a view to launching works after the acquisition (307,731 homes concerned in 2025). Minor supports: - PAS (Social Homeownership Scheme Loan): This loan is intended for modest-income households and is subject to income conditions. It is accompanied by a State guarantee to promote mortgage credit to low-income households at a favourable interest rate. It can finance the purchase of a main residence as well as renovations. - PSLA (Social Homeownership Scheme): This scheme aims to facilitate homeownership for low-income households by allowing the purchase of properties at controlled prices after a period of rental. - VAT at 5.5% (reduced Value Added Tax): A lower VAT (against 20%) for the purchase of a newly built home located in some areas in France considered as urban renewal areas (in "ANRU" and "QPV" areas). - Local Authority Aids: Some municipalities or departments implement their own homeownership assistance programmes, such as grants or zero-interest loans. **To buy a home to rent:** - Denormandie Scheme: It encourages the renovation of existing homes by households for rental in certain areas (with a minimum amount of works and compliance with rental conditions), in exchange for a reduction in income tax (estimated at around 881 households benefited from this scheme in 2024). - Logement Locatif Intermédiaire (LLI, "Intermediate Rental Housing"): The finance bill for 2024 authorised individual investors (through a real estate investment company, "SCI") to buy a new home for rental at a price below the market value, located in densely populated areas and eligible to a lower VAT (10%) as well as a tax credit on the property tax (for a maximum of 20 years). This scheme was still not widely known by households in 2025.

Germany

By Vincent Tran, Verband deutscher Pfandbriefbanken (vdp)

IN A NUTSHELL

- → Real gross domestic product increased slightly by 0.2% in 2025.
- → Residential mortgage interest rates remained broadly stable, improving planning certainty; gross lending rose to EUR 239.1 bn.
- → Prices for owner-occupied residential property increased by 2.5% on average over the year.
- → Continuous increase in new contract rents due to high demand for rental apartments.

MACRO-ECONOMIC OVERVIEW

The German economy grew slightly by 0.2% in 2025, following two years of contraction. Private consumption boosted the economy, as rising wages supported households' purchasing power, while parts of the services sector also supported economic activity. However, the recovery remained weak, as the volume of export business declined again and investment activity remained subdued. The industry continued to face difficult conditions, with manufacturing output continuing to decline, although the decline was less severe than in previous years. Despite an increase in the unemployment rate, from 3.1% to 3.5% on an annual average basis, the labour market remained broadly stable, with employment standing at around 46 million persons. The construction sector lacked significant growth drivers as building construction, particularly new residential building, remained subdued. However, civil engineering activity benefited from the new construction and repair of roads, railway lines and energy grids. Average annual inflation remained at 2.2% for 2025, unchanged from the previous year. With inflation stabilising close to the medium-term target of 2%, the ECB reduced its key interest rates in the course of 2025, bringing the deposit rate down to 2% by June.

HOUSING MARKET

Housing construction in Germany remained subdued in 2025, following the sharp downturn in building permits and housing completions in 2024. After declining for two consecutive years, housing completions fell by a further 18.0% to around 206,600 units. Building permits, by contrast, showed initial signs of stabilization: after just 215,293 permits had been issued in 2024, around 238,100 dwellings were approved in 2025, representing a 10.6% increase compared with the previous year. However, despite this year-on-year improvement, permit levels remained low by historical standards and continued to point to a constrained future supply pipeline. The continued mismatch between strong housing demand and limited supply supported further rental growth. New-contract rents in the residential property segment increased by 3.7% y-o-y in 2025. Residential property prices rose by 2.5% over the same period. Transaction activity in the existing residential property market also increased, rising by 9.6%. Overall, the market shifted from stabilization in 2024 to a slight recovery in 2025, although affordability remained sensitive to construction costs, financing conditions, and the continued shortage of housing supply.

MORTGAGE MARKET

MARKET DYNAMICS

The average interest rate for residential mortgages remained largely stable in 2025, fluctuating within a narrow range of around 3.6% to 3.7%. Although there was no significant decline, interest rates rose slightly in the second half of the year and remained at around 3.7%. The mortgage market environment benefited from the further decline in inflation and the slight easing of monetary policy in 2025. However, lower policy rates did not translate into a substantial decline in mortgage rates, as mortgage rates are also influenced by long-term capital market rates, such as German federal government bond and Pfandbrief yields. Since these rates remained relatively elevated and mortgage rates moved broadly sideways over the course of the year, financing conditions stabilized rather than improved. The stable interest rate environment improved planning certainty. The construction or purchase of residential property became relatively more attractive compared to renting, as new contract rents continued to rise, driven by ongoing strong demand for residential property.

Therefore, gross lending for housing grew to EUR 239.1 bn in 2025. Outstanding loans increased by 2.1% to EUR 1.93 tn.

MORTGAGE FUNDING

In Germany, banks' main funding instruments for housing loans are savings deposits and covered bonds (Pfandbriefe). Germany has a significant share of the total covered bond market. Volume outstanding in Pfandbriefe increased over the course of the year from around EUR 400 bn to EUR 411 bn. Since 2017 the total outstanding volume of Pfandbriefe increased by 12%. It is worth mentioning that during this time the total outstanding amount of Mortgage Pfandbriefe increased by 40% to EUR 303 bn while the total outstanding amount of Public Sector Pfandbriefe decreased by 28% to EUR 107 bn. Total Pfandbrief issuance volume in 2025 was at EUR 67 bn (2024: EUR 57 bn). In 2025, Mortgage Pfandbrief issuance was EUR 47 bn (EUR 41 bn in 2024), Public Sector Pfandbrief issuance was EUR 20 bn (2024: EUR 15 bn). More than half of the issuances qualified for the benchmark segment. This implies an individual minimum issuance size of at least EUR 500 mn.

GREEN FUNDING

The first ESG (Environmental, Social and Governance) Pfandbrief issued in September 2014 (EUR 300 mn) pioneered a new sustainable covered bond market segment. Since then, German Pfandbrief banks have been very active in both green and social lending and in issuing Green and Social Pfandbriefe. Several Pfandbrief banks offer a discount on mortgage loans provided the building is energy efficient and fulfils certain requirements. In 2019, Pfandbrief issuers under the umbrella of the vdp published minimum standards for Green Pfandbriefe. They include requirements for the energy efficiency of financed buildings as evidenced by energy performance certificates. The minimum standards for Green Pfandbriefe were complemented by minimum standards for Social Pfandbriefe (March 2021) and minimum standards for the issuance of Green Public Pfandbriefe (June 2022). By updating the minimum standards for Green Mortgage Pfandbriefe and Green Public Pfandbriefe with effect from 1 January 2025, the requirements that green cover assets must meet are more closely aligned with the EU taxonomy.

All minimum standards take account of the initiatives under way at the EU level regarding the taxonomy for sustainable economic activities and the introduction of the EU Green Bond Standard in a gradual manner. Moreover, the minimum standards oblige Pfandbrief banks to provide a high degree of transparency. Issuers are required to establish their own Green or Social Bond Framework which must be based on the ICMA Green or Social Bond Principles. At the end of 2025, the volume of outstanding Green and Social Pfandbriefe was EUR 33 bn supplied by 14 issuers (EUR 30.5 bn in 2024). Issuance in 2025 was EUR 4.7 bn.

	GERMANY 2024	GERMANY 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	-0.2	0.2	1.5
Unemployment Rate (LSF), annual average (%) (2)	3.1	3.5	6.0
HICP inflation (%) (2)	2.2	2.2	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	47.2	47.2	68.5
Gross Fixed Investment in Housing (annual change)	-3.8	-2.9	2.8
Building Permits (2015=100) (2)	68.7	76.0	86.9
House Price Index - country (2015=100) (2)	158.6	162.7	161.92
House Price Index - capital (2015=100) (2)	159.9	165.2	n/a
Nominal house price growth (%) (1)*	n/a	n/a	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	1,891,800	1,930,600	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	n/a	n/a	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	n/a	n/a	81.39
Gross residential lending, annual growth (%) (2)	4.9	16.1	2.8
Typical mortgage rate, annual average (%) (2)	3.8	3.7	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

GERMANY FACT TABLE

Which entities can issue mortgage loans in your country?	MFI's and Life Insurers.
What is the market share of new mortgage issuances between these entities?	Among MFI's it is 96% and among life insurers it is 4%.
Which entities hold what proportion of outstanding mortgage loans in your country?	See above.
What is the typical LTV ratio on residential mortgage loans in your country?	Around 80% (average for purchase of owner-occupied residential properties).
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction depends on type of use (buildings with different types of use: predominant use).
What is/are the most common mortgage product(s) in your country?	Mortgage loans with fixed interest rates for about 10-15 years.
What is the typical/average maturity for a mortgage in your country?	About 25 - 30 years.
What is/are the most common ways to fund mortgage lending in your country?	Deposits, mortgage covered bonds, and other bank bonds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Transaction costs vary by federal state because of different land transfer tax rates and if a real estate agent is involved or not. Overall, transaction costs can vary between 5% and 15% of the house price.
What is the level (if any) of government subsidies for house purchases in your country?	The acquisition of owner-occupied housing is promoted through various programmes of KfW, Germany's national promotional bank. Currently, subsidised loans are granted for the following measures in connection with the acquisition of residential property by private households: • KfW Home Ownership Programme (for the purchase or construction of a home). • Home ownership for families (for families with children who build in a climate-friendly way). • Climate-friendly new construction - residential buildings (for building energy-efficient and sustainable houses and flats). • Energy-efficient refurbishment, including the purchase of a newly refurbished efficiency house or the purchase of existing residential property subject to subsequent energy-efficient refurbishment. • Temporary reintroduction of support for less stringent standards, but still in line with the energy-efficient new-build standard (EH-55). Besides that, the German states (Bundesländer) support home ownership within the scope of publicly assisted housing. Depending on the policy and cash balance of each state, several programmes are offered.

Greece

By Calliope Akantziliotou[1] and Evangelia Papapetrou, Bank of Greece

IN A NUTSHELL

- → Real GDP grew by 2.1% in 2025, at the same growth rate recorded in 2024.
- → House prices continued to rise strongly, although at a decelerating rate; apartments rose by 8.1% (9.1% in 2024).
- → Total outstanding housing loans increased marginally by 0.7% against a drop of 2.6% in 2024.

MACRO-ECONOMIC OVERVIEW

In 2025, economic activity continued to grow at a robust pace, despite elevated uncertainty in the international economic environment, with real GDP increasing by 2.1%,[2] unchanged from 2024, significantly exceeding euro area growth rate (1.4%) for the fifth consecutive year.[3]

The main drivers of economic growth were investment, private consumption and exports as well as other factors, such as the strong performance of the tourist sector. In particular, gross fixed capital formation increased by 8.9% in real terms, private consumption 2.0%, and exports of goods and services by 1.7% (3.0% and 0.4% respectively), while imports of goods and services declined by 1.3%. In Q1 2026, GDP (seasonally adjusted data) continued growing by 2.0%, year-on-year and 0.2% quarter-on- quarter, well above the euro area average (0.3% year-on-year and -0.2% quarter-on-quarter), mainly driven by gross fixed capital formation (12.1%), exports of goods and services (2.4%) and private consumption (0.7%). On the contrary, the high increase in imports of services (3.1%) contributed negatively to GDP growth in Q1 2026.

The economic outlook remains positive, despite persistent uncertainties surrounding the global economy. Looking ahead, according to the Bank of Greece,[4] economic activity is expected to moderate somewhat in 2026, remain broadly stable in 2027 and accelerate slightly in 2028 under the baseline scenario. More specifically, the Greek economy is expected to continue outperforming the European average and real GDP growth is projected to decelerate to 1.9% in 2026, remain unchanged in 2027 (1.9%) and increase marginally to 2.0% in 2028. Investment, exports and private consumption are expected to remain the main drivers of economic growth over the projection horizon.

Investment in total construction (ELSTAT, non-seasonally adjusted data at constant prices) increased further by 13.8% in 2025, a stronger pace compared to 9.9% in 2024 (2023: 16.8%). Residential investment rose for the eighth consecutive year, recording an annual increase of 22.4% in 2025, exceeding the pace observed in 2024 (12.9%) and broadly similar to the growth rate recorded in 2023 (22.1%). The investment in "other" construction (non-residential construction and civil engineering) grew by 8.3% in 2025 and remained broadly in line with the growth rate recorded in 2024 (8.6%), and following a stronger expansion of 13.8% in 2023.

In 2025, the labour market improved further, and unemployment declined, due to solid economic growth. According to ELSTAT – Labour Force Survey (non-seasonally adjusted data), employment increased, on average, 1.5% slightly lower than in 2024 (2.0%) and marginally higher than in 2023 (1.3%). Employment growth in 2025 was greater for women than for men (2.6% and 0.6% respectively). Although the unemployment rate has declined steadily and significantly in recent years, it stood at 8.9% in 2025 – the lowest level recorded in 16 years – down from 10.1% in 2024, 11.1% in 2023, and 12.4% in 2022. However, unemployment remained elevated compared with the European average, with rates of 6.4% in the euro area and 6.0% in the European Union. By gender distinction, the unemployment rate declined for both men and women while the rate of women (11.2%) remained significantly higher than that of men (7.0%). In Q1 2026, labour market developments remained positive, with employment increasing by 1.3% year-on-year. However, the unemployment rate edged up slightly to 10.6%, compared with 10.4% in Q1 2025.

In 2025, HICP inflation (ELSTAT data) declined slightly to 2.9%, from 3.0% in 2024 and markedly lower than 4.2% in 2023 but remained relatively elevated – due to persistent services inflation – compared to euro area average (headline inflation dropped to 2.1% in 2025 against 2.4% in 2024 and 5.4% in 2023). Core inflation (HICP excluding energy and food) remained stable at 3.6%, down from 5.3% in 2023. In the first five months of 2026, HICP headline inflation increased, on average, to 3.8%, reflecting, in addition to persistently elevated energy inflation, high unprocessed food and services inflation as well. HICP headline inflation is projected to average 3.8% in 2026 and to decline thereafter to 2.6% in 2027 and to 2.3% in 2028, assuming a de-escalation of geopolitical tensions in the Middle East and a subsequent easing of energy and food prices.[5]

According to data from the Bank of Greece,[6] foreign direct investment (FDI) inflows increased significantly in 2025, reaching EUR 11.4 billion, the highest level ever recorded, compared with EUR 7.0 billion in 2024 and EUR 4.8 billion in 2023. The contribution of real estate to total FDI stood at 18% in 2025, down from 39% in 2024 and 45% in 2023.

According to the 2026 Annual Progress Report for Greece, submitted by the Ministry of Finance in April 2026, the general government balance in Greece recorded a surplus of 1.7% of GDP in 2025, compared with a surplus of 1.3% of GDP in 2024, indicating a further strengthening of the fiscal position. The general government primary outcome came in at a surplus of 4.9% of GDP, exceeding the surplus of 3.7% of GDP projected in the 2026 Budget Report in December 2025. This stronger-than-expected outcome reflected approximately equal contributions from expenditure containment and enhanced revenue performance. The general government debt decreased to 146.1% of GDP at the end of 2025 from 154.2% of GDP in 2024. For 2026, a significant primary surplus of 3.2% of GDP is expected, on the back of a

1 The views expressed are solely those of the author and should not be interpreted as reflecting the views of the Bank of Greece.

2 Hellenic Statistical Authority (ELSTAT): non-seasonally adjusted data at constant prices.

3 Press release of Bank of Greece: Governor's Annual Report 2025/06.04.2026.

4, 5 Press release of Bank of Greece: Monetary Policy Report 2025-2026/23.06.2026.

6 Bank of Greece: Direct investment - Flows.

solid economic growth and the general government debt is expected to drop to 136.8% of GDP, i.e. reduced by 9.3 percentage points compared to 2025 also on the back of earlier debt repayment.

HOUSING MARKETS

In 2025, house prices continued to increase at a robust pace, albeit more slowly than in 2024, mainly supported by limited housing supply, and healthy external and internal investment demand". According to the Bank of Greece's residential property price indices, apartment prices continued to increase for an eighth consecutive year. Based on residential valuation data collected by credit institutions, apartment prices increased by 8.1% in 2025, although at a slower pace than in previous years (9.1% in 2024, 13.9% in 2023, and 11.9% in 2022). Broken down by property age, in 2025 a stronger rate of increase was recorded in prices of older apartments (aged over 5 years) compared with those of new apartments (up to 5 years old), standing on average at 8.4% and 7.7%, respectively. By geographical area, higher annual rates compared to the average annual growth rate for the entire country were recorded in Thessaloniki (9.7%) and other regions of the country (10.2%), and, to a lesser extent, in Athens (6.5%). In Q1 2026, nominal apartment prices for the entire country increased, on average, by 5.7% year-on-year (5.2% in Athens, 6.4% in Thessaloniki, 5.4% in other cities and 6.9% in other areas of Greece). Broken down by property age, in Q1 2026 the annual rate of change in prices of new apartments (up to 5 years old) was 6.0% and of older apartments (over 5 years old) 5.5%. It is worth mentioning that the apartment price index for the entire country in Q1 2026 exceeded its previous historical peak, recorded in Q3 2008, by 9.5%.

Despite house price growth and continued interest in housing during 2025, some market-related indicators recorded negative rates of change. More specifically, in 2025, net foreign direct investment (FDI) in Greek real estate amounted to EUR 2,055.6 million, compared with EUR 2,750.3 million in 2024, representing a 25.3% year-on-year decrease. Furthermore, Ministry of Migration and Asylum data (May 2026) indicated that Golden Visa applications totalled 7,025 in 2025, down 25.1% from 9,382 in 2024. This decline is likely related to the tightening of the programme's eligibility criteria and investment requirements. Residential building activity (ELSTAT data) declined in 2025, with building volume (measured in cubic metres) decreasing by 19.4% and the number of building permits by 23.5%. This decline was largely attributable to uncertainty surrounding the implementation of the New Building Regulation (NOK). The total cost of constructing new residential buildings (ELSTAT data) continued to increase in 2025 (2.7%), although at a slower pace than in 2024 (3.7%). On the other hand, positive developments were recorded in residential investment (ELSTAT data, at constant prices), which grew by 22.4% in 2025, significantly faster than in 2024 (12.9%), and amounted to 3.1% of GDP. Finally, business expectations for residential construction (IOBE data) remained positive and increased further in 2025 by 9.7%, compared with 7.7% in 2024.

In Q1 2026, foreign direct investment in the Greek real estate market showed a positive trend, with net receipts increasing by an average annual rate of 43.4%, reaching EUR 511.6 million, compared with EUR 356.8 million in the corresponding period of 2025. By contrast, applications for the Golden Visa programme during the period January–May 2026 amounted to 2,137, compared with 3,989 in the corresponding period of 2025, representing an annual decrease of 46.4%, according to data from the Ministry of Migration and Asylum (May 2026). Residential construction activity (ELSTAT data) at the national level recorded positive growth in Q1 2026, both in terms of the buildable volume of dwellings (58.4%) and the number of building permits (72.5%), mainly due to the base effect. Investment in dwellings (seasonally adjusted ELSTAT data at constant prices) increased by 15.0% year-on-year in Q1 2026 and amounted to 2.7% of GDP. The total cost of new housing construction (ELSTAT data) continued to increase in Q1 2026, at an average annual rate of 2.8%, representing a slight slowdown compared with the corresponding period of 2025 (3.5%). Lastly, the IOBE business expectations index for residential construction continued to strengthen during the period January–May 2026, increasing by 9.3%, slightly above the 8.5% increase recorded in the corresponding period of 2025.

According to the latest available published data, real estate transactions[7] increased by 19.4% in 2024 (145,765 transactions) against an increase by 8.8% in 2023 (122,123 transactions). Supported by strong domestic and external demand, as well as continued investor interest, transaction activity in the Greek real estate market is expected to remain robust in 2025, despite a gradual deceleration in house price growth.

Strong price growth recorded over the last four years has worsened house affordability, as prices have increased relative to disposable income. Following legislative changes in 2024 introducing stricter conditions and restrictions on both the Golden Visa Programme and short-term rentals, a new rent subsidy programme was introduced in 2025 to help alleviate housing costs for vulnerable households. Under this programme, a single monthly rent payment, based on the contractual rent of the previous year, will be provided from the State Budget as a refund to eligible tenants of primary and student residences, subject to household income criteria, by the end of November each year. In addition, the My Home II State Programme, launched in January 2025, aims to improve access to housing for vulnerable households by providing low-interest housing loans. To address housing market challenges, the State has also introduced a set of measures aimed at increasing housing supply. These measures include, inter alia, the more effective utilisation of public real estate assets, the streamlining of procedures for the conversion of vacant commercial properties into residential use, and additional incentives to support the re-entry of vacant private dwellings into the housing market.

The outlook for the Greek real estate market over the coming period remains moderately positive. However, recent developments in the conflict in the Middle East, together with significant increases in energy and construction material costs, as well as persistent inflationary pressures, have created new uncertainties that may weigh on investment demand and growth prospects.

MORTGAGE MARKETS

MARKET DYNAMICS

In 2025, the total outstanding stock of housing loans decreased by 3.17%, compared with a decline of 2.6% in 2024. This marks nearly fourteen years of negative annual growth. The last positive annual growth rate was recorded in November 2010. In April 2026, the amount of outstanding housing loans increased, at an accelerating rate, by 1.3% year-on-year. The total amount of new housing loan agreements[8], although still low in absolute terms, increased

[7] Source: ELSTAT. Annual data collected by notaries across Greece, covering all categories of residential and commercial real estate, including dwellings, retail properties, office spaces, building plots, and other property types. Latest available data: 2024.

[8] Data are based on the Bank of Greece interest rate database on new housing loan contracts.

further in 2025, on average, by 49.8%, compared with 20.4% in 2024. During the period January–April 2026, the total value of new housing loans increased significantly, by 103.5% year-on-year, compared with a modest increase of 5.8% during the corresponding period of 2025. This substantial growth in new mortgage lending was driven, inter alia, by the My Home II programme.

According to data from the Bank of Greece, the average disbursement amount of residential real estate-backed loans, including renovation loans, was EUR 89,397 in 2025, up significantly from EUR 70,281 in 2024 (EUR 68,682 in 2023, EUR 78,812 in 2022 and EUR 73,157 in 2021). This represents the highest average loan amount recorded over the past five years. Furthermore, the average loan-to-value (LTV) ratio for new mortgage loans increased by 390 basis points to 64.8% in 2025, reversing the decline observed in 2024, when the average LTV ratio fell by 110 basis points to 60.9% from 62.0% in 2023. The corresponding ratios stood at 62.9% in 2022 and 63.7% in 2021.

In 2025, bank interest rates decreased both on new housing loans and outstanding housing loans. More specifically, average interest rates on new housing loans decreased by 47 bps to 3.59% and on outstanding housing loans with an initial maturity of over 5 years decreased by 58 bps to 3.75%. In Q1 2026, the average interest rate on new housing decreased compared to Q4 2025 by 3 bps to 3.44% and compared to Q1 2025 by 24 bps. Over the same period, the average interest rate on outstanding housing loans with an initial maturity of over 5 years compared to Q4 2025 was broadly stable at around 3.60% and compared to Q1 2025 it decreased by 46 bps. Mortgages with floating interest rates used to be the most common mortgage product. However, between 2020 and 2024, fixed-rate mortgages gained increasing popularity. In 2024, they accounted for 70.4% of new mortgage loans, up significantly from 65.8% in 2023 and 55.6% in 2022. In 2025, the share of new fixed-rate mortgages declined to 65.5% of new loans, returning to approximately the same level as in 2023.

The increase in interest rates on new house purchase loans between mid-2022 and the start of 2024 led to weaker demand for housing loans for almost three consecutive years, according to data from the Bank Lending Survey. However, demand for housing loans increased in the first quarter of 2025 compared with the previous quarter, largely reflecting the launch of the State program "My Home II", which offers more favourable financing conditions and lower borrowing costs to eligible borrowers. According to the latest available Bank Lending Survey data for Q1 2026,[9] demand for housing loans remained stable, continuing the stabilisation trend already observed in the previous quarter. Furthermore, banks participating in the survey expect demand to remain unchanged in the following quarter. According to the same survey, credit standards for housing loans to households remained unchanged compared to Q4 2025. Terms and conditions for mortgages to households tightened somewhat due to charge increases other than interest rates. Finally, banks reported that the proportion of rejected loan applications to housing loans decreased slightly.

MORTGAGE FUNDING

From May 2025 to April 2026 private sector deposits increased by EUR 11.5 bn, higher than the increase recorded in the corresponding period of the previous two years (EUR 8.2 bn in the period May 2024 to April 2025 and EUR 5.8 bn in the period May 2023 to April 2024). Households' deposits grew annually by 4.1% in April 2026.

Central bank funding stood at EUR 2.4 bn at the end of 2025, down from EUR 2.6 billion in December 2024.

The outstanding amount of unsecured bonds issued by Greek banks stood at EUR 23.4 bn at the end of 2025, up from EUR 17.4 bn at the end of 2024, with senior bonds corresponding to EUR 14.7 bn and subordinated bonds to EUR 8.6 bn.

The outstanding amount of covered bonds issued by Greek banks stood at EUR 9.7 bn at end-2025, broadly unchanged from the previous year.

	GREECE 2024	GREECE 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.1	2.1	1.5
Unemployment Rate (LSF), annual average (%) (1)	10.1	8.9	6.0
HICP inflation (%) (1)	3.0	2.9	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	69.7	69.4	68.5
Gross Fixed Investment in Housing (annual change) (1)	2.8	2.4	2.8
Building Permits (2015=100) (2)	41.7	31.9	86.9
House Price Index - country (2015=100) (1)	164.98	178.3	161.92
House Price Index - capital (2015=100) (2)	183.2	195.9	n/a
Nominal house price growth (%) (1)*	8.8	8.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	26,986.35	25,654.74	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	2,594.7	2,463.5	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	58.76	58.03	81.39
Gross residential lending, annual growth (%) (1)	-4.7	-1.2	2.8
Typical mortgage rate, annual average (%) (2)	4.06	3.59	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

[9] Source: Bank of Greece – Bank Lending Survey.

GREECE FACT TABLE

Which entities can issue mortgage loans in your country?	All credit institutions authorised in Greece under the Law 4261/2014 and Directive 2013/36/EU.
What is the market share of new mortgage issuances between these entities?	Confidential information.
Which entities hold what proportion of outstanding mortgage loans in your country?	Confidential information.
What is the typical LTV ratio on residential mortgage loans in your country?	Under Executive Committee Act 227/08.03.2024, the Bank of Greece introduced macroprudential borrower-based measures (BBMs) for loans and other credit to natural persons secured by residential real estate located in Greece, effective from 1 January 2025, with the aim of preventing or mitigating systemic risks. The measures comprise: - a cap on the loan-to-value ratio at origination (LTV-O) of 90% for first-time buyers and 80% for second and subsequent buyers; and, - a cap on the debt service-to-income ratio at origination (DSTI-O) of 50% for first-time buyers and 40% for second and subsequent buyers. The average LTV ratio for new mortgage loans increased by 390 basis points to 64.8% in 2025, following a decline of 110 basis points to 60.9% in 2024 from 62.0% in 2023.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is made by the reporting agents themselves.
What is/are the most common mortgage product(s) in your country?	In 2025, fixed-rate mortgages accounted for 65.5% of new mortgage loans, a decline from 70.4% in 2024, though still broadly in line with the 65.8% share recorded in 2023. Despite this recent decrease, fixed-rate mortgages gained increasing popularity between 2020 and 2024, with their share of new mortgage loans rising from 55.6% in 2022 to 65.8% in 2023 and reaching 70.4% in 2024.
What is the typical/ average maturity for a mortgage in your country?	Not available.
What is/are the most common ways to fund mortgage lending in your country?	Deposits are the most common source of funding.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	**• VAT - 24%** From 2006, the legislation has provided for the application of the standard VAT rate (24%) to newly built properties. An exemption for first residences was also set. The suspension of VAT on new buildings, initially introduced in 2019, has remained continuously in force and was extended until the end of 2025 under Law 5162/2024. **• Real Estate Transfer Tax - 3%** Any transfer of real estate not subject to VAT is subject to a Transfer Tax of 3%, which is applied to the higher value between market and zonal value (the property price used for tax purposes). This cost is further increased by fees such as municipal tax, notarial, land registration and legal fees. On 7 June 2021, the competent bodies of the Ministry of Finance announced the new property zone values for the entire country (via Government Gazette No. 2375, Issue B), effective from 1 January 2022. Consequently, since 2022, all transfer costs have been estimated based on the new taxable values. **• Capital gains tax - 15%** Capital gains tax is levied on property sellers at a rate of 15.0% of the difference between the acquisition price and the selling price, progressively adjusted according to the holding period of the property. Since its introduction in 2013, its application has been continuously suspended. Under Law 5162/2024, this suspension has been extended until the end of 2026.
What is the level (if any) of government subsidies for house purchases in your country?	The "My Home II" (Spiti mou II) is a Greek state-subsidized housing program that provides low-interest mortgages to help individuals and young families (aged 25 to 50 years old) acquire their first primary residence. Subject to income and property eligibility criteria, the programme offers financing of up to 90% of the property's value. The program has a total budget of EUR 2 bn, consisting of EUR 1 bn in loans from the Recovery and Resilience Facility and EUR 1 bn in bank financing, making the overall mortgage much cheaper than a standard housing loan. Eligibility is subject to minimum and maximum income thresholds. The minimum annual income is EUR 10,000 for all applicants. For income assessment purposes, pension income and child-related social benefits are included. The maximum annual income thresholds are: - EUR 25,000 for single applicants; - EUR 35,000 for married couples or cohabiting partners, plus EUR 5,000 for each dependent child; and - EUR 39,000 for single-parent households, plus EUR 5,000 for each dependent child beyond the first. The programme allows eligible low- and middle-income households to purchase a residence of up to 150 square metres, built on or before 31 December 2007, with a maximum property value of EUR 250,000. The purchase may be financed by a loan covering up to 90.0% of the purchase price, with a maximum loan amount of EUR 190,000. The loan may have a maturity of up to 30 years. Loans provided under the programme are interest-free for the portion financed by the Recovery and Resilience Facility, which accounts for 50.0% of the total loan amount. The remaining 50.0%, financed by participating banks, is subject to the interest rate set by the respective lending institution. For specific categories of beneficiaries, 50.0% of the interest charged on the bank-financed portion is subsidised for the entire duration of the loan. The programme was launched on 15 January 2025. The application deadline was 31 May 2026, while loan agreements must be concluded by 31 August 2026.

Hungary

By Nagy Gyula László, MBH Mortgage Bank Plc

IN A NUTSHELL

- → The Home Start subsidised mortgage programme was launched in September 2025 to help first-time buyers with a 3% subsidised interest rate. It has significantly increased total lending.
- → House price growth exceeded 20% towards the end of 2025.
- → Housing completions were at a 10-year low, with only 12,000 new dwellings, but the number of permits issued increased by 37%.
- → The new government plans to introduce a new housing programme, which is currently in preparation.

MACRO-ECONOMIC OVERVIEW

In 2025, GDP grew by 0.5% according to raw data and by 0.3% according to calendar-adjusted data compared to the previous year.

From the production approach, the value added of construction increased by 3.0% and that of services by 1.2%, while the value added of industry declined by 2.4% and that of agriculture by 4.3%.

From the expenditure approach, the actual final consumption of households grew by 2.7% and the actual final consumption of the government by 2.2%, and as a result, the volume of actual final consumption increased by 2.6%.

The volume of domestic consumption expenditure of households grew by 3.3%. Broken down by durability groups, the volume increased in all groups: by 6.3% for durable goods, by 3.5% for semi-durable goods, by 2.7% for non-durable goods, and by 3.3% for services.

The unemployment rate at the end of the year was 4.4%, up from 4.3% a year earlier (after seasonal adjustment, both were 4.5%).

Inflation was 4.5% in 2025 (3.7% in 2024). Food prices grew by 5.3%, services by 6.7%, tobacco and alcoholic beverages by 6.5%, clothing and footwear by 1.8%, durable consumer goods by 2.2%, and household energy prices by 6.4%.

The deficit of the general government sector was HUF 4,059 billion, representing 4.7% of GDP. The debt of the general government sector at year-end, based on data from the National Bank of Hungary, was HUF 64,912 billion, equivalent to 74.6% of GDP.

LOOKING AHEAD

There were parliamentary elections in April 2026. The new Tisza government has announced that it will change housing policy in the coming period. Energy efficiency and housing affordability will be priorities. The focus on home ownership will likely include maintaining the Home Start programme, which helps first-time buyers.

HOUSING MARKETS

Hungary had a population of 9.489 million and a stock of about 4.615 million housing units at year-end. The homeownership ratio was the third highest, after Romania and Slovakia, in the CEE region, at 92% in 2024, according to Eurostat. Although the economy did not perform very well in 2025, declining inflation, growing real disposable household income, and especially the subsidised mortgage programmes (CSOK Plus and the Home Start Programme, introduced in September 2025) helped the growth of the mortgage market during the year.

Although the mortgage programmes helped mortgage lending and stimulated the number of transactions, the market for newly built dwellings declined in 2025 compared to 2024.

At the same time, the number of building permits granted during the year, at 28,081, was 37% higher than in 2024 (20,494). Completions were only 12,062, almost 10% down from the also very low figure of 13,295 in 2024. Completions have been falling since 2020, when there were 28,208 new dwellings coming to the market. In Budapest, the number of new building permits issued was 10,959, representing a 56% increase compared to 2024 (7,027). The number of completions in Budapest decreased by 14% to 3,949, from 4,607 in 2024.

Home price growth accelerated towards the end of the year and, on a year-on-year basis in nominal terms, it exceeded 23%, based on estimates by the Hungarian National Bank. In real terms, the growth was 18.3%, which was a record over the last 25 years. Annual house price growth was even higher in the big cities. According to calculations by the Hungarian Statistical Office (KSH), annual growth in Budapest exceeded 23%, while it reached 24.2% in Debrecen and 25.6% in Szeged.

Debrecen and Szeged have become centres for several new industrial projects, which explains their higher price growth.

The KSH (Hungarian Statistical Office) measures separately the price growth for new and second-hand dwellings. The year-on-year growth for new dwellings in Q4 2025 was 7.3%, whereas the price index for second-hand dwellings was 23.2% higher at the end of 2025 than at the end of 2024.

According to estimates by the National Bank of Hungary, the number of housing transactions (new and second-hand dwellings) exceeded 150,000 in 2025.

MORTGAGE MARKETS

MARKET DYNAMICS

Following the 11% increase in the outstanding mortgage volume in 2024 compared to the previous year, there was even more dynamic growth in 2025.

The total outstanding residential loan portfolio grew by 17% compared to the previous year-end figure and stood at HUF 7,434 billion at year-end. The growth was exceptionally high in Q4, thanks to the new Home Start Programme, which was officially launched in September but first contributed to the high monthly mortgage output in October. As a result, mortgage lending activity more than doubled in the last three months of 2025. The quarterly amount of new mortgage lending disbursed was also the highest recorded over the past 20 years of Hungarian mortgage lending.

The new programme had a very significant effect on the mortgage market. In the short-term, it significantly improved affordability for eligible buyers, since the interest rate was capped at 3%, compared to market rates of 6.5–7%. However, it has also affected house price growth, especially in the big cities, due to increasing demand. The overwhelming majority (approximately 90%) of the Home Start loans were used for the acquisition of second-hand dwellings. Total household debt to GDP in 2025 was 21.7%, while mortgage debt to GDP increased to 8.1% (7.0% in 2024). These figures are still among the lowest in the region and are far below the EU average. The NPL ratio for housing loans decreased to 1.4% in 2025. Due to the persistent rise in house prices in recent years, and also due to higher LTV limits for first-home buyers and for energy-efficient mortgages, the median LTV ratio for newly disbursed mortgage loans increased from 53% to 65% on average towards the end of the year. The volume of mortgages with an LTV above 80% increased compared to the previous year, from 6% to 26%, and at the same time, the proportion of mortgages with an LTV lower than 50% decreased in 2025.

MORTGAGE FUNDING

Most mortgage funding comes from deposits, but covered bonds are also commonly used. By year-end, more than 30% of residential loans were funded through covered bonds. Act XXX on Mortgage Banks and Mortgage Bonds, approved by Parliament in 1997, contributed significantly to the establishment of the covered bond market. In April 2017, the Mortgage Funding Adequacy Ratio (MFAR) was introduced by the National Bank of Hungary, requiring commercial banks to finance initially 15% of their mortgage loans with long-term securities. The ratio was increased to 20% in October 2018 and to 25% on 1 October 2019. Hungarian covered bonds comply with the European Covered Bond and European Covered Bond Premium criteria. The outstanding amount of covered bonds was HUF 2,237 billion (EUR 6.2 billion) at year-end. EUR 1,100 million was denominated in EUR, with the rest denominated in HUF. Presently, there are five mortgage banks in Hungary, all belonging to the largest commercial banks. Only one of the five mortgage banks is engaged in direct mortgage origination; the other four mortgage banks mainly refinance commercial banks' residential mortgage portfolios.

GREEN FUNDING

In July 2021, the preferential treatment of green funds in the MFAR (Mortgage Funding Adequacy Ratio) came into force, contributing to the issuance of the first domestic green mortgage bonds. With the start of the MNB's Green Mortgage Bond Purchase Programme, green mortgage bond issuance started in the summer of 2021, and by June 2022, all five mortgage banks were present in the green mortgage bond market. At the end of 2025, the volume of green covered bonds outstanding was HUF 292.2 billion (EUR 811 million), approximately 13% of all Hungarian covered bonds.

In 2021, to encourage green lending, the National Bank published the Green Preferential Capital Requirement Programme for housing loans (also available for corporates and municipalities). Under the Programme, capital relief is available for lending institutions on their mortgage loans and personal loans, or on loans for modernising residential buildings.

A new home renovation interest-free loan programme, combined with grants from EU funds, was introduced in the summer of 2024 exclusively for the energy efficiency modernisation of detached houses. The allocated amount of HUF 108 billion had been exhausted by April 2026, so the programme ended and no new applications were accepted. The programme made possible the energy-efficient renovation of approximately 20,000 homes.

	HUNGARY 2024	HUNGARY 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	0.7	0.5	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.5	4.4	6.0
HICP inflation (%) (1)	3.7	4.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	91.6	89.8	68.5
Gross Fixed Investment in Housing (annual change) (1)	-8.6	-3.1	2.8
Building Permits (2015=100) (2)	163.8	224.4	86.9
House Price Index - country (2015=100) (1)	356.6	376.83	161.92
House Price Index - capital (2015=100) (2)	344.6	425.26	n/a
Nominal house price growth (%) (1)*	12.0	5.68	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	15,450	17,490.93	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	1,612	1,833.53	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	12.42	12.66	81.39
Gross residential lending, annual growth (%) (1)	95.5	54.6	2.8
Typical mortgage rate, annual average (%) (2)	7.3	6.5	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

HUNGARY FACT TABLE

Which entities can issue mortgage loans in your country?	Banks, specialised mortgage banks, housing savings cooperatives, and financial companies (mortgage houses) can issue mortgage loans in Hungary.
What is the market share of new mortgage issuances between these entities?	In proportion to the total volume issued in 2025 commercial banks issued 61.7%, mortgage banks 33%, housing savings cooperatives, 5.3% of the new mortgage issuances.
Which entities hold what proportion of outstanding mortgage loans in your country?	Commercial banks hold 60.7%, mortgage banks 31.8% and housing saving cooperatives hold 7.5% of the outstanding mortgage loans
What is the typical LTV ratio on residential mortgage loans in your country?	The median LTV ratio is 65% on new residential mortgages. Banks can grant mortgages generally up to 80% LTV without additional collateral. An LTV of up to 90% is allowed for first-home buyers and for homes with high energy efficiency (green loans).
How is the distinction made between loans for residential and non-residential purposes in your country?	Housing loans are classified by their stated purpose, such as construction, purchase or renovation of a dwelling. The wider residential mortgage category may also include general-purpose loans secured on residential property. Buy-to-let mortgages to households are not separately identified in the available statistics, while loans to companies for residential property investment are classified as corporate lending.
What is/are the most common mortgage product(s) in your country?	The most typical mortgage product is a housing loan granted by commercial banks and mortgage banks for the purchase of a flat or house.
What is the typical/ average maturity for a mortgage in your country?	In 2025, the average maturity for a mortgage loan for construction purposes was 19.4 years; for new dwellings, 20.1 years; for existing dwellings, 18.8 years; and for refurbishment, 8.9 years.
What is/are the most common ways to fund mortgage lending in your country?	The most common way to fund mortgage lending is through funding from deposits, but covered bonds are also used for mortgage loan funding. Since April 2017, commercial banks must adhere to a new regulation introduced by the National Bank of Hungary. The regulation requires that a certain proportion of all outstanding residential mortgage loans be funded or refinanced through mortgage bonds. The ratio is called the Mortgage Funding Adequacy Ratio (MFAR), and it was initially set at 15%. From October 2019, the ratio increased to 25% and remained at this level in 2025.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	A transfer (stamp duty) tax of 4% is to be paid by the buyer to the National Tax and Customs Administration. The rate of duty is 2% for the value over HUF 1 bn (EUR 2.8 mn) per property. Buyers may be entitled to certain reliefs. Legal fees may range from 0.5–1% of the property price, usually paid by the buyer. When the property is sold through a real estate agency, a further 3-5% is generally paid by the seller. Buying a newly built flat is subject to a preferential VAT payment of 5% (instead of the 27% VAT applied on most consumer prices and services). The easing of the preferential VAT payment is valid until end the of 2026.
What is the level (if any) of government subsidies for house purchases in your country?	• In 2025 from the total outstanding mortgage portfolio 26.8% consisted of subsidized mortgage loans. New mortgage lending grew significantly in 2025 compared to the previous year. The volume of newly issued subsidised loans for house purchase increased from HUF 339 billion in 2024 to HUF 894 billion in 2025, while the volume of non-subsidised loans increased from HUF 1,007 billion to HUF 1,057 billion. While market-priced housing loan issuance did not change significantly in 2025, the volume of subsidised loans almost tripled during the year. • The most significant housing subsidy loan program in Hungary, introduced in September 2025, and was aimed at first home buyers, is the Home Start Program. The Home Purchase Subsidy Plus (CSOK+) program, introduced in 2024 and focused on families with children, is also available. • Apart from the CSOK programmes, the Prenatal Baby Support programme (an unsecured, interest-free loan facility of up to HUF 10 million) also helps to support house purchase by families and first-time buyers.

Ireland

By Richard Kemmish, External Consultant

IN A NUTSHELL

- → The economy grew by 4.9% (Modified Domestic Demand, the most reliable indicator).
- → Housing supply also increased, by 36,284 dwellings, the highest annual figure since the series began in 2011.
- → House prices continued to rise, by 7.5%, rising faster outside Dublin than in the capital
- → The mortgage market expanded to around EUR 114.9 bn of lending in 2025, driven by first-time buyers, new-build lending and higher average loan sizes.
- → Green mortgages are now a mainstream feature, but the market still lacks a consistent public statistical series linking mortgage stock, rating and emissions performance.

MACRO-ECONOMIC OVERVIEW

GDP grew by 12.3% in 2025, but this was again driven by multinational-dominated sectors, which grew by 25.1%. For the mortgage and housing market, Modified Domestic Demand is a better measure of underlying domestic conditions; it rose by 4.9% in 2025, while personal spending increased by 2.9%.

Construction output increased strongly in the national accounts, increasing by 9.7%, consistent with the rebound in completions. Although unemployment rose slightly, to 4.4% in Q4 2025, up from 4.0% a year earlier, the labour market is still historically tight. Inflation ended the year above the ECB target at 2.7% (HICP).

HOUSING MARKET

Supply increased sharply. The CSO recorded 36,284 new dwelling completions, up 20.4% from 2024 and the highest annual total since the series began in 2011. The strongest growth was in apartments of which 12,047 were finished, up 38.7%. More than half of completions were in Dublin or the Mid-East (Kildare, Meath, Wicklow and Louth) where the demand pressure is greatest.

Despite the new construction, prices continued to rise significantly faster than inflation. The national Residential Property Price Index increased by 7.5% in the year. Dublin prices rose by 5.6%, while those in the rest of the country increased by 8.1%. The median price of a dwelling was EUR 387,000, with Dublin at EUR 500,000.

MORTGAGE MARKET

MARKET DYNAMICS

Mortgage lending grew in 2025. According to the Central Bank the market grew to EUR 114.9bn (up 11.1% from EUR 103.4bn). The average mortgage loan size increased by about 7% to EUR 330,000.

First-time buyers continued to dominate lending growth with 27,650 new loans accounting for almost three-quarters of the growth in home purchase loans.

Mortgage rates eased as they did throughout the eurozone. According to the Central Bank the weighted-average rate on new mortgage agreements was 3.50% at year end, 30 basis points lower than a year earlier but 18 basis points above the euro-area average. Fixed-rate lending remained dominant, only 16% of new mortgages were floating or fixed for up to one year, with over 60% being fixed for 3 years or longer.

Several policies were introduced and extended during the year within the overall framework of a new housing policy which targets 300,000 new homes within five years of which 72,000 will be social and 90,000 affordable. The vacant homes tax was increased (from five to seven times basic property tax rates) and residential zone land taxes introduced to encourage development. On the other hand, rental controls (capping rent increases at the lower of 2% and inflation) were expanded to the entire country. The Help to Buy scheme, the First Home scheme and the mortgage interest relief were all extended.
Central bank prudential rules for banks were unchanged but changes to the rules for credit unions enabled them to lend more to the housing sector.

MORTGAGE FUNDING

Irish mortgage funding remains dominated by the banking sector and by deposit funding. Although non-bank financials have a market share of 16% (significantly higher in buy-to-let than in the owner-occupied market), they are also active in the servicing of the legacy loan books.

The Central Bank of Ireland's Total Domestic Credit statistics show EUR 111 bn of outstanding principal-dwelling-home mortgage loans to individuals in December 2025, of which bank owner occupied, first home mortgages were EUR 96.4 bn.

Covered bonds remain an established funding tool for Irish banks although their use has been declining as deposit funding has improved.

GREEN FUNDING

Green mortgages are now a mainstream feature of the Irish market. Large lenders offer preferential fixed rates for homes meeting Building Energy Rating thresholds, typically A or B ratings under current BER rules. AIB, Bank of Ireland and PTSB all advertise green mortgage products, and broker comparisons indicate that several other lenders also compete in this segment.

The Home Energy Upgrade Scheme continues to provide subsidised loans for eligible projects to improve energy efficiency.

	IRELAND 2024	IRELAND 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.6	12.3	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.3	4.7	6.0
HICP inflation (%) (1)	1.2	2.1	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	69.3	70.9	68.5
Gross Fixed Investment in Housing (annual change) (1)	4.1	6.5	2.8
Building Permits (2015=100) (2)	32.4	35.0	86.9
House Price Index - country (2015=100) (1)	183.4	197.2	161.92
House Price Index - capital (2015=100) (2)	160.7	191.4	n/a
Nominal house price growth (%) (1)*	8.5	7.5	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	82,519	94,691.00	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	15,419.3	17,347	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	52.06	51.89	81.39
Gross residential lending, annual growth (%) (1)	4.0	5.7	2.8
Typical mortgage rate, annual average (%) (2)	4.04	3.5	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

IRELAND FACT TABLE

Which entities can issue mortgage loans in your country?	Credit institutions (mainly banks) as well as non-bank retail credit firms/home reversion firms.
What is the market share of new mortgage issuances between these entities?	The market shares of different entity types are not published for competition reasons.
Which entities hold what proportion of outstanding mortgage loans in your country?	Non-banks accounted for 17.0% of the total mortgage accounts outstanding for principal dwelling homes (PDH) at the end of 2024 and 38.6% of buy-to-lets (BTL), according to the Central Bank of Ireland. Non-banks include retail credit firms, which are non-deposit taking regulated lenders, and credit servicing firms.
What is the typical LTV ratio on residential mortgage loans in your country?	Central Bank of Ireland research indicates that the average LTV for FTBs fell from 80.3% in 2023 to 79.6% in 2024, while the average LTI increased from 3.3 to 3.4. For second and subsequent buyers (SSB), who are mostly home movers and exclude buy-to-lets, the average LTV was unchanged at 66%, while the average LTI was 2.7. Note: These figures exclude the 6% of loans that were exempt from the Central Bank of Ireland's macroprudential regulations in 2024 including switcher loans (with no additional lending) and loans in negative equity
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential mortgage loans include loans for residential property purchase (both for owner-occupation and buyto-let), as well as re-mortgage or switching between lenders and top-up or equity withdrawal. Non-residential mortgages include commercial mortgages, where finance is provided for the purchase of a business premises. Where legal entities manage a number of buy-to-let properties, these may be treated as commercial entities rather than residential buy-to-let but this categorisation is at the discretion of the lender.
What is/are the most common mortgage product(s) in your country?	The standard variable rate mortgage for home purchase, based on the French amortisation profile, has traditionally been the most popular product among new customers, but the value of new mortgage agreements with fixed rates has exceeded those on floating or up to 1 year fixed rates in recent years. The share of outstanding mortgages on rates fixed for over one year fell from 64% at the end of 2023 to 62%. Some 69% of the value of new mortgage loan agreements were on fixed rates of greater than one year.
What is the typical/ average maturity for a mortgage in your country?	For first-time buyers the mean term for a mortgage is about 29 years. For second-time home buyers it is about 24 years.
What is/are the most common ways to fund mortgage lending in your country?	Retail deposits are the main source of funding for mortgage lending, but covered bonds and residential mortgagebacked securities are also important.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Legal fees related to the purchase of the property are estimated at EUR 1,000-2,000. Buyer surveyor fees range from EUR 250 to EUR 1,000. Estate agent fees vary between 1% and 2% of the purchase price. VAT is charged on the sale of new residential properties. Stamp duty is charged on the VAT-exclusive price and is levied at 1% on the first EUR 1 mn (1% of the total if the VAT-exclusive price is up to EUR 1 mn), 1.5% on amounts between €1 mn and EUR 1.5 million and 6% any amounts above EUR 1.5 mn. Separaterates are charged where multiple properties are involved.
What is the level (if any) of government subsidies for house purchases in your country?	Eligible FTBs can receive refunds of income and deposit tax paid for purchases of new properties under the Help to Buy (HTB) scheme. FTBs can claim up to €30,000 or 10% of the value of the home. The First Home Scheme is a shared equity scheme. The scheme contributes up to 30% of the cost of new homes, if the FTB is not also availing of the HTB scheme or up to 20% if the FTB is also using the HTB scheme. The government also operates an affordable homes scheme, through which local authorities sell newly built homes at below market price with the local authority taking an equity stake covering the difference between the price paid and the market value. The local authority home loan is provided by local authorities to borrowers who cannot get sufficient funding from commercial lenders to buy a new or second-hand property.

Italy

By Marco Marino and Serena Razzi, Italian Banking Association – ABI

IN A NUTSHELL

→ Italy's GDP increased by 0.5% in 2025.

→ The housing market resumed the positive trend started in 2024, after the decline observed in 2023.

→ The outstanding mortgage market grew.

→ The First Home Loan Guarantee Fund ("Fondo Prima Casa") guaranteed more than 544,000 mortgages for a total financed amount of EUR 64.6 billion.

→ The affordability index – which estimates the ability of a family to purchase an average priced house with a mortgage – was positive and largely above historical levels.

MACRO-ECONOMIC OVERVIEW

Italy's GDP grew by 0.5%, in 2025, benefiting from the easing of monetary policy and the measures adopted under the National Recovery and Resilience Plan (NRRP). Growth in economic activity was driven mainly by domestic demand.

Consumer price inflation in Italy remained moderate: after the sharp drop recorded in 2024 (1%), it rose to 1.6% in 2025 driven by developments in its most volatile components.

Households' real disposable income in Italy rose by 0.9%. Consumption grew in line with income, leaving the saving rate unchanged. The latter was buoyed by high real interest rates and heightened uncertainty.

Value added in Italy continued to increase at a moderate pace in 2025, reflecting both strong growth in construction and in the energy sector, and a more subdued expansion in services; conversely, manufacturing contracted slightly, with the exception of a few sectors.

Employment slowed in Italy in 2025, in line with the weakening of economic activity, rising in construction and services while declining in industry excluding construction. The unemployment rate declined further, reaching its lowest average annual level since 2007. As in 2024, this decline was not due to higher chances of employment for job seekers, but to lower flows from employment into unemployment.

General government net borrowing fell for the fifth year in a row in 2025, to 3.1% of GDP (3.4% in 2024) and the public debt-to-GDP ratio increased to 137.1%.

GDP continued to grow at a moderate pace in early 2026, although the economic outlook has deteriorated due to increased geopolitical tensions and rising energy prices, which are expected to weigh on growth prospects.

HOUSING MARKETS

The housing market resumed the positive trend started in 2014, interrupted by the pandemic induced slowdown in 2020, after the decline observed in 2023 (-9.5%).

According to the annual report of the Real Estate Market Observatory of the Revenue Agency, residential property sales rose by 6.4% y-o-y, amounting to just over 766,000. The growth in sales volumes continued also in Q1 2026 (+4.4% y-o-y).

The increase in sales affected all areas of the country, with the Northwest recording the most significant growth (+8%), closely followed by the Centre (+7%). Positive growth was also recorded in the Islands (+6.8%) and the Northeast (+6.4%), while the South showed more moderate growth (+2.5%).

More specifically, Lombardia and Lazio hold the greatest share of transactions of the total (respectively, equal to 21.2% and 9.6%, with more than 162,000 transactions in Lombardia and 73,000 in Lazio), and both show an increase y-o-y, respectively of 7% and 5.6%.

Valle d'Aosta recorded the greatest increase y-o-y (+15.5%), followed by Umbria (+10.9%) Toscana (+9.4%) and Calabria (+9.4%), although these last ones hold a low share of the transactions on the total in absolute value. Puglia recorded a decrease y-o-y of 0.9%.

The analysis of sales transactions recorded in the eight largest Italian cities in terms of population shows heterogeneous results. Overall, the positive trend registered at the national level was confirmed also in the main cities, with an increase, compared to 2024, of 5.4%. Palermo, Torino and Roma recorded the greatest increase in sales y-o-y respectively of 9.4%, 6.8% and 6.2%. Rome represents 33% of the market in the eight main cities. Firenze is the only market showing a decline, with a decrease y-o-y of 3.8%

According to preliminary estimates of the Italian National Institute of Statistics (ISTAT), the Housing Price Index increased by 4%, due to both new dwellings (0.6%) and existing ones (4.7%).

According to the analysis based on data of the annual report of Real Estate Market Observatory of the Revenue Agency, the price per square metre of properties in Milan continued to increase most (+6.8% y-o-y), followed by Roma (+3.4%) and Bologna (+2.8%). No significant changes for Genova and Napoli.

According to the Italian Housing Market Survey of a sample of approximately 1,500 real estate agencies, conducted between 7 January and 6 February 2026 and published by the Bank of Italy, in the fourth quarter of 2025 housing demand shows signs of recovery, particularly in metropolitan areas. Supply, on the other hand, continues to decline, with new sales falling further.

According to the last report of ENEA, in 2024 (last data available) around 1.2 mn EPCs were issued (same data as 2023).

Compared to the previous year, the residential buildings showed a slight reduction in the percentage of properties certified in the best energy classes (from A4 to B) (-0.6%), while properties in the intermediate classes (from C to E) increased (+2.7%) and those in the worst classes (F and G) decreased (-2.1%). The most energy efficient ratings classes (from A4 to B) represent 20% of the total.

MORTGAGE MARKETS

MARKET DYNAMICS

In 2025, the mortgage market in terms of outstanding grew significantly compared to 2024 (+0.4%): 3.4% y-o-y to EUR 440.5 bn.

Gross lending increased by over 21% y-o-y, mainly supported by the reduction in key interest rates that boosted the demand for mortgages.

Overall, housing transactions with a mortgage increased to about 334,000 units (+18.3% y-o-y), clearly confirming the positive trend already observed starting from 2024 (+4.5%), following the previous two years of decline corresponding to the period of rising interest rates.

The growth affected all areas of the country, with growth rates in line with the national figure in the North, Centre and Islands, and a more contained trend variation in the South (+14.5%). There were no significant differences between the provincial capital cities (+18.5%) with respect to the smaller cities (+18.3%).

Of the total number of houses purchased by individuals, those purchased with a mortgage also continued to increase and represented the 45.9% of the transactions (+4.5% compared with 2024 when they accounted approximately 41.7%).

The average mortgage amount increased to about EUR 141,000 (up EUR 7,400 y-o-y). The largest average amount was in the Central area, with an average of EUR 152,000 (almost EUR 175,000 in the major cities). The average maturity is slightly increasing to 25.6 years and is similar in all areas, except for the Centre, where it reached 26.3 years.

Fixed-rate mortgages continued to be preferred. The share of variable rate mortgages on new loans (up to 1-year initial rate fixation) has decreased from about 33.7% at the end of 2023 to about 16.5% at the end of 2025 increasing compared to 2024 (6.5%).

The decrease in interest rates started at the beginning of 2024 continued during 2025 with reference to interest rates on short-term fixings averaged approximately 3.2% (from 4.2% at the end of 2024). Interest rates with a fixed period over 1 year, on the other hand, showed a slight increase to 3.4% (from 3.03% at the end of 2024).

The green mortgages market continues to expand. The growth of this type of mortgage is also supported by the fact that they generally offer more favourable conditions than traditional credit products.

This trend is confirmed by findings presented by the Bank of Italy in its annual report, based on the latest Regional Bank Lending Survey – RBLS 2025, which reports that the 35% of the banks surveyed offer green mortgage loans to households, both for the purchase of high energy performance houses and for the energy renovation of existing homes. Notably, these green mortgage products accounted for around 16% of new mortgage originations (12% in 2022).

The main public measure to support credit access for the first house purchase is the First Home Loan Guarantee Fund ("Fondo Prima casa") which issues public guarantees to cover 50% of the mortgage loan exposure up to EUR 250,000, for the purchase of a first home, granted to young couples, single-parent families with non-adult children, people under the age of 36, and tenants of public housing. The application must be submitted directly to participating banks which are always independent in their decision to finance, relying on a creditworthiness assessment.

The Italian Budget Law of 2025 extended until 2027 the public guarantee of up to 80% of total mortgage loan if specific conditions are met (e.g. if LTV is greater than 80%). The public guarantee increases up to 90% of mortgage loan for "large families" (borrowers with more than three children under the age of 21). According to data as of 31 December 2025, the Fund guaranteed more than 544,000 mortgages for a total financed amount of EUR 64.6 billion.

To support first-time buyers having trouble paying the mortgage, the Solidarity Fund for First Home Mortgages (Gasparrini Fund) continues. The Fund allows borrowers to request a payment moratorium on their first home for up to 18 months, if specific events occur (e.g., suspension/reduction/ termination of employment). According to data as of 31 December 2025, the Fund has allowed the suspension of over 190,000 mortgages for a total of EUR 18.7 bn.

In 2025, conditions for buying a home remained favourable, with the affordability index largely above historical levels. The index estimates the ability of a family to purchase an average priced house with a mortgage. The index is based on interest rates, house prices and disposable income: a positive affordability index means that the average family was able to purchase a house at the market average price.

At the end of 2025, the index was 12.6%, just under 10 basis points lower than the levels of the previous year.

In the first three months of 2026, conditions for buying a home showed a slight decline compared to the levels at the end of 2025, in line with an international context characterized by greater uncertainty.

MORTGAGE FUNDING

Overall, the deposits and bonds increased by 2.2%, continuing the positive trend recorded since the beginning of 2024. Deposits (current accounts, certificates of deposit and repurchase agreements) increased by 2.3%, while funding by bonds increased by 1.0%.

In 2025, according to preliminary estimates, a total of approximately EUR 30.4 bn was issued, and total outstanding issuance was approximately EUR 161 bn.

GREEN FUNDING

In recent years, several fiscal bonus measures have been introduced to support home renovation. These measures generally allow taxpayers to deduct from their tax liability a percentage of the eligible expenses, subject to statutory caps that may vary depending on the type of works, the property involved and, in some cases, the characteristics of the beneficiary.

Measures concerning energy efficiency mainly include:

- The Ecobonus, for energy efficiency works (e.g., energy redevelopment of buildings, solar collectors and windows), was extended until the end of 2027, although with reduced and differentiated rates, depending in particular on whether the property is used as the taxpayer's main residence;
- The Superbonus, introduced in 2020 during the pandemic for certain works improving energy efficiency and seismic safety of buildings (including photovoltaic systems and electric vehicle charging stations). The measure has been progressively reduced and restricted and, as of today, applies only in limited cases, mainly under transitional rules for works already started or formally approved within the statutory deadlines.

Other important fiscal measures to encourage renovation and improvement include:

- The Renovation Bonus, for expenses incurred on residential properties and common parts of condominium buildings in relation to extraordinary maintenance, restoration, conservative rehabilitation and building renovation works, is in force until 2033 with different levels of tax deduction. The measure remains in force, but the applicable deduction rates have been reduced and differentiated for 2025, 2026 and 2027, with more favourable rates for main residences;
- The Seismic bonus, for expenses incurred until 2027 on properties located in seismic zones and for eligible works aimed at reducing seismic risk;
- The Furniture bonus, for purchases of furniture and large household appliances intended to furnish renovated properties, in force until 2026 with some restrictions.

Under the original framework, taxpayers could, in several cases, opt for an invoice discount or for the transfer of the corresponding tax credit, including to banks or financial intermediaries.

However, following the legislative changes introduced from 17 February 2023, these options have been generally prohibited for new interventions, subject only to specific transitional and derogatory cases. The scope of these exceptions has subsequently been further restricted, in particular by Decree-Law No. 39/2024, so that invoice discount and tax credit transfer are now available only in limited cases and under statutory conditions.

	ITALY 2024	ITALY 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	0.7	0.5	1.5
Unemployment Rate (LSF), annual average (%) (1)	6.5	6.1	6.0
HICP inflation (%) (1)	1.1	1.6	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	75.9	77.1	68.5
Gross Fixed Investment in Housing (annual change) (1)	-1.2	-0.8	2.8
Building Permits (2015=100) (2)	55.3	n/a	86.9
House Price Index - country (2015=100) (1)	110.7	116.2	161.92
House Price Index - capital (2015=100) (2)	88.7	93.2	n/a
Nominal house price growth (%) (1)*	3.14	4.0	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	423,935	440,523	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	7,188.8	7,465	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	30.4	30.28	81.39
Gross residential lending, annual growth (%) (1)	-11.9	21.4	2.8
Typical mortgage rate, annual average (%) (2)	3.11	3.23	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

ITALY FACT TABLE

Which entities can issue mortgage loans in your country?	Banks and financial intermediaries.
What is the market share of new mortgage issuances between these entities?	More than 95% of new mortgage loans are issued by banks.
Which entities hold what proportion of outstanding mortgage loans in your country?	Data no available.
What is the typical LTV ratio on residential mortgage loans in your country?	79%
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential loans are loans granted for house purchase and renovation.
What is/are the most common mortgage product(s) in your country?	Fixed interest rate mortgage loans to purchase residential real estate.
What is the typical/ average maturity for a mortgage in your country?	25.6 years.
What is/are the most common ways to fund mortgage lending in your country?	Given Italy's universal banking model, there is not a specific funding source for mortgage lending. That said, the most common funding technique is represented by unsecured bank bonds which, in turn, also represents the most common way for funding mortgage lending. For major Italian banking groups, covered bonds recently started to play an increasing role as a funding source for mortgage lending.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Data not available. In addition to costs relating to taxation on transfer, the main costs are related to real estate brokerage agency (if existing) and notary costs. The real estate taxation in Italy affects both direct (on income and capital) and indirect (on transfers and contracts) taxes and depends on the parties involved (individuals or companies) and on the nature of the properties (land, buildings, commercial or residential).
What is the level (if any) of government subsidies for house purchases in your country?	Regarding tax benefits, homeowners can benefit from fiscal advantages for the purchase of a first home, which consist of smaller indirect taxes than the ordinary value. The first home purchase relief allows buyers to pay reduced taxes if specific conditions are met. If the seller is a private individual (or a company selling under a VAT-exempt regime) the proportional registration fee is 2% on the cadastral value (instead of 9%) and the fixed "imposta ipotecaria" and "cadastral fee" are both equal to EUR 50. If the seller is a company selling under the VAT tax regime, VAT on the purchase price is 4% (instead of 10%) and the fixed registration fee, imposta ipotecaria, and cadastral fee are both equal to EUR 200. In any case, the proportional registration fee (2%) cannot be lower than EUR 1,000. With reference to public guarantees on residential loans for house purchase, since 2014 the First Home Loan Guarantee Fund and the Solidary Fund for mortgages have been in force; they support credit access for the first house purchase.

Latvia

By Valdis Grudulis, Bank of Latvia

IN A NUTSHELL

- → Mortgage lending recovered strongly, supported by lower interest rates, refinancing competition and tax measures which encourage targeted lending.
- → Overall housing market activity strengthened, but the recovery remained regionally uneven, with transactions concentrated in Riga and the Riga region, while growth elsewhere in Latvia was more modest.
- → A new state aid programme was launched at the end of 2025 to provide direct loans aimed at improving access to mortgage financing for home purchases outside Riga and some adjacent municipalities.
- → A EUR 173 million programme supporting energy-efficiency renovation of multi-apartment buildings opened in April and was rapidly oversubscribed.

MACRO-ECONOMIC OVERVIEW

Economic growth recovered despite the challenging global environment, in particular trade policy uncertainty and ongoing geopolitical tensions. Real GDP grew by 2.1% year-on-year, with investment activity resuming (+9.4% year-on-year), including infrastructure and defence-related projects. While income growth remained robust, private consumption recovered relatively modestly (+0.7% year-on-year), as the geopolitical background weighed on the sentiment of economic agents.

The impact of the fragile revival of the Scandinavian real estate markets and construction activities on Latvian exports of construction-related products was offset by growing exports to other markets, while turbulence in global trade policies did not exert a material impact on Latvian exports, which remained nearly at the previous year's level (+0.1%). Import growth increased by 5.7%, backed by reviving investment activity. While construction activity was concentrated in infrastructure and the public sector, there were signs of a rebound in the housing market as well, fostered by relatively favourable interest rates. In addition, new laws and regulations introduced in 2024 by the Bank of Latvia simplified refinancing to increase competition in the mortgage market.

With economic growth returning, the labour market remained rather tight, and the unemployment rate remained at 6.9% on average. Average wage growth slowed somewhat, partially reflecting constraints on the public wage bill; however, wages, including the minimum wage, still grew strongly, by 7.7%. Real wage growth remained positive despite the pick-up in inflation to 3.8% (measured by HICP), dominated by a strong increase in food prices as well as the above-mentioned growth in purchasing power.

In 2025, Latvia's general government budget balance reflected growing public investment in infrastructure and defence capacity. Despite growing tax revenues, supported by improving macroeconomic conditions, this resulted in some widening of the government deficit to 2.5% of GDP. Total government debt was 46.9% of GDP.

HOUSING MARKETS

In 2025, housing market activity continued to strengthen, supported by improving household purchasing power, declining interest rates, and faster growth in housing lending. Residential transaction activity exceeded the previous peak recorded in 2021, with the recovery mostly concentrated in Riga, where more than half of all apartment transactions in Latvia took place, while residential activity growth in the rest of Latvia was modest. Activity in the private house segment remained concentrated in the Riga region.

The increase in market activity was also reflected in the structure of transactions. Older standard-series apartments remained the most popular choice, mainly due to their affordability, despite typically having lower energy efficiency and requiring substantial renovation investment. At the same time, the new development segment recovered more visibly in 2025, with transaction activity rising sharply (+38% year-on-year). Despite this increase, its share of the overall market remained relatively limited, reaching 14% of apartment transactions. In the second half of the year, the overall growth rate in housing purchases gradually eased, with activity returning close to the level observed at the end of 2024.

The gradual recovery in demand contributed to a faster decline in the number of dwellings available for purchase. After reaching a historically high level in 2024, the number of advertisements declined across all market segments in 2025. The decline was particularly pronounced in Riga, where supply decreased on average by 15%. This tightening of supply conditions created upward pressure on housing prices, especially in the existing dwelling segment.

The number of residential building permits granted increased to 3,103 (2,796 in 2024), but the number of buildings completed fell from 4,058 to 3,889.

Improved household solvency, declining interest rates, and moderate growth in construction costs also supported a recovery in new housing construction activity. Stronger demand helped reduce the stock of completed new and renovated apartments available for purchase, while developers responded to improving market conditions by increasing the number of apartments under construction.

Housing price growth continued and gradually accelerated during the year. In 2025, the Central Statistical Bureau's House Price Index increased by 7.35% year-on-year. The acceleration towards the end of the year was mainly driven by price growth in the existing dwelling segment, while price increases in the new building segment remained more contained. The rise in prices reflected stronger demand and declining supply.

MORTGAGE MARKETS

MARKET DYNAMICS

Domestic lending has grown rapidly; however, the growth was driven by factors whose effects are unlikely to be permanent. Lending activity was supported by deferred demand, lower interest rates, and the Solidarity Contribution Act (which is a levy on bank income that can be reduced if certain lending targets are met). The recent uptick in lending is occurring from a persistently low base, and the level of private sector debt-to-GDP remains low.

The outstanding amount of residential and commercial mortgage loans held by banks increased by 12.5% in 2025. Residential mortgages outstanding also increased by 9.7%.

The LTVs of new residential mortgage loans have increased slightly, which can be explained by the higher proportion of loans issued under the state support programme for house purchases. LTV ratios for 33% of new loan volume exceeded 90%, mainly related to the state support programme. Total residential mortgage loans still comprise only 12.9% of GDP (which remains among the lowest in the euro area), and overall household indebtedness remains low.

In addition to the rules on LTV ratios, the Bank of Latvia also applies limits on DSTI of 40% (45% for qualifying energy-efficient houses), a maximum maturity of 30 years, and a DTI ceiling of six times annual income.

Interest rates on residential mortgage loans continued to decrease gradually in line with the EURIBOR decline, from 4.4% in December 2024 to 3.7% in December 2025 for the dominant floating-rate mortgage product, which accounts for 95% of all Latvian mortgages.

Asset quality in the banking sector deteriorated slightly due to several large corporate exposures. At the end of 2025, the share of non-performing loans (NPLs) in the domestic loan portfolio stood at 1.8%. At the same time, the share of NPLs in the residential mortgage loan portfolio remained broadly unchanged, standing at 0.8% at the end of 2025.

MORTGAGE FUNDING

Credit institutions obtain funding mostly from domestic retail and non-financial corporate deposits. Some banks additionally attract deposits from euro area households through EU online platforms (at the end of 2025, these deposits amounted to 2.2% of total non-bank deposits, compared to 2.3% in 2024). Credit institutions are not active in the bond markets for funding.

Domestic deposits represented 80.8% of total liabilities at the end of 2025 (compared to 80.1% the year before), while the share of liabilities to foreign parent MFIs (mostly Nordic parent banks) was 6.2% (6.5% in 2024), as only small foreign branches used parent bank funding and the banking sector loan-to-deposit ratio was still low, at 71.1% (68.2% in 2024). In 2025, there were no mortgage covered bonds issued by Latvian banks and no central bank funding was used. However, mortgages originated by the Latvian branch of an Estonian bank were included in an Estonian covered bond programme.

GREEN FUNDING

An EU-funded scheme provided subsidised loans and guarantees for qualifying energy efficiency renovations, with a total budget of EUR 173 million.

	LATVIA 2024	LATVIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	0.0	2.1	1.5
Unemployment Rate (LSF), annual average (%) (1)	6.9	6.9	6.0
HICP inflation (%) (1)	1.4	3.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	83.7	82.2	68.5
Gross Fixed Investment in Housing (annual change) (1)	2.1	3	2.8
Building Permits (2015=100) (2)	109.5	n/a	86.9
House Price Index - country (2015=100) (1)	199.6	214.3	161.92
House Price Index - capital (2015=100) (2)	n/a	n/a	n/a
Nominal house price growth (%) (1)*	4.33	7.35	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	5,080	5,556	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	2,699.4	3011.38	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	18.51	21.71	81.39
Gross residential lending, annual growth (%) (1)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	5.44	4.05	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

LATVIA FACT TABLE

Which entities can issue mortgage loans in your country?	Credit institutions, credit unions and non-bank financial institutions can issue mortgage loans in Latvia.
What is the market share of new mortgage issuances between these entities?	Not available.
Which entities hold what proportion of outstanding mortgage loans in your country?	The mortgage market is predominantly comprised of mortgage loans issued by banks.
What is the typical LTV ratio on residential mortgage loans in your country?	According to the Latvian legislation, the LTV cannot exceed 90%. For the participants of the state support programme for house purchase and construction, the upper LTV limit is 95%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is based on the purpose of the loan (defined by Latvijas Banka's Regulations on Compiling the Monthly Financial Position Report of Monetary Financial Institutions and the Regulation for the Credit Register).
What is/are the most common mortgage product(s) in your country?	Amortising housing loans with a variable interest rate linked to three- or six-month Euribor.
What is the typical/ average maturity for a mortgage in your country?	The typical maturity of a new issued mortgage is 20 years. The maximum is 30 years.
What is/are the most common ways to fund mortgage lending in your country?	See section on Mortgage Funding in the country chapter.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	A stamp duty of 0.5–1.5% of the home price applies when registering the purchase. Typically, the 1.5% rate applies, and the stamp duty is reduced to 0.5% under the support programme for house purchase. The reduced rate applies only to families with children, and not to young specialists (please see Question 10 for an overview of the support programmes). In addition to the stamp duty, 0.1% of the mortgage loan amount must be paid for the registration of the mortgage. These are the main fees associated with house purchase. There are also some additional registration fees, but they are usually small, and their amount is fixed (i.e. it does not depend on the loan amount or the real estate price). For home purchases under the state guarantee programme, buyers face additional costs: • For families with children and members of the National Armed Forces, a one-time fee of 2.5% of the outstanding guarantee amount applies. • For young specialists, a guarantee fee of 2.4% per annum (of the outstanding guarantee amount) applies.
What is the level (if any) of government subsidies for house purchases in your country?	It is possible to obtain a state guarantee: For families with children: • Up to 30% of the loan amount, but not exceeding EUR 30,000, with the exact amount depending on the number of children. • Up to 50% of the loan amount, but not exceeding EUR 50,000, for families with children in regions outside Riga and the counties adjacent to Riga. In addition, the guarantee may be increased by a further 5% (but not exceeding EUR 30,000) if the dwelling corresponds to Energy Performance Certificate (EPC) Class A or is a nearly zero-energy building. Moreover, families with at least three children or with children with disabilities that have applied for a mortgage from one of the largest commercial banks in Latvia are eligible to receive a state subsidy of EUR 8,000 to EUR 12,000 (the exact amount depending on the number of children in the family and the energy efficiency of the housing to be purchased or built). For young specialists (individuals up to 35 years of age who have completed vocational secondary or higher education), it is possible to obtain a guarantee of up to EUR 50,000 or 20% of the loan amount. For members of the National Armed Forces, it is possible to obtain a guarantee of up to EUR 20,000 or 25% of the loan amount. It is also possible to apply for a housing loan with state aid. Households can receive a loan of up to EUR 74,000 for the purchase of housing outside Riga and some adjacent counties. The programme is intended to improve access to housing finance in regions where bank financing may be more limited. The interest rate is 0% plus six-month EURIBOR for up to 13 months from the signing of the loan agreement, and no loan arrangement or disbursement fee is charged.

Lithuania

By Jonas Grincius, Artea Bank

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IN A NUTSHELL

- → Housing market activity began to recover in early 2025 after a very weak 2024, with Q1 sales rising strongly from a low base.
- → House price growth remained positive but moderate in early 2025, while the Bank of Lithuania still estimated some residual overvaluation.
- → Lower borrowing costs supported housing demand, while borrower-based lending requirements remained unchanged.
- → Mortgage lending continued to rely primarily on bank deposits, with limited evidence of material capital-market funding.
- → Energy-efficiency renovation remained the main green-housing funding theme, supported by EU structural funds managed by the EIB.

MACRO-ECONOMIC OVERVIEW

Lithuania's economy continued to expand in 2025, although growth moderated slightly to 2.9%, from 3.0% in 2024. Growth was mainly supported by domestic demand. Private consumption increased by 2.0%, while gross fixed capital formation rebounded by 7.3% after declining by 1.7% in 2024. Exports grew by 4.2%, but imports increased more strongly, by 8.4%, resulting in a negative contribution from net trade.

Average HICP inflation rose from 0.9% in 2024 to 3.4% in 2025. Wage growth remained strong: compensation per employee increased by 10.4%, compared with 7.4% in 2024, while real average earnings grew by approximately 3.9%. Household purchasing power therefore continued to improve, although less strongly than in the very low-inflation environment of 2024.

Labour-market conditions remained relatively tight. The average unemployment rate declined slightly, from 7.1% in 2024 to 6.9% in 2025. The general government deficit widened from 1.3% to 1.8% of GDP, while public debt increased from 38.0% to 39.6% of GDP. Financing conditions also eased, with the short-term interest-rate indicator declining from approximately 3.8% in 2024 to 2.4% in 2025.

HOUSING MARKETS

Lithuania's housing market began to recover in early 2025 after a very weak 2024. According to the Bank of Lithuania, the number of housing units sold in 2024 was 10% lower than in 2023 and the lowest since 2012. The improvement became visible in Q1 2025, when primary-market sales rose by 50% year on year and secondary-market sales increased by about one-third. These early-2025 figures should not be read as full-year 2025 results.

Lower borrowing costs were an important driver of the rebound. New housing-loan rates fell to around 4%, from a peak of 5.9% in autumn 2023, helping sales activity and loan issuance recover. Demand also shifted towards own-use buyers. In Q4 2024, first-time acquisitions accounted for 65% of purchases in Lithuania and 59% in Vilnius, while resident investment transactions accounted for 25% and 29%, respectively.

House prices continued to rise, but the pace remained moderate. In April 2025, the Bank of Lithuania residential house price index was 4.3% higher than a year earlier, while the Ober-Haus index showed annual growth of 4.9%. Both readings were below their respective 2015–2025 averages. The Bank of Lithuania nevertheless estimated that house prices could still be overvalued by around 5%, so the recovery did not remove all valuation imbalances.

Affordability improved as incomes increased and borrowing costs declined. In Q4 2024, the house-price-to-annual-net-income ratio stood at 5.8 nationally and 6.9 in Vilnius, confirming that the capital remained less affordable than the country as a whole. In 2025, the average dwelling affordable with a loan rose to around 70 sq. m; this is a point-in-time affordability measure, not a measure of the average size of homes sold.

On the supply side, primary-market stock in the major cities stood at 7,200 units in March 2025. Although this was still historically high, sales exceeded new supply in spring 2025 and the stock began to shrink. Regional pressure remained most visible in Vilnius, where 5,700 housing units started construction in 2024, 25% more than in 2023.

Broader residential investment remained weak. The Bank of Lithuania's September 2025 review indicated that investment in residential buildings was still declining and that building permits and newly started projects did not yet point to significant growth ahead.

MORTGAGE MARKETS

MARKET DYNAMICS

Lithuania's mortgage market recovered during 2024 and entered 2025 with stronger momentum. The stock of housing loans increased by approximately 9% in 2024, reaching about EUR 12.7 billion. Net mortgage lending, defined as new loans minus repayments, amounted to roughly EUR 1.1 billion. Residential mortgages represented more than half of total bank lending.

Interest rates on new housing loans eased from their 2023 peak. After reaching around 5.5–5.8% by end-2023, new housing-loan rates declined to around 4.8–4.9% by end-2024 and continued to move lower with Euribor in 2025. This supported affordability and helped revive housing demand.

Credit standards remained tight. LTV limits stayed at 85% for first housing purchases and 70% for second or investment properties. The debt-service-to-income ratio remained capped at 40% of net monthly income. In practice, average LTVs on new loans were around 70–75%, and typical mortgage terms remained close to 25 years.

Mortgage asset quality remained strong in 2024. The non-performing loan ratio on housing loans stayed around 1% or lower. In 2024, more than EUR 700 million of loans, or about 5.7% of the mortgage portfolio, were refinanced or modified, helping to contain arrears. Comparable full-year 2025 arrears and default indicators were not available in the reviewed source set and are therefore not quantified.

NON-MARKET LED INITIATIVES

Mortgage-related policy measures were largely continuations rather than new one-off interventions. Support for first-time buyers continued through the "First Home" programme and the state-backed guarantee scheme introduced in 2023. These measures supported eligible young households, particularly where down-payment constraints were binding.

The macroprudential framework remained unchanged. The 2% sectoral systemic risk buffer for housing loans continued to apply, and no new lending limits beyond the existing LTV and DSTI requirements were identified in the reviewed source set.

MORTGAGE FUNDING

Lithuania's mortgage market remains primarily funded by domestic deposits, with limited reliance on capital markets or central-bank facilities. The previous year's article reported that more than 80% of mortgage lending was funded by customer deposits and that household savings increased strongly in 2024.

Wholesale funding played only a supplementary role. Covered bonds remained unused and mortgage securitisation was virtually absent. A small number of bond issuances took place, but deposits remained the core funding source for mortgage lending.

GREEN FUNDING

Sustainable finance is gradually gaining ground in Lithuania's housing market, mainly through public programmes and EU-supported renovation finance. In December 2024, Lithuania and the European Investment Bank agreed that EUR 100 million of EU structural funds would be managed by the EIB to support the renovation of around 700 multi-apartment buildings. With private co-financing, the programme could mobilise up to EUR 625 million in total investment.

The initiative builds on Lithuania's long-running apartment-building modernisation programmes, which combine public support, subsidised lending and revolving financial instruments. By December 2024, more than 3,300 apartment buildings, covering around 83,000 households, had been renovated, with total investment of about EUR 1.4 billion.

These programmes are expected to reduce household energy costs and emissions while improving the quality of the housing stock. Public and EU-supported renovation programmes therefore remain the main channel for energy-efficiency finance in Lithuania's housing sector.

	LITHUANIA 2024	LITHUANIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	3.0%	2.9%	1.5
Unemployment Rate (LSF), annual average (%) (1)	7.1%	6.9%	6.0
HICP inflation (%) (1)	0.9%	3.4%	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	87.4	86.5	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	235.02	258.11	161.92
House Price Index - capital (2015=100) (2)	218.83	238.18	n/a
Nominal house price growth (%) (2)	9.7	9.8	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	12,700	15,160	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	4,390	5,248	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	28.59	30.28	81.39
Gross residential lending, annual growth (%) (2)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	5.24	3.89	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

LITHUANIA FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgage credit may be issued by banks and branches of foreign banks, credit unions, and other credit providers or peer-to-peer lending platform operators authorised or registered under the Law on Credit Related to Real Estate. In practice, standard residential mortgages are provided overwhelmingly by banks and foreign-bank branches.
What is the market share of new mortgage issuances between these entities?	Public supervisory data do not provide a current lender-by-lender split specifically for new mortgage issuance. Banks and foreign-bank branches originate virtually all standard residential mortgage volume; credit unions and other registered providers are marginal. The market remains concentrated, and the Bank of Lithuania continued to describe it as dominated by four major banks, although competition is gradually increasing.
Which entities hold what proportion of outstanding mortgage loans in your country?	Outstanding residential mortgage loans are likewise held almost entirely by banks and foreign-bank branches. Housing loans on bank balance sheets amounted to €15.1 billion at the end of Q1 2026. The Bank of Lithuania states that four lenders continue to dominate the segment; current institution-level shares are not disclosed in the standard supervisory review.
What is the typical LTV ratio on residential mortgage loans in your country?	As at 15 July 2026, the regulatory maximum LTV is 85% for a standard first or only housing loan and 70% for a second or subsequent housing loan, subject to the existing exception. The average LTV on newly granted housing loans was about 74.2% in January–February 2025. From 1 August 2026, qualifying first-time buyers will be permitted a maximum LTV of 90% (a minimum 10% down payment). The 70% maximum for second and subsequent loans will remain, with a tighter exception.

How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is based primarily on the purpose of the financing, the borrower type and the nature of the collateral. Residential mortgage loans are generally granted to individuals or households to acquire, construct, complete or renovate a dwelling and are usually secured by residential real estate. Non-residential mortgage loans finance business or investment purposes, or are secured by commercial or industrial property (for example, offices, retail premises or warehouses), and are generally granted to companies or self-employed borrowers. The distinction is reflected in lenders' product classification, accounting, risk management and prudential reporting.
What is/are the most common mortgage product(s) in your country?	The dominant products are loans to purchase an apartment or house and loans for residential construction, completion or renovation. Typical features are: • Currency: euro (€). • Interest rate: usually variable, most commonly 6-month EURIBOR plus a fixed bank margin; 3- or 12-month EURIBOR may also be used. • Repayment: annuity instalments. • Contractual term: typically 25–30 years. • Security: mortgage over the financed residential property, with property insurance normally required. Since May 2025, larger housing lenders must offer both a variable-rate option and an option with the rate fixed for at least five years. Nevertheless, the Lithuanian market remains predominantly floating-rate.
What is the typical/ average maturity for a mortgage in your country?	New mortgages are commonly contracted for 25–30 years. The regulatory maximum maturity is 30 years. The average remaining maturity of the outstanding stock is naturally shorter, but a current official market-wide figure is not routinely published.
What is/are the most common ways to fund mortgage lending in your country?	Customer deposits are the principal funding source. At the end of Q4 2025, deposits accounted for around 89% of bank liabilities, while issued debt securities represented about 1%. Funding from credit institutions or parent banks and banks' own funds provide most of the remainder. Covered bonds and securitisation are not material sources of domestic mortgage funding.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Lithuania does not impose a separate real-estate transfer tax or stamp duty on a standard residential purchase. The main costs are notary fees for the sale-purchase and mortgage documents, registration fees, property valuation, the lender's arrangement or administration fee and property insurance. For a financed purchase, a practical budget is commonly around 1–2% of the purchase price (often roughly €1,500–€2,500 for a typical transaction), excluding estate-agent fees and renovation. The exact amount depends on the property value, lender, notarial actions and urgency of registration.

What is the level (if any) of government subsidies for house purchases in your country?	Support is targeted and budget-limited rather than universal. The two principal schemes are: • State-partially-compensated housing loans: income- and asset-eligible households may receive a subsidy covering 15–30% of the eligible credit portion, depending on family composition and social status. The eligible loan is capped at €53,000 for a single person, €87,000 for a family and €35,000 for reconstruction. • Financial incentive for young families buying a first home in eligible regions: 10% for families with no children or one child, 12.5% with two children and 15% with three or more children. The subsidised loan amount is capped at €87,000 and the property value at €120,000. Applications are accepted through periodic calls and support is subject to available state-budget funding.

Luxembourg

By Richard Kemmish, Contributing Editor & External Consultant

IN A NUTSHELL

→ The economy returned to modest growth of 0.6%, primarily driven by financial services.

→ After two years of sharp falls house prices stabilised and were broadly unchanged over the year.

→ House purchases and mortgage origination improved due to lower interest rates.

→ Green mortgages are increasing but are held back by data inadequacy.

MACRO-ECONOMIC OVERVIEW

The economy continued to recover, but slowly, at 0.6% according to European Commission estimates, with growth forecast to strengthen to 1.6% in 2026 and 2.0% in 2027.

Growth relies heavily on the financial-centre which benefitted from lower interest rates and higher fund issuance. Construction remained well below its previous cycle peak and housing investment recovery is expected to be only gradual.

Although the number of jobs increased by 1.2%, this was outstripped by demographic factors and the unemployment rate rose to 6.5% (6.4% last year). The European Commission forecasts further increases in 2026 and 2027.

Inflation increased to 2.5% (2.3% in 2024) and is expected to increase further, mainly on increased energy prices and higher service costs (due to the high level of indexation of wages).

HOUSING MARKETS

After declines of 9.1% in 2023 and 5.2% in 2024, house prices rose by 1.6% overall in 2025, although by the final quarter the recovery stalled. In Q2, prices increased significantly as buyers bought forward purchases ahead of the expiry of some temporary tax relief on house purchases. The index of new build prices is volatile given the low levels of underlying activity.

Housing construction remained significantly below its long term average. In the first three quarters, 2,836 dwellings were authorised, up slightly from the equivalent period in 2024 (2,540), but as new permits per year were over 6,000 as recently as 2021 clearly construction activity is low. Construction activity (measured by value added) was similarly slightly above the level in 2024 but 28% lower than in 2021.

MORTGAGE MARKETS

As with most countries covered in Hypostat, interest rates decreased over the year. Floating rate mortgages, the cheapest rates currently and increasingly more commonly used, fell by 89 basis points over the year to 3.15%. Longer dated fixed mortgages generally fell by lesser amounts depending on the maturity. Largely as a consequence, the mortgage market decreased by 2.5% to EUR 42.7 bn after a 0.8% growth in 2024 and a shrinkage of 1.2% in 2023. The growth rates are still significantly below the near double digit growth in the earlier years of the decade.

The regulator (the CSSF) removed a temporary relaxation of LTV rules for buy-to-let mortgages in June.

The state home-loan guarantee scheme remains in place until March 2027. Under this scheme, designed to help borrowers who are unable to provide the deposit for their property, the state provides a partial guarantee for qualifying borrowers and allows the guaranteed portion to be treated as ‘own funds’ for LTV cap purposes.

MORTGAGE FUNDING

Given the high level of deposits and generally strong liquidity positions of banks, mortgages are almost entirely funded without use of capital markets instruments. The covered bond law, which was used mainly for off-shore assets, no longer has any bond outstanding and there are no foreseeable prospects for any issuance.

GREEN FUNDING

A paper published by the bankers association and KPMG describes how some banks are offering lower rate green mortgages and requiring EPC data for new loans but that the data for the existing housing stock has poor EPC reporting and definitions are not standardised between banks. It proposes the introduction of a national EPC database and regulatory definitions.

	LUXEMBOURG 2024	LUXEMBOURG 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	0.47	0.6	1.5
Unemployment Rate (LSF), annual average (%) (1)	6.4	6.5	6.0
HICP inflation (%) (1)	2.3	2.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	63.5	64.1	68.5
Gross Fixed Investment in Housing (annual change) (1)	-10.1	-1.5	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	162.5	165.11	161.92
House Price Index - capital (2015=100) (2)	n/a	n/a	n/a
Nominal house price growth (%) (2)	-5.2	1.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	43,820	42,735	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	65,203.48	62,208	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	134.01	124.11	81.39
Gross residential lending, annual growth (%) (2)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	3.96	3.15	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

LUXEMBOURG FACT TABLE

Which entities can issue mortgage loans in your country?	Banks and bank' branches from German Bausparkassen and the "Caisse Nationale d'Assurance Pension", which lends only to private sector employees who contribute to the pension fund.
What is the market share of new mortgage issuances between these entities?	100%
Which entities hold what proportion of outstanding mortgage loans in your country?	Six domestically-oriented banks, hold 90% of mortgage loans.
What is the typical LTV ratio on residential mortgage loans in your country?	The usual maximal LTV ratio amounts to 80%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Not available
What is/are the most common mortgage product(s) in your country?	The most common mortgage contract is at a fixed rate. (62% of loans issued in 2021 = fixed, and so 38% variable)
What is the typical/average maturity for a mortgage in your country?	The standard maturity for mortgage loans is 25 to 30 years, while some banks grant credits for up to 35 years.
What is/are the most common ways to fund mortgage lending in your country?	Mostly deposits
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Roundtrip transaction cost (registration tax, notary fees, real estate agent's fee, transcript tax) are between 12%-16.5%.
What is the level (if any) of government subsidies for house purchases in your country?	Eligible households can receive a capital grant of €500 to €10,000 toward home purchase or construction, with higher amounts available for condominiums, row houses, or semi-detached homes, subject to income-based eligibility criteria.

Sources:
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Malta

By Karol Gabarretta, Malta Bankers' Association

IN A NUTSHELL

- → Real GDP grew 4.0% in 2025 (6.2% a year earlier) as growth in domestic demand and net export slowed down.
- → Annual inflation, in 2025 based on the HICP, remained unchanged at 2.4%.
- → Residential property prices rose at an average annual rate of 5.9% based on the average of the annual rates of change recorded in each quarter of 2025 (Q1: 5.9%; Q2: 5.6%; Q3: 6.0%; Q4: 6.1%).
- → Mortgage lending in Malta is estimated to have increased by 9.8% in 2025 to EUR 9.2 bn.

MACRO-ECONOMIC OVERVIEW

During 2025, Maltese economic growth moderated but remained robust and continued to exceed by far that recorded in the euro area. Real GDP grew by 4.0% (6.2% a year earlier), supported primarily by domestic demand, with net exports also contributing positively. Growth was largely driven by services, particularly wholesale and retail trade, accommodation and related activities, partly reflecting the continued strength of tourism.

During 2025, imports grew by 4.4% and exports increased by 4.5% on a year earlier. As exports outpaced imports, net exports added 1.0 percentage point to annual real GDP growth. This reflected a larger trade surplus in services.

In 2025, government consumption grew by 5.9%, above the 4.8% recorded in 2024. This acceleration is mostly due to higher growth in spending on intermediate consumption. This offset slower growth in compensation of employees, which in 2024 was especially high due to the signing of a new collective agreement for educators. This base effect dampened the impact of a new civil service collective agreement, which came into force in 2025. Overall, government consumption added 1.0 percentage point to annual GDP growth.

During the first three quarters of 2025, employment expanded at an average annual rate of 4.4%. This compares with 5.5% during the corresponding period of 2024. While moderating, employment growth remains above its historic average and continues to indicate strong labour demand. According to the Labour Force Survey (LFS), the unemployment rate reached 2.7% in the third quarter of the year, which was a historical low. During the first three quarters, it averaged 2.9% which meant that it also remained well below the annual average rate of 6.3% recorded in the euro area.

The stock of foreign workers in September 2025 stood at 131,277, up from 120,194 in September 2024. In the first three quarters of the year, the average number of non-Maltese employees increased across all types of occupations compared to the same period of 2024. The majority of such workers remained employed within services and sales jobs, and in elementary occupations. However, the largest increases in absolute terms, amounting to almost half the total level increase, were recorded in services and sales jobs and among technicians and associate professionals.

Labour productivity remained stable at 0% in 2025 as GDP growth matched the increase in employment. This follows a 1.2% increase in the previous year. When compared with the previous year, wage growth slowed down in most economic sectors, with the exception of the information and communication, agriculture, and manufacturing sectors. The fastest wage growth occurred in the information and communication sector, followed by the wholesale and retail sector.

In the first three quarters of 2025, the general government deficit increased when compared to that recorded in the corresponding period of 2024. When measured on a four-quarter moving sum basis, the deficit-to-GDP ratio widened from 3.5% as at end-2024 to 3.9% in the third quarter of 2025. General government debt as a share of GDP rose by 0.4 percentage points from the end of 2024, to reach 46.5% at end-September 2025. The net financial worth of general government as a share of GDP improved by 0.8 percentage points from end-2024, to stand at -30.9%. Consequently, the net financial worth of the Maltese Government continued to compare favourably with the euro area average. The latter stood at -54.9% of GDP in September 2025.

The average rate of Harmonised Index of Consumer Prices (HICP) inflation in Malta stood at 2.4% during 2025, unchanged from 2024. HICP inflation accelerated through the first quarter of the year, before hovering around 2.5% for the rest of the year. Energy prices continued to retain during the year an unchanged contribution to overall inflation, reflecting the retention of Government measures aimed at containing the effects from international price pressures.

HOUSING AND MORTGAGE MARKETS

According to the National Statistics Office (NSO), the home-ownership rate in Malta in 2025 was 65.9% of all households owning their main dwelling. The same source also reports that, when looking specifically at Maltese households, the ownership rate was 84.6% in 2025.

The number of permits for residential units issued by the Planning Authority increased by 41.4% in 2025, following a 7.4% rise in 2024. Permits issued stood at just over 12,300, up from just over 8,700 in the previous year. The number of permits in 2025 exceeded the historical average of around 7,500 and was close to the number of permits issued in 2018 and 2019 which were the years when the largest number of permits were approved.

The latest increase in permits was spread across all property categories with the largest year-on-year increase in level terms being in permits for apartments. In 2025, permits for apartments accounted for almost nine out of every ten permits.

The number of development permits for commercial buildings increased by 28.7% in 2025, following an increase of 5.6% in the preceding year. In 2025, 3,441 commercial permits were issued, above the 2,673 permits approved in 2024, and also higher than the long-term average of around 2,800 permits.

Residential property prices continued to increase during the first three quarters of 2025, though at a slower pace. The NSO's Residential Property Price Index (RPPI) – which is based on actual transactions involving apartments, maisonettes and houses – increased at an average annual rate of 5.7% during the first three quarters of the year, following a 6.7% increase recorded in 2024. The price increase in the first three quarters of 2025 exceeded that in the euro area, where house prices increased by an annual rate of 5.2% during the same period.

Mortgages to residents for house purchases totalled around € 9.2 bn at year end, from around € 8.2 bn in 2024. The core domestic banks extended well over 90% of credit to households and individuals (which includes mortgage loans).

The median loan-to-value ratio in 2025 was 79.5% (76.5% in 2024) indicating a higher typical leverage level among recent mortgage borrowers.

Average interest rates on new residential loans decreased further in 2025 to 2.45% (2.6% in 2024).

In recent years, various factors contributed to the attractiveness of property investment such as: an increase in disposable income; the influx of foreign workers which increased demand for property and a growth in tourism which led to a strong demand for private accommodation. Moreover, various government schemes aimed at first-time buyers in the property market also contributed to supporting demand.

The Malta Permanent Residence Programme (MPRP), the country's primary investment-based residency pathway for foreigners, subject to certain conditions, also played a role in generating demand for local properties.

MORTGAGE FUNDING

Mortgage loans are mainly provided by the Core Domestic Banks - predominantly Bank of Valletta plc and HSBC Bank Malta plc - which together represented 69.4% of Malta's banking assets in 2025. Such banks rely mainly on resident deposits for funding, while in 2025 those held by the two main banks amounted to around € 20.3 bn. Local retail deposits provide ample liquidity to the Core Domestic Banks and with a loan-to-deposit ratio as low as 60.2%, such banks have never felt a need to resort to issuing covered bonds nor to securitising assets on a material basis.

GREEN FUNDING

During the last few years, various domestic banks launched a wide array of green loan products to finance the acquisition of equipment and fixtures for example to generate renewable energy or increase energy efficiency. This includes PV panels; green roof gardens; solar water collectors; space heating and hot water or cooling generation; insulation; interior and exterior apertures – double glazing and insulation; ventilation, heating or cooling and lighting systems; energy generation household storage and EV household charging stations.

Sources: inter alia *CBM Annual Report 2025, CBM Interim Financial Stability Report 2025, NSO website and CBM website Monetary and Banking Statistics*

	MALTA 2024	MALTA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	6.2	4.0	1.5
Unemployment Rate (LSF), annual average (%) (1)	3.1	2.9	6.0
HICP inflation (%) (1)	2.4	2.4	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	69.6	70.9	68.5
Gross Fixed Investment in Housing (annual change) (1)	2.8	3.2	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	163.31	177.36	161.92
House Price Index - capital (2015=100) (2)	n/a	n/a	n/a
Nominal house price growth (%) (2)	5.15	8.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	8,170	8,882.09	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	43,820	n/a	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	n/a	n/a	81.39
Gross residential lending, annual growth (%) (2)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	2.6	2.45	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

MALTA FACT TABLE

Which entities can issue mortgage loans in your country?	Main lenders are the 6 core domestic banks (APS Bank Ltd; Bank of Valletta plc; BNF plc; HSBC Bank Malta plc; Lombard Bank Malta plc, MeDirect Bank (Malta) plc) plus 3 other banks, FCM Bank Ltd, FIMBank plc and Izola Bank p.l.c.
What is the market share of new mortgage issuances between these entities?	Not available
Which entities hold what proportion of outstanding mortgage loans in your country?	HSBC Bank and Bank of Valletta (BOV) account for 61.2% of the total assets (December 2025) held by the core domestic banks.
What is the typical LTV ratio on residential mortgage loans in your country?	The LTV has remained contained at around 79.5%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Central Bank of Malta regulations differentiate macroprudential measures between Category I borrowers - purchasing their primary residential property and Category II borrowers - purchasing their second or additional residential property or buy-to-let properties.
What is/are the most common mortgage product(s) in your country?	Borrowers can choose both fixed and variable rate mortgages, with capital and interest payable over the term of the loan. A moratorium on capital repay¬ments can normally be agreed for an initial number of years, during which interest only is repaid.
What is the typical/ average maturity for a mortgage in your country?	The maximum maturity granted in Malta is linked to the retirement age. 40-year mortgages to Category I borrowers are only issued on condition that the mortgage is repaid before the borrower reaches the age of 65.
What is/are the most common ways to fund mortgage lending in your country?	Mortgage funding in Malta remains predominantly deposit based. Core Domestic Banks provided approximately 95.7% of bank credit to residents and collected around 95.9% of total resident deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	In Malta, there is a 5% Duty on Documents (Stamp Duty) on purchases, which can be reduced to 3.5% of the first EUR 150,000 under certain conditions (see www.notariesofmalta.org/taxinfo.php) and one final withholding tax of 8% on the value of the property when sold (again, with certain conditions).

What is the level (if any) of government subsidies for house purchases in your country?	Malta had a mix of tax reliefs, grants, and Housing Authority support schemes that could materially reduce the cost of buying a home or make a purchase possible for people who could not otherwise access finance: 1) First-time buyer stamp-duty exemption; 2) €10,000 Housing Authority First-Time Buyer grant; 3) Special first-time buyer grant for UCA / long-vacant / approved traditional-style new homes; 4) Old/vacant/UCA home transfer relief: exemption from stamp duty (and seller tax) on the first €750,000; 5) Restoration / finishing grant of up to €54,000 for qualifying homes; 6) Second-time buyer refund of duty; 7) 10% Deposit Scheme (Housing Authority); 8) Equity Sharing Scheme (Housing Authority); 9) Social Loan Scheme (Housing Authority); 10) New Hope Scheme (Housing Authority); 11) Grant on First Residence (post-purchase finishing/ construction support); https://housingauthority.gov.mt/schemes/

The Netherlands

By Marcel Klok and Nico de Vries, ING Bank

IN A NUTSHELL

- → Resilient GDP growth of 1.8%, driven by 5% wage growth and strong consumption.
- → Housing price growth moderated from 11.5% to 5.8% year-on-year.
- → Shift towards 5–10 year fixed-rate periods for new mortgages.

MACRO-ECONOMIC OVERVIEW

Despite the trade war, elevated uncertainty, and a strong euro, the Dutch economy expanded by a considerable 1.8%, or 1.3% per capita. Productivity growth, measured as GDP per hour worked, was 2.4%, the highest in twenty years. Growth was broad-based across expenditures. Household consumption provided the largest contribution, thanks to strong income growth, while public consumption in health care and public administration was also an important growth driver. Were it not for a strong rise in public spending on defence equipment, infrastructure, and housing construction, investment would have been a drag on growth, as business investment contracted. Export growth was surprisingly solid, benefitting from booms in AI and pharmaceuticals, while food exports also performed well.

Most industries expanded. Half of the manufacturing industries moved from contraction in 2024 to expansion in 2025. The machinery industry alone contributed no less than 0.25 percentage points to economic growth, while the oil, travel, health care, and public administration sectors were among the fastest-growing industries. The number of bankruptcies fell by 15.0%, while the number of voluntary exits increased by 6.0%. The number of self-employed sole traders fell considerably, as the government started to enforce laws regulating self-employment.

Continued high contractual wage growth (5.0% in 2025) coincided with a slight rebalancing of the labour market, although it remained tight. Gross labour participation reached a new record high. A fall in the number of vacancies resulted in only a slight uptick in the unemployment rate, to a still low 3.9%. Inflation hardly slowed and remained relatively high at 3.0%, but it was low enough to allow gains in household purchasing power. As consumer confidence fell amid elevated global geopolitical uncertainty, the discretionary household savings rate increased to a historically high level. In mid-June, the populist government fell, causing a standstill in many policy reforms.

LOOKING AHEAD

The Iran war and energy market responses have brought headwinds to economic growth. Consumer confidence plummeted. There are no indications of an imminent household purchasing strike, but uncertainty remains high. The outlook has softened, with mediocre GDP growth forecasts for 2026 of about 1.0%. However, it has not yet turned fundamentally negative. General elections brought about a minority government that has been governing since early 2026. While it gained a parliamentary majority for most of its small, targeted support measures in response to higher price expectations, other policy reforms, such as the increase in the statutory pension age and austerity measures for disability and unemployment insurance, run the risk of not being implemented. Such domestic policy uncertainty may weigh on investment, including, in some cases, housing investment, which is already hampered by supply-side restrictions such as electricity grid congestion and nitrogen emission constraints, both of which call for decisive government intervention.

HOUSING MARKETS

In 2025, the price index for existing owner-occupied homes in the Netherlands continued to increase, although at a more moderate pace compared to the strong rebound observed in 2024. The pace of price growth slowed during the year, with year-on-year increases declining from 11.5% at the start of the year to 5.8% towards year-end.

The continued rise in house prices was mainly driven by strong wage growth and slightly lower mortgage interest rates, which increased borrowing capacity and supported affordability for prospective buyers. At the same time, the structural shortage of housing supply continued to exert upward pressure on prices.

Among the four largest cities, price developments showed clear regional differences. Utrecht recorded the strongest increase (9.4% year-on-year), followed by The Hague and Rotterdam (around 7–8% year-on-year), while Amsterdam showed a more modest increase (3.6% year-on-year), reflecting its already high price level and additional supply due to investor sell-offs. Overall, price growth in large cities was generally below peak national levels, with stronger growth observed in more affordable regions.

In 2025, the number of housing transactions increased further. Total sales amounted to approximately 238,000, compared to around 206,000 in 2024. This represents further expansion in market activity, primarily driven by the sale of former rental properties entering the owner-occupied market. During the year, transaction volumes remained elevated, with double-digit increases observed in several periods compared to 2024.

This increase in supply particularly affected urban areas. As a result, first-time buyers remained an important driver of demand, benefiting from the availability of relatively smaller and more affordable dwellings. At the same time, this trend contributed to a moderation in price increases in large cities.

While economic uncertainty continued to influence the housing market, its overall impact remained limited. Underlying demand remained strong, supported by population growth and rising incomes, while housing supply continued to lag behind demand. The housing shortage persisted, as construction output remained below long-term targets due to regulatory, cost, and capacity constraints.

To address the structural imbalance, the Dutch government maintained its ambition to build approximately 100,000 homes per year, although this target has consistently not been achieved in recent years.

MORTGAGE MARKETS

MARKET DYNAMICS

Total outstanding residential mortgage lending increased further in 2025, reaching EUR 936.0 billion at year-end. This reflects a continued expansion of the mortgage stock compared to 2024, supported by stronger housing market activity and higher transaction volumes, although growth remained more moderate than the strong rebound observed in 2024.

Gross residential lending remained elevated in 2025, broadly tracking the recovery in housing transactions and benefiting from increased supply due to investor sell-offs, particularly in the private rental market. Mortgage origination volumes were supported by strong demand, especially from first-time buyers, and reached record quarterly levels.

Mortgage interest rates decreased modestly in 2025 compared to the peaks observed in 2023 but remained above pre-2022 levels. The gradual easing of capital market conditions led to slightly lower borrowing costs, supporting affordability and lending volumes.

In terms of product characteristics, the Dutch mortgage market continued to be dominated by fixed-rate lending. The majority of new mortgages had fixed-rate periods exceeding five years, reflecting a persistent preference for payment stability. At the same time, a shift was observed towards medium-term fixed-rate periods (5–10 years), while longer fixed-rate periods became relatively less dominant than in previous years. Variable-rate mortgages continued to account for a limited share of new originations.

	THE NETHERLANDS 2024	THE NETHERLANDS 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.1	1.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	3.7	3.9	6.0
HICP inflation (%) (1)	3.2	3.0	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	69.4	68.8	68.5
Gross Fixed Investment in Housing (annual change) (1)	-1.8	1.4	2.8
Building Permits (2015=100) (2)	62.6	65.1	86.9
House Price Index - country (2015=100) (1)	198.1	193.3	161.92
House Price Index - capital (2015=100) (2)	206.6	219.4	n/a
Nominal house price growth (%) (1)*	8.73	-2.42	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	890,132	936,000	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	49,609.03	51,940	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	159.92	160.25	81.39
Gross residential lending, annual growth (%) (1)	30.4	14.8	2.8
Typical mortgage rate, annual average (%) (2)	3.93	3.57	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

THE NETHERLANDS FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgages are mostly being issued by banks and insurance companies. But also, the government, municipalities, companies in general and private persons may issue mortgages. However, for professional issuing of mortgages a company needs a license from the Netherlands Authority for Financial Markets. There are strict regulations for license holders to protect the consumer.
What is the market share of new mortgage issuances between these entities?	Not available.
Which entities hold what proportion of outstanding mortgage loans in your country?	Not available.
What is the typical LTV ratio on residential mortgage loans in your country?	Maximum LTV in 2022 is 100% (106% when financing energy saving measures). The average LTV for all new mortgage applications at HDN in 2022 was 55.4%, and 75.9% for house purchase mortgage loans.
How is the distinction made between loans for residential and non-residential purposes in your country?	A mortgage is registered at the Kadaster (Land Registry and Mapping Agency). At the time of registration of the mortgage, it must be specified whether a piece of land or object is meant for residential purposes.
What is/are the most common mortgage product(s) in your country?	Annuity and interest-only.
What is the typical/average maturity for a mortgage in your country?	30 years.
What is/are the most common ways to fund mortgage lending in your country?	Deposits and wholesale funding.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	2% taxes; 4% other transaction costs (i.e. notary; real estate agent; taxation).
What is the level (if any) of government subsidies for house purchases in your country?	There is a guarantee fund, the Nationale Hypotheek Garantie (NHG). For mortgages lower than EUR 355,000 and meeting certain conditions, the NHG guarantees the repayment of the remaining mortgage debt in case of foreclosure (again subject to certain conditions).

Poland

By Agnieszka Nierodka, Polish Bank Association

IN A NUTSHELL

- → Economic growth accelerated to 3.6%, substantially above the EU average, while annual average HICP inflation fell to 2.5%.
- → The monetary easing cycle improved mortgage affordability: six interest-rate cuts lowered the NBP reference rate by a combined 175 bps to 4.00%.
- → Housing completions recovered, but the decline in permits and housing starts indicated a weaker future construction pipeline.
- → Mortgage lending reached a record PLN 90.5 bn, while transaction prices broadly stabilised and the quality of the mortgage portfolio improved further.

MACRO-ECONOMIC OVERVIEW

The Polish economy strengthened considerably in 2025. According to Eurostat, real GDP increased by 3.6%, compared with 2.9% in 2024 and an EU average of 1.5%. Poland therefore remained among the faster-growing larger economies of the European Union.

Annual average HICP inflation was 2.5%, compared with 3.7% in 2024. Although inflation remained elevated compared with the EU average (2.0%), price pressures moderated during the year. The labour market continued to support household income and housing demand. The annual average unemployment rate was 3.1%, compared with 6.0% in the EU. Only Czechia recorded a lower rate, while Poland and Malta had the second-lowest unemployment rates in the Union.

Monetary conditions eased significantly. Between May and December 2025, the Monetary Policy Council reduced the NBP reference rate on six occasions, by a total of 175 bps, from 5.75% to 4.00%. Lower market interest rates, combined with competition between banks, gradually reduced mortgage pricing and improved the borrowing capacity of households. However, housing finance remained relatively expensive in comparison with the period preceding the inflationary shock.

LOOKING AHEAD

The outlook for the housing and mortgage markets is shaped by two opposing developments. On the demand side, lower interest rates, low unemployment and continued nominal income growth should support the creditworthiness of households and encourage transactions. Unlike the market recovery observed in late 2023 and early 2024, however, the improvement in demand during 2025 was not driven by a broad mortgage-subsidy programme. The recovery was therefore more gradual and predominantly market-based.

On the supply side, the decline in both building permits and housing starts suggests that the number of dwellings completed may weaken with a lag. The relatively large stock of dwellings offered by developers should limit immediate price pressure, but a prolonged reduction in new construction could create supply constraints in the largest and fastest-growing urban areas.

Further monetary easing could strengthen mortgage demand. Its impact on house prices will depend on the ability of developers to adjust supply, the availability and cost of development land and the pace at which the existing stock of unsold dwellings is absorbed. A rapid demand recovery combined with a weak construction pipeline would increase the risk of renewed price pressure, particularly in the largest cities.

HOUSING MARKETS

In 2025 nearly 208,800 dwellings were completed in Poland, an increase of 4.1% y-o-y. Developers completed 134,100 dwellings intended for sale or rent, 7.6% more than in the previous year. Individual investors completed 67,600 dwellings, a decline of 2.8%. Together, these two forms of construction accounted for 96.6% of all new dwellings.

The improvement in completions largely reflected projects initiated in previous years. Forward-looking construction indicators weakened: the number of dwellings for which permits were issued or construction projects were registered fell by 8.8%, while the number of housing starts declined by 9.2%. Among developers, construction started on approximately 212,400 dwellings, 9.2% fewer than in 2024, while permits were obtained for approximately 266,400 dwellings, a decline of 8.7%.

The price dynamics changed markedly compared with 2024. Data for the seven largest housing markets indicate that between Q4 2024 and Q4 2025 average transaction prices increased by approximately 1.5% on the primary market and by 2.5% on the secondary market. By contrast, average offer prices rose by approximately 3.6% and 3.5%, respectively. The divergence between asking and transaction prices pointed to greater buyer negotiating power and slower adjustment of sellers' expectations.

Poland's residential construction market showed a mixed performance in 2025. The number of dwellings completed increased by 4.1% y-o-y to 208,800, with their total useful floor area rising by 1.5% to 18.1 mn m^2, although both figures remained below their 2021–2025 averages. The average size of a completed dwelling declined from 89.2 m^2 to 87.0 m^2. At the same time, forward-looking indicators weakened: building permits were granted for 266,400 dwellings, 8.7% fewer than in 2024, while housing starts fell by 9.2% to 212,400 units. Construction for sale or rent accounted for 61.1% of all housing starts, while private construction represented 37.1%. Overall, the increase in completions reflected projects initiated in earlier years, whereas the decline in permits and starts pointed to a weaker residential construction pipeline and potentially lower housing supply in the following years.

MORTGAGE MARKETS

MARKET DYNAMICS

The mortgage market continued to recover in 2025. Banks granted 232,654 new residential mortgage loans with a total value of PLN 90.5 bn. Compared with 2024, the number of new loans increased by approximately 14.8%, while their value rose by 8%. The value of new lending was the highest annual result ever recorded.

Despite the strong volume of new lending, the number of active mortgage agreements continued to decline, reflecting amortisation, prepayments and early repayments of older loans. At the end of 2025, there were approximately 2.149 mn active agreements, 4.0% fewer than a year earlier. At the same time, the outstanding value of the residential mortgage portfolio increased by 3.5% to PLN 513 bn. The opposite movements in the number and value of outstanding loans reflected the growing average size of newly originated mortgages.

The cost of mortgage borrowing declined during the year. According to NBP data the average interest rate on new residential mortgages was 6.2% in Q4 2025, compared with 7.5% one year earlier. The NBP bank lending survey also indicated that banks eased mortgage credit standards and reduced lending margins in Q4, primarily in response to stronger competitive pressure and lower central bank interest rates.

Periodically fixed-rate mortgages remained the predominant product, although their share decreased as borrowers increasingly anticipated further interest-rate reductions. In 2025, periodically fixed-rate loans (usually with the fixation period of 5 years) accounted for approximately 73% of newly granted mortgages. The narrowing difference between the pricing of fixed- and variable-rate products increased the relative attractiveness of variable-rate loans for borrowers expecting further monetary easing.

The quality of the mortgage portfolio remained strong. The share of impaired residential mortgages fell to 1.34% at the end of 2025, the lowest level ever recorded. The improvement was supported by low unemployment, income growth and the declining debt-service burden on newly granted and repriced loans.

MORTGAGE FUNDING

Customer deposits remained the principal source of mortgage funding, while mortgage covered bonds continued to provide a smaller but strategically important source of long-term finance. Under Polish law, covered bonds may be issued only by specialised mortgage banks. Gross issuance of mortgage covered bonds increased by approximately 66% in 2025, from PLN 5.68 bn in 2024 to the equivalent of around PLN 9.42 bn, comprising PLN-denominated issues of PLN 7.3 bn and one EUR-denominated issue of EUR 500 million.

During 2025, banks' funding strategies were increasingly influenced by the implementation of the Long-Term Funding Ratio (Wskaźnik Finansowania Długoterminowego, WFD), adopted by the Polish Financial Supervision Authority in July 2024. Under the version of the Recommendation in force at the end of 2025, the supervisory authority expected eligible banks - those with assets exceeding PLN 2 bn and residential mortgage exposures accounting for more than 10% of their assets - to maintain a WFD of at least 40% from 31 December 2026. However, in November 2025 the supervisory authority launched consultations on amendments to the Recommendation, including changes to the calculation methodology and a proposed recalibration of the initial expected ratio to 20%. The final calibration of the WFD therefore remained subject to the completion of the regulatory review.

The objective of the WFD is to reduce the liquidity and interest-rate risks arising from the financing of long-term residential mortgage loans predominantly with shorter-term deposits and to increase the use of stable, long-term funding. The framework provides preferential treatment for mortgages carrying fixed or periodically fixed interest rates and for qualifying green debt instruments, while covered bonds remain an important eligible source of long-term funding.

	POLAND 2024	POLAND 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.9	3.6	1.5
Unemployment Rate (LSF), annual average (%) (1)	2.9	3.1	6.0
HICP inflation (%) (1)	3.7	2.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	87.1	87.2	68.5
Gross Fixed Investment in Housing (annual change) (1)	-4.2	1.1	2.8
Building Permits (2015=100) (2)	122.5	111.8	86.9
House Price Index - country (2015=100) (1)	215.0	228.9	161.92
House Price Index - capital (2015=100) (2)	217.0	250.1	n/a
Nominal house price growth (%) (1)*	14.2	6.45	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	110,593	121,584	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	3,169	3,257	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	23.4	21.3	81.39
Gross residential lending, annual growth (%) (1)	52.2	n/a	2.8
Typical mortgage rate, annual average (%) (2)	7.65	6.93	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
** Eurostat Reviewed*
*** EU 2025 to be confirmed*

POLAND FACT TABLE

Which entities can issue mortgage loans in your country?	Banks and credit unions
What is the market share of new mortgage issuances between these entities?	No detailed data available. Rough estimates indicate that less than 1% of new lending is granted by credit unions and more than over 99% by banks.
Which entities hold what proportion of outstanding mortgage loans in your country?	Approximately 99.9% is held by banks and 0.1% by credit unions.
What is the typical LTV ratio on residential mortgage loans in your country?	The typical LTV ratios are: • 27.32% of new loans granted in 2024 had LTVs over 80%. • 46.34% - LTVs between 50-80%. • 10.83% - LTVs between 30-50%. • 15.51% - LTVs below 30%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is based on the borrower's declaration. The borrower must state in the loan application the purpose for which the loan will be used, and the bank is entitled to verify whether the loan has been used in accordance with that declaration.
What is/are the most common mortgage product(s) in your country?	Approximately 73% of loans were periodically fixed-rate loans, PLN denominated.
What is the typical/ average maturity for a mortgage in your country?	More than 61.0% of loans granted in 2025 had a maturity of between 25 and 35 years.
What is/are the most common ways to fund mortgage lending in your country?	Banking deposits and interbank lending.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	• Tax on the establishment of a mortgage – usually PLN 19, where the mortgage secures claims of an undetermined amount, including interest and other ancillary claims; a rate of 0.1% applies where the mortgage secures an existing claim of a fixed amount. • Notarial fee (depending on the value of the property) – usually PLN 1,010 plus 0.4% of the value exceeding PLN 60,000 (plus 23.0% VAT). Different thresholds apply to properties worth more than PLN 1 million. • Certified copies or extracts of the notarial deed – up to PLN 6 per commenced page, usually plus VAT. • Land and mortgage register fees – PLN 200 for registration of ownership and PLN 200 for registration of the mortgage. Where a new land and mortgage register must be opened, an additional fee of PLN 100 applies. • Tax on civil law transactions – generally 2.0% of the market value when a residential property is purchased on the secondary market. Since 31 August 2023, an individual purchasing their first residential unit or single-family house may qualify for an exemption, subject to the statutory eligibility conditions. • Property valuation – depending on the bank and the type of property, approximately PLN 400–1,500. The valuation may be commissioned by the bank or provided by the borrower, if accepted by the bank. • Real estate broker's commission, where applicable – determined in the brokerage agreement; typically around 3.0% plus VAT.
What is the level (if any) of government subsidies for house purchases in your country?	(1) Family Housing Loan (Rodzinny Kredyt Mieszkaniowy) – which may include a down-payment guarantee and a subsequent partial principal repayment after the birth of a second or later child. (2) Continuing instalment subsidies for the existing stock of Safe Credit 2% (Bezpieczny Kredyt 2%) loans. However, the programme was closed to new borrowers in 2024.

Portugal

By Banco Montepio

IN A NUTSHELL

- → House prices increased by 17.6% in 2025 (9.1% in 2024).
- → The number of residential property transactions rose by 8.6% (14.5% in 2024).
- → Conflict in the Middle East has triggered an increase in money market and government bond interest rates, which is expected to directly impact the real estate market, leading to higher mortgage payments and a higher cost of new home loans.
- → Housing loan stock hit a record high of EUR 113.0 billion in December 2025.
- → The share of new mortgage lending with an LTV above 90% jumped to 19.4% (from 0.1% in 2024), while the average DSTI remained broadly stable at 29.6% (compared with 29.7% in 2024).

MACRO-ECONOMIC OVERVIEW

GDP growth slowed to 1.9% in 2025 (from 2.2% in 2024). Domestic demand made a positive contribution to annual GDP growth, higher than that observed in the previous year, driven by an acceleration in final consumption expenditure. The contribution of net external demand was more negative in 2025, as exports slowed more sharply than imports.

Unemployment fell to 6.0% in 2025 (from 6.4% in 2024), while inflation declined to 2.2% (from 2.7% in 2024).

The budget balance recorded a surplus of 0.7% of GDP in 2025, compared with 0.6% in 2024.

The current account recorded a surplus of 1.2% of GDP in 2025, down from 2.2% in 2024.

The household savings rate was 12.1% in 2025, compared with 12.5% in 2024, the latter being its highest level since 2003.

LOOKING AHEAD

For 2026, growth is expected to slow to 1.9% (according to Banco Montepio projections), reflecting the effects of the war in the Middle East, particularly through higher inflation, with risks remaining tilted to the downside. The economy is also expected to continue to be affected by other risks to the global economy, notably the ongoing trade war and other geopolitical tensions. The government forecasts growth of 2.3% in the 2026 State Budget, although this forecast was made before the severe weather events observed in the country at the beginning of the year and the outbreak of the war in the Middle East. Following these events, the Bank of Portugal (BoP) and the International Monetary Fund (IMF) projected growth of 1.8% and 1.9%, respectively.

The unemployment rate is expected to decline to 5.9% in 2026 (according to Banco Montepio projections).

Inflation (measured by the HICP) is expected to rise to 2.8% in 2026 (according to Banco Montepio projections), with upside risks stemming from the sharp rise in natural gas and oil prices resulting from the conflict in the Middle East.

According to the BoP, the risks surrounding the economic projections remain tilted to the downside, reflecting heightened external uncertainty. The BoP explicitly cites adverse impacts from geopolitical developments and energy prices and notes that a prolonged or intensified shock could further weaken economic activity while increasing inflation. In addition, the extreme weather events experienced in early 2026 (Storm Kristin and related episodes) are expected to have a short-term negative impact on economic activity, although reconstruction is assumed to support investment at a later stage. As highlighted by the BoP, the current environment of global uncertainty has weakened the confidence of economic agents, which may lead to the postponement or cancellation of investment decisions, increased precautionary savings, and higher risk premiums, thereby reducing asset prices and increasing financing costs.

HOUSING MARKETS

Prices in the Portuguese residential real estate market continued to grow above the inflation rate in 2025, with signs of overvaluation persisting since 2019, as reiterated in analyses by the BoP and international organisations, including the OECD and the European Commission.

According to Statistics Portugal, the Housing Price Index (IPHab) accelerated in the fourth quarter of 2025, with year-on-year growth rising to 18.9% (from 17.7% in the third quarter of 2025) and quarter-on-quarter growth of 4.0% (following 4.8%, 4.7%, and 4.1% in the first, second, and third quarters of 2025, respectively). The index reached new historical highs, standing 203.8% above the local low recorded in the second quarter of 2013, during the Troika intervention period.

Estimates point to further price growth at the beginning of 2026, based particularly on data for the median bank appraisal value of residential properties, which increased by 1.4% in March 2026 compared with February 2026, reaching €2,151/m^2. This marked the 28th consecutive monthly increase and another historical high, with year-on-year growth of 16.5% (from 17.2% in February 2026) and values remaining 192.3% above the historical low recorded in April 2014. This continued increase in property prices at the beginning of 2026 follows average annual growth of 17.6% in 2025, 9.1% in 2024, 8.2% in 2023, and 12.6% in 2022, extending the upward trend that began in the second quarter of 2015, with the sole exception of a slight decline of 0.5% in the third quarter of 2020, during the COVID-19 pandemic.

According to Statistics Portugal, the number of residential property transactions increased to 169,812 in 2025, with a total value of €41.2 billion, representing year-on-year increases of 8.6% and 21.7%, respectively. Sales of existing dwellings increased by 9.5% in volume and 25.0% in value, while sales of new dwellings increased by 5.3% and 13.0%, respectively.

In recent years, the residential real estate market has been characterised by increased participation from non-resident buyers, reflecting growth in the foreign resident population and investment by non-residents. However, since the beginning of 2024, the share of foreign investment in the national real estate market has declined. According to Statistics Portugal, this trend continued in 2025, with 8,471 dwellings purchased by buyers with a tax residence outside the national territory, for a total value of €3.4 billion. This represents declines of 13.3% in the number of transactions and 2.1% in value compared with 2024.

The BoP highlighted in its assessment of the residential real estate market that, despite the continued appreciation in residential property prices, signs of structural imbalances persist. Since 2015, house prices have consistently grown faster than household incomes, keeping both the price-to-income and price-to-rent ratios at elevated levels. At the same time, construction costs have increased by around 40.0% since 2015, primarily due to labour costs, in a sector characterised by labour shortages and obstacles to the licensing process.

The limited supply of housing has continued to contribute to rising residential property prices. Between 2015 and 2024, only around half the number of homes built during the previous eight-year period were completed, while a high number of secondary and vacant properties remained. According to the latest Census data, 31.0% of the Portuguese housing stock was not permanently occupied in 2021, comprising 19.0% secondary residences and 12.0% vacant dwellings. This share of vacant housing was among the highest in the euro area, compared with 14.0% in Spain, 8.0% in France, 7.0% in Ireland, and 3.0% in the Netherlands.

Housing supply has therefore remained insufficient to meet demand, despite recent improvements in the licensing process. According to Statistics Portugal, 26,100 buildings were licensed in 2025, while 15,900 buildings were completed, representing an increase of 2.3% and a decrease of 8.8%, respectively.

A recent OECD study published in January 2026 identified several challenges affecting housing affordability in Portugal. These reflect long-standing structural weaknesses that have limited the housing market's ability to respond to rising house prices. High construction costs and slow, complex licensing procedures continue to constrain investment in new housing.

MORTGAGE MARKETS

MARKET DYNAMICS

The stock of housing loans reached a record high of EUR 113.0 billion in December 2025, increasing by EUR 10.0 billion over the year. This corresponds to the highest year-on-year growth rate (9.7%) since 2007.

Net new housing lending amounted to EUR 14.2 billion in 2025 (a monthly average of approximately EUR 1.2 billion), 2.5 times the 2024 average. The volume of new loans, excluding renegotiations, increased by 34.0% year on year to EUR 23.3 billion, while early repayments declined by 22.0% to EUR 9.0 billion.

The share of early repayments in the housing loan stock declined from 1.3% in December 2024 to 0.9% in December 2025, remaining below the peak of 1.4% recorded in December 2023. The volume of renegotiated housing loans amounted to EUR 5.5 billion in 2025, 24.0% lower than in 2024, and their share of total new lending decreased by 35 basis points, to 19.0%.

Loans for the acquisition of owner-occupied permanent housing (HPP) granted under Decree-Law No. 44/2024, which introduced a State guarantee mechanism to support borrowers aged up to 35 purchasing their first home, continued to play a significant role. These loans accounted for 59.6% of the total volume of new HPP lending in 2025. HPP loans benefiting from the State guarantee represented 26.8% of total new HPP lending, rising to 45.0% when considering only borrowers aged up to 35. The average new loan amount stood at EUR 199.1 thousand, 14.2% higher than the average value of all new housing loans and 9.8% higher than the average value of loans granted to young borrowers without a State guarantee.

The composite interest rate on new housing loan contracts agreed over the previous 12 months continued the downward trend that began in January 2024, standing at 2.91% in December 2025. This corresponds to a cumulative decline of 1.49 percentage points since January 2024 and 0.6 percentage points since December 2024.

The housing loan stock continued to be dominated by variable-rate contracts, which accounted for 56.0% of the total, despite a decline of 14 percentage points compared with 2024 and the sustained downward trend observed since 2022, when variable-rate loans represented 89.0% of the stock. Conversely, mixed-rate loans continued to increase, rising by 13 percentage points to 39.0% (from 8.0% in 2022). Fixed-rate loans accounted for 5.0% of the stock, unchanged from 2024.

The increased use of the six-month Euribor as a reference rate for new variable-rate contracts was also reflected in the outstanding stock, with its share rising from 37.0% in 2024 to 38.0% in 2025, while the share of loans indexed to the 12-month Euribor declined from 34.0% to 32.0%. In new variable-rate lending, the six-month Euribor further strengthened its position as the main reference rate, accounting for around 50.0% of contracts in 2025, 12 percentage points higher than in the previous year.

According to Banco de Portugal, the share of new mortgage lending with an LTV ratio above 90.0% increased from a negligible 0.1% in 2024 to 19.0% of total lending in 2025. This trend was concentrated in owner-occupied housing, where the share reached 24.0%, returning to 2018 levels.

The increase was primarily driven by loans granted under the State guarantee scheme (Decree-Law No. 44/2024), under which 85.0% of loans had an LTV ratio of 100.0%. By contrast, almost all loans without State support remained at or below 90.0%.

According to Banco de Portugal, the average actual DSTI ratio for new mortgage lending stood at 29.6% in 2025, broadly unchanged from 29.7% in 2024. This reflected offsetting effects: declining interest rates and rising real household disposable income reduced borrowers' financial burden, while higher indebtedness among borrowers benefiting from the State guarantee placed upward pressure on DSTI levels.

The one-year increase in the average maturity of new mortgage loans, particularly those granted to younger borrowers, likely provided an additional contribution to the decline in the DSTI ratio.

The average outstanding loan balance stood at EUR 75,270 in December 2025, an increase of 10.0% compared with December 2024. For new loans, the outstanding principal increased by 20.0% over the same period, corresponding to an increase of EUR 28,215, while the average monthly instalment decreased by 1.0% (EUR 6.00) year on year. Lower interest rates reduced the share of interest payments in total instalments by 8.2 percentage points, to 48.9%.

The non-performing loan (NPL) ratio for housing loans declined to 0.9% in the fourth quarter of 2025, compared with 1.3% in the fourth quarter of 2024, while impairment coverage increased from 35.7% to 36.9%. Over the same period, the share of housing loans classified as Stage 2 decreased by 2.3 percentage points, to 6.0%.

In January 2026, following a succession of atmospheric depressions that caused severe weather events across Portugal, with significant impacts on housing, critical infrastructure, public facilities, and businesses, as well as prolonged disruptions to water, electricity, and communications services, the Government declared a state of calamity and adopted a set of exceptional and temporary measures. These included, inter alia, the deferral of financial obligations, including the payment of principal, interest, and other liabilities associated with credit contracts, as well as measures to support employment and household solvency. Employers demonstrably facing a business crisis were permitted to implement temporary reductions or suspensions of employment contracts. In addition, financial support was made available for the recovery of owner-occupied permanent housing.

In March 2026, the Portuguese Council of Ministers approved a set of structural housing policy measures aimed at addressing supply constraints and improving affordability. According to the Prime Minister, these measures are intended to increase housing supply, promote affordable rental housing, and facilitate access to housing, thereby contributing to price moderation. The Government also announced the creation of a special procedure for the sale of jointly owned properties, allowing one or more heirs to initiate a sale after two years of joint ownership, even in the absence of unanimous agreement, while safeguarding property rights. This measure is intended to bring vacant housing stock in both urban and rural areas back to the market.

MORTGAGE FUNDING

The deposits of households remained the primary source of funding for Portuguese banks, representing 60.4% of their liabilities in 2025, down from 61.2% in 2024. This figure is significantly higher than the European Economic Area (EEA) average, which remained at around 31.0%. In 2025, interest-bearing household deposit accounts represented 57.0% of total household deposits, a decrease of 1 percentage point compared with 2024.

Debt securities issued by Portuguese banks represented around 7.0% of total liabilities, compared with an average of 20.0% for banks across the EEA. The share of secured funding in total debt securities issued by Portuguese banks reached 41.0% (+6 percentage points year on year), above the EEA average of 32.0%, which remained unchanged compared with 2024.

GREEN FUNDING

ESG financing declined in Portugal during 2025, with the stock of ESG debt issuances by resident entities decreasing by EUR 251.0 million (-1.6% year on year) to EUR 13.6 billion. This reflected a decline of EUR 439.0 million in the stock of green debt, which was not offset by growth in other ESG categories, where the pace of expansion also slowed compared with the previous year. Non-financial corporations continued to account for the largest volume of ESG-classified debt securities, amounting to EUR 10.1 billion (74.0% of the total; -3.9% year on year), while the financial sector accounted for the remaining EUR 3.5 billion (26.0% of the total; +5.5% year on year).

Some banks continued to offer mortgage loans with reduced interest rates or other incentives where the mortgaged property had a higher Energy Performance Certificate (EPC) rating.

Energy efficiency in buildings remains a key component of the Climate Transition pillar of the Recovery and Resilience Plan (PRR – Component C13), reflecting Portugal's commitment to achieving carbon neutrality by 2050. The programme aims to promote the energy renovation of private residential buildings, implement energy-efficient solutions, replace outdated equipment, and increase installed capacity to improve energy and resource efficiency. It also seeks to strengthen the self-consumption of renewable energy and address energy poverty. These measures are expected to deliver an average reduction of at least 30.0% in primary energy consumption and a 20.0% reduction in water consumption in participating buildings. Of the total allocation of EUR 622.0 million under Component C13 (Energy Efficiency in Buildings), 63.0% had been approved and 32.0% had been disbursed as of December 2025.

	PORTUGAL 2024	PORTUGAL 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.2	1.9	1.5
Unemployment Rate (LSF), annual average (%) (1)	6.4	6.0	6.0
HICP inflation (%) (1)	2.7	2.2	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	73.4	n/a	68.5
Gross Fixed Investment in Housing (annual change) (1)	3.4	n/a	2.8
Building Permits (2015=100) (2)	420.7	n/a	86.9
House Price Index - country (2015=100) (1)	231.4	272.1	161.92
House Price Index - capital (2015=100) (2)	n/a	n/a	n/a
Nominal house price growth (%) (1)*	9.1	17.6	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	104,105.1	108,828.28	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	9,784.57	10,900	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	55.9	51.09	81.39
Gross residential lending, annual growth (%) (1)	n/a	34.0	2.8
Typical mortgage rate, annual average (%) (2)	3.67	3.41	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

PORTUGAL FACT TABLE

Which entities can issue mortgage loans in your country?	In Portugal, mortgage loans can be issued by credit institutions authorised by Banco de Portugal under the Legal Framework of Credit Institutions and Financial Companies (Decree-Law No. 298/92, in particular Articles 3 and 4, which define the types of institutions and the activities they may perform, including the granting of credit). Decree-Law No. 34/86 of 3 March contributed to the liberalisation of housing finance by extending medium- and long-term housing credit to commercial and investment banks and establishing the framework for such lending activities, particularly through Articles 3 and 4. The housing credit regime is set out in Decree-Law No. 349/98 of 11 November, in particular Articles 1 and 2, which define the scope of housing credit (including acquisition, construction and works on housing, as well as land acquisition) and the applicable credit regimes.
What is the market share of new mortgage issuances between these entities?	In 2025, new mortgage production in Portugal is expected to remain concentrated among the largest credit institutions, broadly reflecting the structure of the Portuguese banking sector (as described in question three).
Which entities hold what proportion of outstanding mortgage loans in your country?	The main institutions operating in the Portuguese mortgage market include Caixa Geral de Depósitos (CGD), Banco Santander Totta, S.A. (Santander Totta), Banco Comercial Português, S.A. (Millennium BCP), Banco BPI, S.A. (BPI), Novo Banco, S.A. (Novo Banco), Caixa Económica Montepio Geral, caixa económica bancária, S.A. (Banco Montepio) and Crédito Agrícola (Grupo Crédito Agrícola). These institutions hold the majority of outstanding mortgage loans, with individual market shares ranging from approximately 3% in the case of Crédito Agrícola to around 25% for CGD, according to the latest available data.
What is the typical LTV ratio on residential mortgage loans in your country?	From 1 July 2018 onwards, new residential credit agreements should observe the following LTV limits: • New credit relating to residential immovable property for the purchase or construction of an owner-occupied primary residence: LTV ≤ 90%; • New credit relating to residential immovable property, or credit secured by a mortgage or equivalent guarantee for purposes other than an owner-occupied primary residence: LTV ≤ 80%; • New credit relating to residential immovable property, and credit secured by a mortgage or equivalent guarantee for the purchase of immovable property held by institutions and for property financial leasing agreements: LTV ≤ 100%. In 2025, the distribution of Loan-to-Value (LTV) ratios for new credit operations in Portugal changed significantly, reflecting the impact of the State guarantee scheme for young borrowers (Decree-Law No. 44/2024). The bulk of new credit operations (80.5%) had an LTV ratio equal to or below 90% (52.7% with an LTV ≤80% and 27.8% with an LTV between 80% to 90%). Loans with an LTV between 90% and 100% increased significantly to 19.4%, from 0.1% in 2024, mainly driven by the State guarantee scheme. In addition, the weighted average LTV ratio for total new mortgage lending increased from 70% in 2024 to 75% in 2025, mainly reflecting the higher share of State-guaranteed loans (with an average LTV close to 99%). This increase also reflects, to a lesser extent, the decline in credit transfers, which typically have lower LTV ratios than new originations.
How is the distinction made between loans for residential and non-residential purposes in your country?	Loans for residential purposes comprise: (i) home loans, which include credit agreements for the acquisition or construction of permanent, secondary or for-rental residential property, as well as credit for the acquisition or maintenance of property rights on land or buildings and credit to finance the down payment for a future housing purchase, and (ii) other mortgage loans, concluded with consumers, which although not corresponding to home loans, are secured by a mortgage or other equivalent real estate collateral (e.g. consolidated credit or loans with no defined purpose), as well as real estate leasing for residential purposes.
What is/are the most common mortgage product(s) in your country?	The three most common mortgage products in Portugal are variable-rate, fixed-rate and mixed-rate housing loans. Variable-rate loans are predominantly indexed to Euribor reference rates, mainly the 3-month, 6-month, and 12-month tenors. Mixed-rate loans typically combine an initial fixed-rate period with a subsequent variable-rate period, usually also linked to Euribor. Fixed-rate loans are agreed at a fixed interest rate for a defined period or for the full maturity, with pricing generally influenced by sovereign yield benchmarks, such as the Portuguese 10-year government bond yield. As of 31 December 2025, the outstanding housing loan portfolio for permanent owner-occupied housing comprised 51.62% variable-rate loans, 43.07% mixed-rate loans and 5.31% fixed-rate loans (31 December 2024: 62.18%, 33.21% and 4.61%, respectively). Within the outstanding variable-rate portfolio, 31.85% was indexed to 12-month Euribor, 38.75% to 6-month Euribor, 25.09% to 3-month Euribor and 4.30% to other reference rates as of 31 December 2025 (31 December 2024: 32.94%, 36.96%, 25.75% and 4.34%, respectively). As of the same date, new housing loan lending mainly related to permanent owner-occupied housing (89.12%), followed by secondary housing (6.58%) and loans for renovation works (4.29%) (31 December 2024: 85.44%, 7.51% and 7.05%, respectively). New permanent owner-occupied housing loans were predominantly granted at a mixed rate (77.05%), while 19.92% were granted at a variable rate and 3.03% at a fixed rate (31 December 2024: 74.23%, 19.31% and 6.45%, respectively). Within new variable-rate lending for permanent owner-occupied housing, 37.23% was indexed to 12-month Euribor, 51.69% to 6-month Euribor, 7.57% to 3-month Euribor and 3.51% to other reference rates as of 31 December 2025 (31 December 2024: 46.79%, 41.30%, 6.50% and 5.41%, respectively).
What is the typical/average maturity for a mortgage in your country?	According to Banco de Portugal statistics, the average maturity of new mortgage loans for house purchase was 31.8 years in 2025, compared to 30.7 years in 2024.
What is/are the most common ways to fund mortgage lending in your country?	Mortgage lending in Portugal is primarily funded through retail customer deposits, which remain the main funding source for the banking system, as reflected in a loan-to-deposit ratio of 76% as of December 2025, compared to 74.9% in December 2024. Banks can also resort to covered bond issuance to support mortgage lending. *Source: Portuguese Banking System: latest developments — 4th quarter 2025 | March 2026 • Banco de Portugal*

What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The purchase of residential property in Portugal involves taxes, legal and administrative costs and, where applicable, financing-related charges. At the time of acquisition, the main taxes are: • The Municipal Property Transfer Tax (IMT), which generally ranges from 0% to 8%, depending on the price, location and purpose of the property; • Stamp Duty (Imposto do Selo), levied at a flat rate of 0.8% of the purchase price or the taxable value of the property, whichever is higher. Where mortgage financing is used, an additional 0.6% Stamp Duty applies to the loan amount. In addition, buyers incur legal and administrative costs associated with the formalisation of the transaction, including notary and registration fees, which typically amount to around 1.5% to 2% of the property value. Where mortgage financing is used, further bank-related charges may apply, including mortgage setup fees, generally estimated at around 1% to 1.5% of the loan amount, property valuation fees, typically ranging between EUR 300 and EUR 650, and life insurance linked to the loan. Overall, the total upfront cost of purchasing a residential property in Portugal may be material and depends mainly on the applicable IMT bracket, the use of mortgage financing and the related legal, administrative and banking charges. After acquisition, property owners are subject to an annual municipal property tax (IMI), generally ranging between 0.3% and 0.45% of the taxable value of the property.
What is the level (if any) of government subsidies for house purchases in your country?	In Portugal, there is no general subsidised mortgage scheme applicable to new housing loans. Government support for house purchases is mainly provided through targeted measures, primarily in the form of tax exemptions and state-backed mortgage guarantees. These measures are mainly aimed at young buyers aged 35 or under and are designed to ease the burden of upfront acquisition taxes and down-payment requirements. The main measures currently in place include: (i) IMT and Stamp Duty exemptions for young first-time buyers (IMT Jovem): Young individuals up to 35 years old may benefit from exemptions from the municipal property transfer tax (IMT) and Stamp Duty when purchasing their first owner-occupied permanent residence. The thresholds applicable to this measure were updated with effect from 1 January 2026, following the changes introduced by Law No. 73-A/2025. Under the practical IMT tables in force from that date, the relevant thresholds for young buyers aged 35 or under in mainland Portugal are: • a full exemption for properties up to EUR 330,539 (EUR 413,174 in the Autonomous Regions of the Azores and Madeira); and • a partial exemption for properties with a transaction value above EUR 330,539 (EUR 413,174 in the Autonomous Regions of the Azores and Madeira) and up to EUR 660,982 (EUR 826,228 in the Autonomous Regions of the Azores and Madeira), with taxation applying only to the value exceeding the exemption threshold. Prior to this update, the corresponding thresholds were EUR 316,772 and EUR 633,453, respectively. In cases where two persons jointly purchase a home, if one of them already owns a home or is over 35 years old, the IMT and Stamp Duty exemption is reduced to 50%. These exemptions significantly reduce upfront transaction costs, although they do not extend to Stamp Duty levied on the mortgage loan amount where bank financing is used.
What is the level (if any) of government subsidies for house purchases in your country? *(Cont)*	(ii) State-backed personal guarantee for young first-time buyers (Decree-Law No. 44/2024 and Portaria No. 236-A/2024/1): The State provides a personal guarantee to credit institutions to facilitate access to mortgage financing for the purchase of a first permanent residence. This scheme applies to properties with a value not exceeding EUR 450,000 and allows financing between 85% and 100% of the transaction value, with the State guaranteeing up to 15% of that value. The guarantee has a maximum duration of 10 years, and mortgage contracts must be concluded by 31 December 2026. Eligibility is limited to individuals aged between 18 and 35, with tax residence in Portugal, income not exceeding the 8th personal income tax bracket, no ownership of residential property, no prior use of the guarantee and a regular tax and social security situation. This measure directly addresses the main barrier to home purchase, namely the need for an initial down payment, by allowing access to financing of up to 100%. (iii) Support measures for persons with disabilities: A specific set of support measures applies to individuals with a disability degree of at least 60%. These include access to a subsidised housing credit scheme, providing a reduced interest rate for the acquisition, construction or improvement of a primary residence, with a financing cap of approximately EUR 233,830, as defined under Law No. 64/2014. In addition, an exemption from municipal property tax (IMI) may apply where the taxable property value does not exceed EUR66,500 and the annual income does not exceed EUR15,295, in accordance with the Statute of Tax Benefits. There is no specific exemption from IMT or Stamp Duty for persons with disabilities beyond the general rules, and specific deductions are available under the Personal Income Tax (IRS) framework.

Romania

By Ioana Mitrea, Romanian Association of Banks

IN A NUTSHELL

- → Economic activity remained weak, with real GDP growth estimated at 0.7% in 2025 and a further contraction recorded in Q1 2026.
- → Inflation remained high, with Romania continuing to record one of the highest HICP inflation rates in the EU.
- → Housing supply remained constrained, while house prices continued to increase in nominal terms.
- → Mortgage lending remained predominantly RON-denominated and mainly deposit-funded.
- → Green housing loans continued to gain relevance, although they still represented a limited share of the outstanding housing loan stock.

MACRO-ECONOMIC OVERVIEW

Romania's economy stagnated in 2025, with real GDP growth estimated at 0.7%, after the sharp slowdown already recorded in 2024. Growth continued to be affected by fiscal consolidation, weak private and public consumption and renewed inflationary pressures, while investment and net exports provided partial support.

Inflation remained a key macroeconomic constraint. According to the European Commission, HICP inflation is estimated at 6.7% in 2025, significantly above the EU average. The persistence of inflationary pressures continued to weigh on real disposable income and affordability, particularly in the housing market.

The labour market remained relatively resilient, although softer economic activity limited further improvement. The unemployment rate is estimated at 6.1% in 2025, slightly above the previous year.

Monetary conditions remained restrictive. The National Bank of Romania kept the policy rate at 6.5% in early 2026, reflecting the need to contain inflation while economic growth remained weak.

LOOKING AHEAD

The outlook for 2026 remains shaped by fiscal consolidation, high inflation, and geopolitical uncertainty. These factors are expected to constrain household purchasing power and may delay a stronger recovery in mortgage demand.

At the same time, housing supply constraints are likely to continue supporting nominal house prices, especially in large urban centres. Affordability is therefore expected to remain a key challenge, with borrowers likely to remain sensitive to interest-rate levels, debt-service capacity and down-payment requirements. Banks are expected to maintain prudent underwriting standards, while demand may increasingly shift towards fixed-rate products, lower LTV, structures and energy-efficient housing.

HOUSING MARKETS

Romania continues to have one of the highest owner-occupation rates in the EU. In 2024, the owner-occupation rate stood at 94%, compared with 68.4% at EU level.

Housing supply remained constrained. In 2024, housing completions declined by 14.9%, while residential construction activity weakened significantly. The supply pipeline remained fragile, despite a modest increase in building permits after two years of decline.

House prices continued to rise in nominal terms. Romania's house price index reached 168.99 in Q4 2025, compared with 158.36 in 2024, confirming continued price growth despite weaker macroeconomic conditions. At the EU level, house prices increased by 5.5% year-on-year in Q4 2025.

The main drivers of price growth remained constrained supply, elevated construction costs, wage dynamics, and continued demand in major urban areas. Regional disparities remained significant, with affordability pressures particularly visible in cities such as Cluj-Napoca, Bucharest, Brașov, Timișoara and Iași. The previous chapter already highlighted that affordability was weaker in Cluj County than in Bucharest, despite Bucharest's larger market size.

MORTGAGE MARKETS

MARKET DYNAMICS

The Romanian mortgage market remained dominated by local-currency lending. In 2024, RON-denominated loans represented 89% of outstanding housing loans, up from 86% in 2023, while foreign-currency loans continued to decline.

Mortgage affordability remained under pressure in 2025 and early 2026, reflecting elevated interest rates, high inflation, and continued house price growth. The average mortgage rate declined from the 2023 peak but remained high by historical standards. The National Bank of Romania (NBR) Financial Stability Report indicates that green housing loans and standard housing loans continued to develop within a more selective lending environment.

The First Home/New Home Programme continued to lose importance. Its share had already declined to 25% of total housing loans by September 2024, compared with around 45% five years earlier. This trend reflects both the reduction of state-backed guarantee ceilings and the diversification of banks' standard mortgage products.

LTV rules remained unchanged. For primary residences, the maximum LTV is 85% for RON loans and 75% for foreign-currency loans. For non-primary residences, the cap is reduced by 10 percentage points.

Credit quality remained generally sound, although macroeconomic risks increased. The NBR highlighted elevated risks to financial stability in its December 2025 report, driven by domestic vulnerabilities and global uncertainty.

NON-MARKET LED INITIATIVES

No major new government subsidy scheme materially changed the mortgage market during the reference period. The main non-market factor remained the New Home Programme, although its systemic relevance continued to decline.

The market therefore continued to be driven mainly by standard mortgage products offered by credit institutions, borrower affordability, interest-rate expectations, and housing supply constraints.

MORTGAGE FUNDING

Mortgage lending in Romania continued to be primarily deposit-funded. The previous chapter showed that deposits remained the main source of funding and that the loan-to-deposit ratio declined to 66.6% in 2024.

This structure remained broadly unchanged in early 2026. NBR monetary indicators for March 2026 confirm the continued importance of domestic deposits in the banking system, with RON-denominated resident deposits representing a significant share of non-government customer deposits.

Wholesale funding, securitisation and covered bonds remained less significant funding channels for mortgage lending in Romania. Covered bonds are legally available but have not yet become a dominant source of mortgage funding.

GREEN FUNDING

Green housing finance continued to develop in Romania. According to the NBR Financial Stability Report of December 2025, green loans represented an increasing share of housing loans, confirming growing market relevance.

This follows the trend already visible in 2024, when green loans represented 20% of new housing loans in the first nine months of the year and 9.2% of the outstanding housing loan stock as of September 2024.

Banks are expected to continue developing green mortgage and renovation products, supported by ESG strategies, regulatory pressure and increasing borrower awareness. However, affordability constraints and the still-elevated interest-rate environment may limit the pace of adoption.

	ROMANIA 2024	ROMANIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	0.9	0.7	1.5
Unemployment Rate (LSF), annual average (%) (1)	5.4	6.1	6.0
HICP inflation (%) (1)	5.8	6.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	94.3	93.2	68.5
Gross Fixed Investment in Housing (annual change) (1)	-3.4	0.8	2.8
Building Permits (2015=100) (2)	91.2	88.6	86.9
House Price Index - country (2015=100) (1)	158.36	168.99	161.92
House Price Index - capital (2015=100) (2)	143.59	156.58	n/a
Nominal house price growth (%) (1)*	3.99	6.71	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	22,153	23,016.97	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	1,1610.56	1,210	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	12.36	10.4	81.39
Gross residential lending, annual growth (%) (1)	4.2	18.4	2.8
Typical mortgage rate, annual average (%) (2)	3.67	5.87	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
** Eurostat Reviewed*
*** EU 2025 to be confirmed*

ROMANIA FACT TABLE

Which entities can issue mortgage loans in your country?	In Romania, generally credit institutions can issue mortgage loans, with marginal input from non-bank financial institutions. Currently, there are 29 credit institutions. In addition, a number of non-bank financial institutions registered with the National Bank of Romania may also engage in lending activities, including mortgage and real estate lending.
What is the market share of new mortgage issuances between these entities?	Banks are the main mortgage lenders, with marginal input from non-bank financial institutions.
Which entities hold what proportion of outstanding mortgage loans in your country?	Although official data are not available, the largest 10 banks are the origin of most mortgage loans.
What is the typical LTV ratio on residential mortgage loans in your country?	The average LTV ratio for new residential mortgage loans in Romania was 72% in 2025.
How is the distinction made between loans for residential and non-residential purposes in your country?	Credit institutions grant: - mortgage loans (including loans within the First House Programme, renamed the "New House" Programme in 2020), which are dedicated to residential purposes, more specifically to the acquisition or construction of houses. - consumer loans meant to address consumers' financing needs, with one of the most common products being personal loans.
What is/are the most common mortgage product(s) in your country?	The Romanian mortgage market is currently dominated by standard bank mortgage loans. While the government backed First House programme, renamed "New House" in 2020, played a key role in the development of the mortgage market, its importance has gradually declined over recent years. The share of "New House" loans in new mortgage lending remains well below 50%, as borrowers increasingly opt for standard mortgage products offered by banks.
What is the typical/average maturity for a mortgage in your country?	The maximum lending period for loans granted under the New House Programme is 30 years. As for standard mortgage loans, other than the ones mentioned above, the maximum lending period stands at 35 years.
What is/are the most common ways to fund mortgage lending in your country?	Customer deposits remain the primary source of funding for mortgage lending in Romania. The loan-to-deposit ratio stood at 68.8% in September 2025 (Source: NBR, Financial Stability Report, December 2025), indicating that credit institutions mainly rely on funds attracted from customers to finance lending activity. Credit institutions have gradually reduced their dependence on parent banks by strengthening their domestic deposit base.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	A series of costs are applicable to mortgage loans. The most important ones include: - analysis fees; - valuation fees of the property to be mortgaged, carried out either by internal evaluators of credit institutions or external evaluators. The average cost range for evaluating a residential property is about EUR 80-150, plus VAT; - costs related to obtaining the Land Book extract necessary for signing the mortgage real estate: RON 40 (approximately EUR 8); - notarial and legal costs associated with the purchase transaction and the registration of the mortgage, which vary according to the property value and the applicable legal tariffs. Additional Land Registry fees are payable, including the registration of ownership rights, generally amounting to 0.15% of the property value for individuals. - For secured mortgage loans, credit institutions require home insurance, which depends on the value of the home, the maturity, the types of insured risks, etc.
What is the level (if any) of government subsidies for house purchases in your country?	There are no government subsidies for house purchases. However, the New House Programme supports first-time homebuyers through state guarantees. The programme allows a minimum down payment of 5% for homes up to EUR 70,000 and 15% for homes valued between EUR 70,001 and EUR 140,000, while the state guarantee may cover up to 50% or 60% of the loan amount.

Slovakia

By Tamara Petrikova and Marian Kocis, Slovenská sporiteľňa

IN A NUTSHELL

- → GDP growth slowed to 0.8% amid weaker domestic demand and external headwinds.
- → Asset quality remained resilient, with NPL ratios remaining low.
- → Geopolitical risks threaten trade flows, energy prices, and inflation.
- → Housing affordability is expected to remain under pressure.
- → The mortgage market rebounded, supported by lower interest rates.

MACRO-ECONOMIC OVERVIEW

In 2025, the Slovak economy slowed noticeably, with GDP growth reaching 0.8%, down from 1.9% in the previous year. The slowdown was driven mainly by weaker household consumption, elevated inflation, slower wage growth, and negative consumer sentiment. Corporate performance remained subdued due to weaker external demand, trade disruptions, and reduced competitiveness in parts of the domestic corporate sector. Investment activity remained under pressure despite the availability of EU funds. Geopolitical developments and shifts in international trade added further pressure. US protectionist trade measures and import tariffs created risks for Slovakia's export-oriented economy, particularly the automotive sector. Around 4.0% of Slovak exports are destined for the US, with passenger cars representing a significant share. Indirect effects are also expected through weaker demand from Slovakia's trading partners, particularly EU countries. Industrial production declined year on year throughout most of 2025, reflecting weak foreign demand, especially from Germany.

The labour market remained relatively resilient in 2025, although signs of cooling became more evident towards the end of the year. The unemployment rate averaged 5.4% over the full year and rose to 5.6% in the fourth quarter, while nominal wage growth slowed to 6.3% year on year. Inflation averaged around 4.0% in 2025, driven mainly by the VAT increase, services inflation, energy price re-regulation, and the transaction tax. Energy regulation prevented a sharper increase in gas and heating prices but added pressure to the state budget. Fiscal policy remained constrained by elevated deficits and rising debt. Fiscal consolidation in 2025 focused mainly on increasing revenues through higher excise duties, levies, and corporate income taxes. Despite these measures, the general government deficit remained close to 5.0% of GDP, while gross public debt exceeded 60.0% of GDP. Further fiscal consolidation planned for 2026 will again focus primarily on revenue measures, including higher health insurance contributions, fewer public holidays, and greater tax progressivity. These measures are expected to reduce households' net incomes and may require additional measures in the future.

LOOKING AHEAD

Looking ahead to 2026, the Slovak economy faces a complex macroeconomic environment, with real GDP growth expected to remain around 1.0%. Planned fiscal consolidation measures, including higher health insurance contributions and greater progressivity in personal income taxation, are likely to reduce households' net incomes and may dampen private consumption. Geopolitical uncertainty also remains a significant risk. As a highly export-oriented economy, Slovakia is vulnerable to disruptions in global trade, including protectionist tariffs imposed by the United States, which may affect the automotive sector and its supply chains. Conflicts in the Middle East, including the situation surrounding Iran, also carry the risk of sudden oil and gas price shocks. These could place renewed upward pressure on inflation and limit the scope for further declines in market and mortgage interest rates. These macroeconomic and geopolitical headwinds may influence developments in the housing and mortgage markets.

The mortgage market rebounded strongly in 2025, supported by lower lending rates, improved housing market sentiment, and deferred demand. However, the expected decline in households' net incomes in 2026, combined with rapid house price growth, may further weaken housing affordability. Around the middle of 2026, the ECB also began raising interest rates, which had already been reflected in higher average mortgage lending rates. Despite slower economic growth, fiscal consolidation, and potential external price shocks, the housing loan portfolio is expected to remain broadly resilient. Recent real wage growth and still relatively low unemployment have helped many borrowers absorb higher mortgage instalments. In terms of price developments, a slowdown in house price growth is expected.

HOUSING MARKETS

In 2025, the Slovak residential property market returned to strong price growth, marked by double-digit increases and a persistent supply-demand imbalance. According to NBS data based on offer prices, residential property prices increased by 12.0% over the year, compared with growth of less than 1.0% in 2024. The average residential property price rose by almost EUR 300 per square metre, reaching EUR 2,906/m^2 in the fourth quarter of 2025. The upward trend continued at the beginning of 2026. According to NBS, the average residential property price increased further to EUR 3,005/m^2 in the first quarter of 2026, up 11.3% year on year. Data from the Statistical Office of the Slovak Republic, based on realised transaction prices from the Real Estate Cadastre, showed even stronger growth, with residential property prices rising by 3.6% quarter on quarter and 14.4% year on year. New dwellings drove the quarterly increase, while existing dwellings continued to record stronger year-on-year growth.

The price recovery was already broad-based in 2025. Residential property prices recorded double-digit year-on-year growth in all quarters of the year. In the fourth quarter, dwellings were sold at prices 12.8% higher than a year earlier, with existing dwellings increasing faster than new dwellings. Regional differences remained substantial, but price growth was widespread. According to NBS, no region dampened overall price growth in 2025, while the strongest contributions came from the Bratislava and Košice regions. Bratislava remained the most expensive market, while Košice made an important contribution to the national increase in house prices. Statistical Office data show that prices increased year on year in all eight regions in the fourth quarter of 2025, with six regions recording double-digit growth. Regional price growth continued in the first quarter of 2026, with prices increasing both quarter on quarter and year on year across all regions.

The increase in prices was supported by renewed demand at a time when housing supply remained constrained. In 2025, 14.3 thousand dwellings were completed, a year-on-year decrease of 19.0% and almost one-quarter below the average of the previous ten years. The highest numbers of completed dwellings were recorded in the Trnava, Žilina, and Bratislava regions. Completions declined year on year in seven of the eight regions, with only the Nitra region recording a slight increase. New housing starts also remained weak. Construction began on 15.1 thousand dwellings in 2025, only slightly below the previous year but 26.0% below the ten-year average. At the end of the year, 77.7 thousand dwellings were under construction, slightly more than at the end of 2024. The weak supply situation persisted into the first quarter of 2026, when only 2,210 dwellings were completed, the lowest first-quarter figure since 2000, while construction began on just over 2,000 dwellings.

Overall, the recovery of the housing market in 2025 was driven by broad-based price growth and limited new supply, and the first quarter of 2026 confirmed that these trends remained in place. The market clearly moved out of the correction phase observed in previous years, but the weak pace of housing completions suggests that the supply-demand imbalance remains unresolved. This continued to support house price growth, although affordability constraints may limit the pace of further increases.

MORTGAGE MARKET

MARKET DYNAMICS

After two weaker years, the Slovak mortgage market recovered in 2025. This was supported by a gradual decline in lending rates and improved sentiment in the housing market. New housing loan production moved closer to its long-term average, supported by stronger demand across household segments. At the end of 2025, the sector-wide stock of housing loans, including building-savings loans, stood at approximately EUR 48.5 billion, representing year-on-year growth of around 8.0%. By April 2026, this stock had approached EUR 50.0 billion. The acceleration in loan-volume growth should therefore be seen as a significant recovery rather than an uncontrolled boom. Since autumn 2025, the growth dynamics of the overall loan stock have stabilised.

The mortgage market and the broader financial market were influenced in 2025 by several government and legislative interventions. The introduction of the transaction tax, higher excise duties, and the increase in corporate income tax affected households as well as the cost structures of companies, including banks. Further fiscal consolidation measures planned for 2026, including higher health insurance contributions and greater progressivity in personal income taxation, are expected to affect households' disposable incomes and may reduce their future borrowing capacity.

A separate factor was mortgage assistance related to higher instalments following loan refixation. From 2026, responsibility for providing this assistance shifted from the state to the banking sector, with participation being voluntary. Most banks joined the scheme, helping some households mitigate the impact of higher instalments following refixation, although this is not a broad-based solution to housing affordability.

Asset quality remained resilient. The share of non-performing loans remained at low levels, while mild signs of deterioration were more visible in consumer lending than in mortgages. Slower wage growth, weaker disposable incomes, and still-elevated living costs are likely to keep households' debt-servicing capacity under close scrutiny in 2026, especially among more vulnerable borrowers and self-employed clients.

As interest rates declined in 2025, competition among banks intensified, supporting refinancing activity and a stronger focus on digitalisation and process efficiency. Some banks also promoted loan consolidation, with borrowers refinancing more expensive unsecured consumer loans into lower-cost housing loans.

An important structural trend is the gradual shift in mortgage financing towards sustainability and energy efficiency in housing. This shift is linked to banks' growing focus on the energy intensity of financed properties, the renovation of the older housing stock, and the better use of data on buildings' energy performance.

Looking ahead, mortgage demand is likely to be shaped by several opposing forces. On the one hand, demand is supported by lower interest rates compared with the 2023–2024 peak. On the other hand, it is constrained by weaker housing affordability resulting from rapid house price growth, fiscal consolidation, and slower real income growth. From the second quarter of 2026, average lending rates also began to increase, partly because of higher inflation expectations related to the war in the Middle East and its potential impact on energy prices. This may limit any further decline in mortgage rates and further reduce financing affordability. The market's underlying resilience remains solid, but first-time buyers are likely to continue facing housing affordability pressures, particularly in regions where prices have risen most rapidly.

MORTGAGE FUNDING

The Slovak banking sector continues to rely predominantly on a traditional deposit-funded lending model, which supports overall funding stability. By the end of the fourth quarter of 2025, deposits and loans received represented the main funding source for credit institutions, accounting for 72.14% of total liabilities and amounting to approximately EUR 97.0 billion. This funding base recorded solid year-on-year growth of 7.0%.

Issued debt securities represented an important supplementary source of funding, accounting for 11.25% of total liabilities. Their volume reached EUR 15.1 billion by December 2025, an increase of 8.4% year on year. This points to a gradual diversification of bank funding towards capital markets, partly supplementing deposit-based lending.

Overall, the deposit-heavy funding structure supports stability and reduces reliance on wholesale markets. However, Slovak banks are not fully insulated from market volatility, as bond issuance costs, deposit competition, liquidity requirements, and investor sentiment can still affect funding conditions. The funding structure therefore supports the continued availability of mortgage financing but does not fully eliminate refinancing or market-related risks.

GREEN FUNDING

The Slovak banking market is moving towards a more formal, data-driven model for financing building energy efficiency. The main regulatory pressure stems from **EU** sustainability rules, including Taxonomy alignment, **Green Asset Ratio (GAR)** reporting, and supervisory expectations regarding climate risk. In practice, this is encouraging lenders to collect **Energy Performance**

Certificate (EPC) data, classify mortgages and renovation loans, monitor financed emissions from real estate, and incorporate energy efficiency into collateral valuation and credit risk assessment. The renovation of the existing housing stock is increasingly treated as a dedicated sustainable finance category rather than simply an extension of traditional mortgage lending.

Common initiatives include preferential pricing or fee reductions for mortgages on energy-efficient homes, incentives for borrowers to provide an **EPC**, and renovation or home-improvement loans for insulation, window replacement, efficient heating systems, photovoltaic panels, solar panels, and similar energy-efficiency upgrades. In commercial real estate, financing is increasingly directed towards green buildings, sustainable construction, redevelopment, and energy-saving investments.

Another visible trend is the combination of financing with advisory tools and public support mechanisms, including energy-saving calculators, renovation calculators, assessment tools, subsidy- or guarantee-linked loans, and sustainable funding through green or sustainability bonds. Overall, the market is shifting from generic mortgage and renovation lending towards **EPC**-based pricing, dedicated renovation finance, advisory support, and sustainable funding channels.

	SLOVAKIA 2024	SLOVAKIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.9	0.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	5.3	5.4	6.0
HICP inflation (%) (1)	2.8	4.0	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	93.1	93.8	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (1)	201.7	204.2	161.92
House Price Index - capital (2015=100) (2)	188.4	212.52	n/a
Nominal house price growth (%) (1)*	0.82	1.25	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	40,720.14	43,758.83	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	7,511.76	8,081.89	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	50.9	50.66	81.39
Gross residential lending, annual growth (%) (1)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	4.5	3.48	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

SLOVAKIA FACT TABLE

Which entities can issue mortgage loans in your country?	In Slovakia, mortgage loans can be granted only by licensed banks (including foreign bank branches), while state funds like ŠFRB provide separate, subsidized housing loans that may also be secured by real estate but are not standard mortgages.
What is the market share of new mortgage issuances between these entities?	Licensed banks dominate the Slovak mortgage market and account for the overwhelming majority of new mortgage lending (well above 95%). Building societies and state programmes, such as ŠFRB, represent only a marginal share of new mortgage issuance.
Which entities hold what proportion of outstanding mortgage loans in your country?	Banks hold approximately 95%–98% of outstanding housing loans in Slovakia, building societies account for around 2%–5%, and state or other non-bank lenders (including ŠFRB) hold only a negligible share of below 1%–2%.
What is the typical LTV ratio on residential mortgage loans in your country?	In 2025, the typical LTV ratio on residential mortgages in Slovakia is around 70–80%, with a regulatory cap of 80% for most loans.
How is the distinction made between loans for residential and non-residential purposes in your country?	In Slovakia, the distinction between residential and non-residential loans is based mainly on the purpose of the loan. Only loans secured by real estate and specifically intended for housing purposes are classified as residential loans, while all other loans are classified as non-residential, regardless of the collateral provided.
What is/are the most common mortgage product(s) in your country?	The most common mortgage product in Slovakia is a purpose-specific residential mortgage with a fixed interest rate, typically fixed for three to five years, often combined with refinancing options. Non-purpose "American mortgages" are less common.
What is the typical/average maturity for a mortgage in your country?	The typical maturity of residential mortgage loans in Slovakia is around 20–30 years, with most loans commonly set up to 30 years.
What is/are the most common ways to fund mortgage lending in your country?	In Slovakia, mortgage lending is funded primarily through retail deposits and covered bonds issued by banks, while other funding sources, such as wholesale funding and securitisation, play only a minor role.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The costs associated with purchasing a property in Slovakia are relatively low. Legal, notarial and registration fees typically range from several hundred to several thousand euros, depending on the property value and the specifics of the transaction. Real estate agency fees generally range between 3% and 6% of the purchase price.
What is the level (if any) of government subsidies for house purchases in your country?	There is no broad-based government subsidy for new house purchases in Slovakia. However, Slovakia provides two targeted forms of support related to housing loans. First, since 2024, the State has provided temporary assistance to borrowers whose mortgage instalments increased following an interest rate refixation, subject to statutory eligibility conditions. As of 1 December 2025, the State subsidy was discontinued and the mechanism was transferred to the banking sector. Banks may voluntarily provide mortgage assistance under the Housing Loans Act, with participating banks required to start providing support no later than 1 May 2026. The assistance may be provided retroactively from 1 December 2025 and may continue until the next interest rate refixation, or no later than 30 November 2027. Eligible borrowers generally include clients with housing loans that entered repayment before 1 January 2024, whose mortgage instalments increased following refixation, and who meet the statutory income threshold of up to 1.6 times the average wage. The scheme is limited to qualifying owner-occupied housing loans and one eligible property or loan. The assistance amounts to 75% of the increase in the monthly mortgage instalment compared with the reference instalment, capped at EUR 150 per month. Second, Slovakia provides a tax credit on mortgage interest for young borrowers. For housing loans concluded from 1 January 2024, eligible borrowers aged 18–35 may claim a tax credit equal to 50% of mortgage interest paid, up to EUR 1,200 per year, for five consecutive years. The scheme is subject to an income threshold of 1.6 times the average monthly wage and applies to one residential property in Slovakia used as the borrower's permanent residence. For contracts concluded before 2024, a less generous regime applies, with an annual cap of EUR 400 and an income threshold of 1.3 times the average monthly wage.

Slovenia

By Jelena Ćirjaković, Banka Slovenije and Tanja Tomat, OTP banka

IN A NUTSHELL

- → GDP growth slowed to 1.1%, while inflation increased to approximately 2.5%.
- → Housing prices increased by 5.8% in 2025 (HPI), while the number of transactions rose after three consecutive years of decline.
- → Outstanding housing loans grew by around 8.9% year on year, supported by declining interest rates.
- → Banks' funding remained dominated by deposits in 2025 (+6.9%), with low reliance on wholesale and central bank funding.

MACRO-ECONOMIC OVERVIEW

Economic growth weakened further in 2025, with GDP expanding by around 1.1%, representing a decline of approximately 0.6 percentage points compared with the previous year. Growth reflected subdued economic activity at the beginning of the year and was constrained by elevated uncertainty in the global environment.

Growth was primarily driven by domestic demand, with both household consumption and investment contributing positively, while net exports made a negative contribution to GDP growth.

Household consumption increased moderately, supported by rising real wages (around 3.4%) and a still relatively tight labour market. Employment growth slowed, and the unemployment rate increased slightly to around 3.9%, while government consumption provided limited additional support.

Investment activity recovered after a weak start in early 2025 and became an important contributor to growth, increasing by 5.5% and contributing 1.2 percentage points to GDP growth, supported by both gross fixed capital formation and inventory accumulation.

External trade remained weak against a backdrop of elevated global uncertainty. Export growth was subdued, increasing by just 0.3% and contributing 0.2 percentage points to GDP growth, while imports increased by 2.1%, contributing 1.6 percentage points. As a result, net exports made an overall negative contribution of 1.3 percentage points.

The disinflationary trend temporarily paused, with inflation averaging around 2.5%, driven primarily by higher food and services prices and the delayed pass-through of labour cost pressures.

Fiscal developments reflected a more expansionary stance, with higher public expenditure supporting domestic demand. The general government balance recorded a deficit of around 2.5% of GDP, while the debt-to-GDP ratio stood at approximately 65.7%, continuing its gradual decline, supported by nominal GDP growth.

Overall, 2025 was characterised by weak but positive economic growth, with domestic demand acting as the main stabilising factor, while external trade weighed on economic activity.

LOOKING AHEAD

Risks remain predominantly on the downside, primarily reflecting geopolitical tensions, potential supply disruptions, and continued global trade uncertainty. Domestic risks relate to the implementation capacity of major investment projects and rising labour costs, while upside potential stems from continued defence and infrastructure spending, the successful attraction of highly skilled workers, and the effective implementation of reforms.

In the real estate market, the multi-year decline in transaction volumes appears to have stabilised, with a rebound in residential transactions observed in 2025. Provided no significant adverse shocks materialise, this positive trend is expected to continue. Limited supply and resilient demand are expected to support residential property prices, which are projected to remain broadly stable, with more moderate growth in 2026.

HOUSING MARKETS

Data for 2025 indicate a stabilisation of the residential real estate market following three consecutive years of declining transaction volumes. The number of transactions increased significantly, with sales of apartments rising by approximately 25–30% and sales of houses by 20–25% compared with 2024, although activity remained below the peak levels observed in 2021.

The recovery in market activity was primarily driven by improving financing conditions, including declining interest rates and increased availability of housing loans, alongside strong underlying demand supported by high employment levels and real wage growth. Despite this rebound, housing affordability continued to deteriorate for a large part of the population because of persistently rising prices.

Residential property prices continued to increase in 2025, albeit at a more moderate pace than in previous years. According to the House Price Index (HPI), prices increased by around 5.8% year on year. However, transaction-based evidence indicates stronger price dynamics in the secondary market, with apartment prices increasing by around 11.0% year on year, while house prices increased by approximately 10.0%. The median price of apartments at the national level exceeded EUR 3,200/m^2, while the median price of houses reached around EUR 182,000.

Price growth remained primarily driven by structural supply constraints. The supply of newly built housing remains insufficient, particularly in urban areas, reflecting the limited availability of building land, lengthy permitting procedures, and elevated construction costs. At the same time, demand remained resilient, supported by favourable labour market conditions.

Regional disparities in prices remained significant. The highest price levels were recorded in Ljubljana, where median apartment prices exceeded EUR 5,000/m^2, compared with around EUR 2,700/m^2 in Maribor, while coastal areas also recorded elevated price levels of around EUR 4,800/m^2. The distribution of prices, as reflected by the 25th and 75th percentiles, indicates substantial variation within individual markets. Overall, prices in the most expensive regions were several times higher than in the most affordable parts of the country, highlighting pronounced spatial imbalances in the housing market.

Overall, the Slovenian housing market in 2025 was characterised by a recovery in transaction activity and continued price growth, underpinned by strong demand and structural supply shortages. Compared with the EU average, residential property price growth in Slovenia remained somewhat more moderate.

MORTGAGE MARKETS

MARKET DYNAMICS

Mortgage market developments in 2025 were shaped primarily by the easing of financing conditions, reflected in the decline in banks' lending rates, which supported households' borrowing capacity. The stock of outstanding housing loans to households increased from around EUR 8.4 billion in December 2024 to approximately EUR 9.2 billion in December 2025, implying year-on-year growth of about 8.9%.

Bank lending activity in the housing segment strengthened notably over the course of 2025. The total annual volume of new housing loan business increased from roughly EUR 1.41 billion in 2024 to approximately EUR 2.15 billion in 2025, corresponding to growth of about 52.5%. This is consistent with the recovery in transaction activity in the housing market.

Interest rate developments played a key role in shaping mortgage market conditions. Average interest rates on new housing loans declined materially: the annual average rate fell from around 3.6% in 2024 to about 2.9% in 2025, while the year-end level decreased from approximately 3.18% to around 2.86%. This improvement is also reflected in the Annual Percentage Rate of Charge (APRC) on new housing loans, which declined from an average of around 3.9% in 2024 to about 3.4% in 2025. The decline in key policy rates was therefore clearly transmitted to bank lending rates and contributed to the recovery in lending activity.

In terms of loan structure, new housing lending in 2025 remained strongly dominated by longer interest rate fixation periods. Based on the distribution of new housing loan volumes by fixation bucket, loans with an interest rate fixation period of more than one year accounted for almost all new housing lending in 2025 (around 98.5% on an annual basis), while loans with fixation periods of more than ten years represented the largest share (around 81.9% of new lending in 2025).

This indicates that borrowers continued to favour longer fixation periods, supporting the predictability of debt-servicing costs while contributing to a lengthening of the repricing horizon of newly originated mortgage portfolios.

Borrower-based indicators suggest that lending standards remained broadly stable and relatively conservative in 2025. The average loan-to-value (LTV) ratio for new residential loans stood at around 62.0% in 2025 (slightly below 62.5% in 2024), while the LTV ratio for primary residences remained higher (around 63.0% in the fourth quarter of 2025) than for secondary properties (around 56.0%). At the same time, the share of loans exceeding the recommended LTV threshold declined to approximately 13.1%. The average debt service-to-income (DSTI) ratio increased slightly to around 34.9%, while the share of loans breaching DSTI limits remained very low (around 1.8%), indicating continued compliance with macroprudential requirements.

From a credit risk and loan performance perspective, indicators remained broadly stable in 2025. The non-performing exposure (NPE) ratio for households declined from 1.7% in December 2024 to 1.5% in December 2025, while the share of household loans more than 90 days past due decreased from 1.6% to 1.4% over the same period. At the aggregate banking system level, the share of loans more than 90 days past due remained stable at 0.7% at the end of 2024 and 2025, while the total NPE ratio increased from 1.0% to 1.6%, suggesting that the increase in non-performing exposures was driven by segments outside the household sector.

Overall, the combination of strong lending growth and easing financing conditions indicates that mortgage demand recovered in 2025, while the persistence of moderate LTV and DSTI ratios suggests that this expansion occurred without a material loosening of lending standards.

MORTGAGE FUNDING

Mortgage funding conditions in 2025 remained characterised by a strong reliance on deposits from the non-banking sector (primarily households and corporates), which continued to represent the main source of bank funding. Total deposits increased by 6.9% to around EUR 45.0 billion, with household deposits increasing by EUR 1.9 billion (6.8%) and corporate deposits by EUR 0.8 billion (7.4%).

The loan-to-deposit (LTD) ratio increased slightly to 69.0%, but remained below the euro area average, indicating continued low reliance on wholesale funding. Wholesale funding remained limited, as banks reduced their liabilities to foreign counterparties, and only one bank held minimal liabilities to the ECB at year-end. Debt security issuance to meet capital and MREL requirements remained modest.

At the same time, the structure of deposits shifted further towards overnight deposits, which accounted for 86.3% of household deposits and 77.0% of corporate deposits at the end of 2025. While this increases sensitivity to potential outflows, deposits remain a stable source of funding.

Liquidity conditions remained strong despite some deterioration. The average liquidity coverage ratio (LCR) declined to 291.0%, while the net stable funding ratio (NSFR) decreased to 165.0%, with both remaining well above regulatory requirements. Overall, the funding structure remained stable and conservative.

	SLOVENIA 2024	SLOVENIA 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.7	1.1	1.5
Unemployment Rate (LSF), annual average (%) (1)	3.7	3.9	6.0
HICP inflation (%) (1)	2.0	2.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	74.8	n/a	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (1)	199.9	208.9	161.92
House Price Index - capital (2015=100) (2)	201.5	n/a	n/a
Nominal house price growth (%) (1)	7.42	4.5	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	8,598	8,991.28	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	4,048.12	4,221.26	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	21.8	21.09	81.39
Gross residential lending, annual growth (%) (1)	n/a	52.5	2.8
Typical mortgage rate, annual average (%) (2)	3.6	2.9	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

SLOVENIA FACT TABLE

Which entities can issue mortgage loans in your country?	Credit institutions, which include banks, savings banks and branches of foreign banks, as well as the National Housing Fund (NHF), which may also provide housing-related financing.
What is the market share of new mortgage issuances between these entities?	Commercial banks continue to dominate the market, accounting for approximately 90% of total banking assets, while savings banks and branches of foreign banks represent a relatively small share. At the end of the year, there were nine banks, three savings banks and two branches of foreign banks.
Which entities hold what proportion of outstanding mortgage loans in your country?	The outstanding amount of mortgage loans is almost entirely held by commercial banks, savings banks and foreign bank branches, while the share of the National Housing Fund remains negligible.
What is the typical LTV ratio on residential mortgage loans in your country?	The average LTV for primary residence mortgage loans is around 63%, while the average LTV for secondary residence loans is 56%. Overall, the average LTV for mortgage loans is 62%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential loans are loans granted to households for the purchase or renovation of residential property, while loans for non-residential purposes are granted for the purchase or renovation of commercial real estate.
What is/are the most common mortgage product(s) in your country?	The most common mortgage product is a long-term housing loan with a fixed interest rate. More than 95% of new housing loans are granted at a fixed interest rate.
What is the typical/ average maturity for a mortgage in your country?	The average maturity of new housing loans is around 19.3 years.
What is/are the most common ways to fund mortgage lending in your country?	Banks fund their mortgage lending mainly through domestic deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Transaction costs include a real estate transfer tax of 2% of the purchase price (or VAT at 22% or 9.5%, where applicable), real estate agency fees of up to 4% of the purchase price, as well as notary and court fees.
What is the level (if any) of government subsidies for house purchases in your country?	There are no government subsidies for house purchases.

Spain

By Leyre López, Spanish Mortgage Association

IN A NUTSHELL

→ The economy grew by 2.8%.

→ Housing demand and mortgage activity remained robust, albeit they gradually slowed down.

→ The 2026–2030 National Housing Plan (Plan Estatal de Vivienda 2026-2030) was approved, including various support measures primarily aimed at rental housing and, to a lesser extent, home purchase.

→ Housing prices accelerated their upward trend in nominal (+13%) and real (+10%) terms, although with regional disparities, with the main regions recording increases above the average.

MACRO-ECONOMIC OVERVIEW

The Spanish economy maintained strong momentum in 2025, growing by 2.8%, nearly double the rate recorded across the euro area. This performance was underpinned by robust private consumption and investment, while external demand detracted from economic growth, in contrast to previous years, reflecting the increasingly challenging international environment. Employment creation remained solid supported by strong investment, easing interest rates and continued population growth. Spain's population increased by half a million people over the year, reaching 49 million inhabitants, with foreign nationals accounting for 80% of this growth. Unemployment fell from 11.4% at year-end 2024 to 10.4%, 12 months later.

Inflation (HICP) moderated slightly to 2.7% compared with 2.9% in the previous year. Although 2026 began positively, the energy shock stemming from escalating tensions in the Middle East is already beginning to feed through into the latest available data.

Household saving rates remained at historically elevated levels, although they declined somewhat towards the end of the year, averaging 12% of gross disposable income.

Public debt continued to improve in relative terms, supported by sustained economic growth, allowing it to move closer to pre-pandemic levels. Despite this progress, the debt-to-GDP ratio remains high at 101%, still representing a potential source of vulnerability that could put upward pressure on the sovereign risk premium in the event of an economic slowdown. Nevertheless, the sovereign risk premium remained at historically low levels, closing the year at around 40 basis points.

LOOKING AHEAD

The first months of 2026 point to a moderation in transaction activity following the exceptionally strong performance recorded in 2025. This slowdown could intensify should interest rate conditions tighten further, reflecting the increasingly complex international environment. Nevertheless, the impact on households may be mitigated by their relatively strong financial position.

HOUSING MARKETS

The real estate market remained strong in 2025, both in terms of activity and prices, despite housing affordability continuing to represent a key structural challenge for a significant share of households. Over the year, transactions increased by 5%, although momentum gradually moderated, a pattern particularly evident in regions facing stronger demographic pressures. In total, the year closed with 753,000 transactions, significantly narrowing the gap with the boom years, when an average of around 850,000 homes were sold annually. However, the underlying market composition is substantially different from that period.

Foreign buyers now account for 17% of total transactions, while second-hand properties represent nearly 90% of activity, well above the levels recorded during the previous boom cycle. This shift reflects the limited capacity to expand new supply, particularly in high-demand areas. Although new-build permits continued to increase throughout the year – reaching approximately 140,000 dwellings (+9%) – this level remains insufficient to fully absorb underlying demand, especially in market segments facing greater affordability constraints and in a context of limited availability of subsidized housing. The number of completions fell by 10% to 88,000.

Strong demand, combined with more subdued supply growth, continued to exert upward pressure on the market, driving a 13% nominal increase in house prices by year-end. In contrast to transaction trends, price growth was led by some of the most dynamic labour- and tourism-driven regions, with the Community of Madrid and the Balearic Islands standing out as the markets recording the strongest cumulative price increases since 2021, in both real and nominal terms.

MORTGAGE MARKETS

MARKET DYNAMICS

Throughout the year, new mortgage lending for house purchases remained robust, posting double-digit growth in every month. In total, financial institutions originated approximately €83 billion, 22% above the previous year and the highest annual volume in 17 years. Activity was supported by a favourable macroeconomic backdrop, alongside the downward trajectory in interest rates. The weighted average interest rate declined progressively to 2.6% in December, from levels above 3.3% in December 2024, within a context of relative monetary stability following the sharp increases observed in 2023. Credit standards for new lending remained prudent overall, although there was an increase in the proportion of loans with higher loan-to-value (LTV) ratios, still well below historical averages.

The long-term fixed-rate mortgage segment continued to gain market share, accounting for close to 80% of the new lending. Together with short-term and medium-term fixed-rate mortgages, these products represented more than 90%

of new origination. By contrast, the composition of the outstanding mortgage portfolio still reflects past trends, when variable-rate lending predominated, although decreasing gradually. Nearly 45% of outstanding balances remain linked to an external benchmark index. This change, which has been occurring since around 2015 has accelerated recently due to the normalization of the monetary policy, highlights a transfer of interest rate risk towards financial institutions, thereby providing households with greater stability in their financial flows.

For the second consecutive year, the outstanding credit for housing purchase grew, reaching 3.6%. Despite this upturn, leverage relative to GDP continues its downward trend and remains below historical levels. Outstanding credit to real estate and construction activities also grew, jointly rising 1.8%, although – in contrast to residential lending – momentum slowed toward year-end. NPL exposures continued to decline across both portfolios, falling sharply by approximately 20%. Combined with credit expansion, this drove NPL ratios down to 1.8% and 3.0%, respectively – the lowest levels since 2008.

Lower credit-risk costs, coupled with rising profits and improved operational efficiency, are enabling institutions to strengthen profitability, offsetting the negative impact on net interest margins from declining interest rates. The Spanish banking system ranks among the most profitable in Europe. At the same time, it maintains solid solvency levels above regulatory minimums, though still below those of its European peers.

NON-MARKET LED INITIATIVES

In 2025, the Ministry of Housing and Urban Agenda (MIVAU) launched the public consultation for the draft Royal Decree regulating the 2026–2030 National Housing Plan. Approved early in 2026, the Plan establishes three main lines of action ranging from supporting youth emancipation through rental and home-purchase assistance to promoting urban rehabilitation and regeneration and expanding the supply of social housing via incentives for owners of vacant properties and developers. Endowed with €7 billion, the Plan is framed within a context in which housing affordability has gained significant importance due to the persistent increase in residential prices amid constrained supply.

Against this backdrop, the government intends to adjust certain features of the public guaranteed scheme – introduced in 2024 – for young people and families with dependent children, as it is not achieving the expected impact. From its launch through the end of 2025, only 10,450 mortgage arrangements have been guaranteed, representing barely 1% of new mortgage originations granted over the past two years.

Regarding property valuations, Order ECO/805/2003 was amended, regulating valuation standards for real estate serving as mortgage collateral. Among other measures aimed at streamlining developers' access to financing, it is now permitted to use a basic license or a prior administrative authorization to value a project on the assumption of a completed property. This allows construction to commence without waiting for the building permit, subject to compliance with certain technical requirements. In addition, the Energy Performance Certificate has been established as a mandatory document required for the issuance of any mortgage valuation report.

MORTGAGE FUNDING

Consistent with prior years, outstanding mortgage-backed securitisations declined (–10.1%), closing the year at €66.33 billion. Outstanding covered bonds (cédulas hipotecarias) stood at €186.27 billion, of which approximately 70% were retained by the issuing institutions, with a significant share pledged as collateral in monetary policy operations.

While total outstanding covered bonds declined by 1.2% on a net basis, retained issuances increased by 12%. This pattern suggests a greater reliance on these instruments as collateral in funding operations following the ECB's withdrawal of liquidity, as well as the continued development of balance-sheet optimisation strategies to comply with regulatory liquidity requirements.

GREEN FUNDING

In response to the transposition of the EPBD, the Ministry of Housing and Urban Agenda (MIVAU) is developing the National Building Renovation Plan to support the transformation of the residential and tertiary building stock towards zero-emission buildings by 2050. At the end of 2025, the first draft was submitted to the European Commission, and a call for best practices has been launched to identify, assess, and disseminate exemplary initiatives that contribute to the decarbonisation of the existing building stock.

In line with this framework, the new 2026–2030 National Housing Plan includes a dedicated funding line to improve the energy efficiency, safety, and accessibility of the existing housing stock. This measure, which accounts for 30% of the total budget, supports the renovation of both multi-family residential buildings and single-family homes.

In the area of green finance, there are no material new developments. Institutions providing green mortgages or loans continue to rely on their own internal standards. In general, banks offer some degree of interest rate discounting for properties with energy ratings of A or B, as well as for renovation works that reduce energy consumption.

	SPAIN 2024	SPAIN 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	3.5	2.8	1.5
Unemployment Rate (LSF), annual average (%) (1)	11.4	10.4	6.0
HICP inflation (%) (1)	2.9	2.7	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	73.7	73.3	68.5
Gross Fixed Investment in Housing (annual change) (1)	2.1	3.4	2.8
Building Permits (2015=100) (2)	257.0	n/a	86.9
House Price Index - country (2015=100) (1)	129.7	144.22	161.92
House Price Index - capital (2015=100) (2)	156.1	177.63	n/a
Nominal house price growth (%) (1)*	5.81	11.18	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	474,501	491,547	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	9,759.4	9,910.24	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	49.15	46.15	81.39
Gross residential lending, annual growth (%) (1)	20.5	21.8	2.8
Typical mortgage rate, annual average (%) (2)	3.35	2.73	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
** Eurostat Reviewed*
*** EU 2025 to be confirmed*

SPAIN FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgage lending is always provided by financial institutions. Banks, savings banks, credit cooperatives, and financial credit establishments are the institutions allowed by law to grant mortgage loans and issue securities. It is worth mentioning that savings banks were especially affected by the financial crisis due to the high exposure to the real estate sector. Several savings banks disappeared through liquidation or acquisition, and most of the remaining ones were transformed into banks after Law 26/2013 of 27 December was passed. Since then, only small and regional savings banks operate in the market.
What is the market share of new mortgage issuances between these entities?	More than 85% of the total volume of new mortgage loans was granted by banks. Other financial institutions, like credit cooperatives and financial credit establishments, represent the remaining 15%.
Which entities hold what proportion of outstanding mortgage loans in your country?	Banks and former savings banks account for a major part of the market, representing around 90% of total outstanding mortgage lending. The remaining 10% is covered by credit cooperatives and financial credit establishments.
What is the typical LTV ratio on residential mortgage loans in your country?	On average, in 2025, the LTV ratio on new residential mortgage loans was 65% (according to Bank of Spain statistics). However, the most common LTV for first-time buyers (FTB) is 80%, while for second homes the maximum level is normally 70%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential loans include loans granted to households for housing purchase.
What is/are the most common mortgage product(s) in your country?	The most common mortgage loan product historically was a variable-rate mortgage loan, with the interest rate reviewed every 6 or 12 months, using a French amortisation system. For variable-rate mortgage loans, the interest rate is linked to an official reference index (the most common is 12-month Euribor). Since 2015, mortgage loans with an initial fixed interest rate have gained momentum, representing more than 90% of gross residential lending in 2025.
What is the typical/average maturity for a mortgage in your country?	According to Bank of Spain statistics, in 2025 the average maturity for new mortgage loans was 25 and a half years, with the most typical term for FTBs being 30 years. As usual, the real amortisation period is usually shorter, around 15 years on average.
What is/are the most common ways to fund mortgage lending in your country?	Covered bonds, RMBS/CMBS, and deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The main transaction costs associated with house purchase are VAT for new housing, which represents 10% of the value of the house (4% in the case of social housing), and the Property Transfer Tax for second-hand dwellings (with a rate normally between 4% and 10%, depending on the geographical area). Since 2019, following the adoption of Law 5/2019 regulating Real Estate Credit Contracts, all costs linked to the establishment of the mortgage must be covered by the bank (Mortgage Stamp Duty – AJD Tax, notary, registry, and agency fees), except for the cost of the valuation of the property and the notarial copies requested by the client, which are the responsibility of the borrower. Another cost that is compulsory for the borrower when taking out a mortgage is fire insurance.
What is the level (if any) of government subsidies for house purchases in your country?	In 2013, the tax deduction that had been in force for years to support homebuyers came to an end, remaining available exclusively for those who purchased a property before that date. From 2026 onwards, under the State Housing Plan (2026–2030), some support measures have been approved to facilitate home purchase by young people up to the age of 35, subject to certain conditions. The plan builds on the previous programme by increasing support to up to €15,000 (compared to €10,800 previously) for those who build or purchase their first home in rural areas. This amount is limited to 20% of the construction or purchase price. In addition, the plan provides for aid of up to €60,500 for young individuals participating in rent-to-buy schemes to purchase social housing, whereby the rent paid can be deducted from the final purchase price. The purchase option must be exercised between one and four years after the execution of the lease agreement.

Sweden

By Christian Nilsson, Swedish Bankers' Association

IN A NUTSHELL

- → Growth in residential mortgage lending increased to 2.4%.
- → The sharp decline in construction since 2023 levelled out and increased slightly in 2025.
- → Single-family house prices increased by 3.5% in 2025.
- → The share of new loans with variable interest rates decreased to 78.5%.
- → The credit loss ratio on mortgage loans remained close to zero.

MACRO-ECONOMIC OVERVIEW

GDP increased by 1.5% in 2025, compared with 1.0% in 2024, according to Eurostat. Demand in the economy strengthened broadly during the second half of 2025. Key drivers of the recovery included rising real wages and expansionary fiscal policy. Tax cuts targeted at households and extensive debt-financed investment in defence, together with earlier interest rate reductions, boosted domestic demand. In addition, exports made a significant contribution to growth.

Gross fixed investment recovered during 2025. Housing investment declined sharply following the period of high inflation and rising interest rates in 2022 and 2023, but recent developments indicate a modest recovery. A temporary increase in the tax deduction stimulated renovation activity in single-family homes, and housing investment continued to increase towards the end of 2025. Over the longer term, the sector faces a gradual decline in demand due to demographic factors, which is expected to restrain residential construction.

Weak labour market developments led to an increase in the unemployment rate to 8.8% in 2025. Since the beginning of 2025, the increase in unemployment has primarily been driven by full-time students seeking work, which was also the case in the third quarter of the year.

Inflation, measured by the Consumer Price Index (CPI), declined from 0.8% at the beginning of the year to 0.3% at the end of the year. Core inflation increased from 1.5% at the beginning of the year to 2.1% at year-end. Core inflation measures underlying price pressures by excluding the effect of interest rate changes from the Consumer Price Index.

General government debt increased from 34.2% to 35.1% of GDP in 2025. The increase in government debt amounted to EUR 22.2 billion.

LOOKING AHEAD

The Swedish housing market in 2026 is expected to be shaped by two competing forces. The Riksbank's monetary policy easing cycle is expected to remain the main driver of a moderate recovery in house prices, particularly in the major metropolitan areas. The April 2026 amortisation rule change provides an additional stimulus by increasing households' monthly disposable income and modestly expanding borrowing capacity, although its overall impact is expected to be limited.

The main downside risk remains the macroeconomic environment. A further escalation of US tariffs or a broader slowdown in the European economy could weaken Swedish employment more than expected, reducing household confidence and slowing the recovery in the housing and mortgage markets.

HOUSING MARKETS

Housing completions and housing starts continued to follow different trends in 2025, as in 2024. Housing completions continued to decline to around 29,000 dwellings, representing a decrease of 56.0% compared with the previous year. Housing starts have declined considerably over the past three years but recovered slightly in 2025, increasing by 20.0%.

Prices for single-family homes continued to recover in 2025, increasing by 3.5%, compared with an increase of 0.3% in the previous year. Single-family homes remained most expensive in the Stockholm region, where prices increased by 10.4% in 2025. Prices in the Gothenburg and Malmö regions increased by 11.7% and 2.7%, respectively.

Prices for tenant-owned apartments remained broadly unchanged in 2025.

The share of tenant-owned apartments in new apartment construction has remained relatively stable at around 50.0%. However, in recent years, the share of rental apartments in new construction has increased, reaching 71.0% in 2025. Overall, 37.0% of apartments are tenant-owned, while the remaining 63.0% are rented. Across the entire housing stock (single-family homes and apartments), the pattern is reversed: 61.0% of dwellings were owner-occupied and 39.0% were rental properties in 2025.

MORTGAGE MARKETS

MARKET DYNAMICS

By 2025, the Swedish residential mortgage market had entered a cautious recovery phase following the turbulent interest rate cycle of 2022–2024. Outstanding residential mortgage loans increased by 2.4% to SEK 5,486 billion.

Variable mortgage interest rates declined slightly during 2025. The variable rate (interest rate fixation of less than one year) decreased to 2.7% at the end of 2025, compared with 2.9% at the end of 2024. Initial fixed rates with fixation periods of one to five years remained unchanged at 2.9%, while initial fixed rates with fixation periods of more than five years increased to 3.2% from 2.8% at the end of 2024.

The share of variable-rate mortgages in new lending declined to 78.5% in 2025, compared with 85.0% in the previous year.

The credit loss ratio on mortgage loans remained close to zero, reflecting high lending standards, the social welfare system, and house prices that, with few exceptions, have increased over many years. The annual growth rate of outstanding mortgage loans increased further to 2.6% in March 2026, compared with 1.7% in March 2025.

Prices for single-family homes increased by 1.5% year on year in the first quarter of 2026, compared with an increase of 3.5% for the full year 2025.

MORTGAGE FUNDING

Covered bonds remain the dominant source of mortgage funding in Sweden. During 2025, the nominal value of outstanding covered bonds increased by 1.7% (in SEK) to EUR 242 billion. By comparison, total outstanding residential mortgages amounted to EUR 507 billion. New covered bond issuance totalled EUR 55 billion in 2025.

GREEN FUNDING

Most Swedish mortgage institutions and banks offering mortgages also provide green mortgage products. These mortgages typically offer an interest rate discount of 0.1 percentage points where the residential property meets specified energy-efficiency standards. For several years, Swedish institutions have also issued green covered bonds to finance eligible green assets within their covered bond pools.

	SWEDEN 2024	SWEDEN 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.0	1.5	1.5
Unemployment Rate (LSF), annual average (%) (1)	8.4	8.8	6.0
HICP inflation (%) (1)	2.0	0.7	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	64.8	64.6	68.5
Gross Fixed Investment in Housing (annual change) (1)	-14.2	-4.5	2.8
Building Permits (2015=100) (2)	81.9	85.7	86.9
House Price Index - country (2015=100) (1)	141.9	144.4	161.92
House Price Index - capital (2015=100) (2)	127.0	129.8	n/a
Nominal house price growth (%) (1)*	0.43	0.25	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	466,458.56	507,000	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	44,230.03	47,800	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	172.79	167.71	81.39
Gross residential lending, annual growth (%) (1)	1.7	2.4	2.8
Typical mortgage rate, annual average (%) (2)	4.14	2.93	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

SWEDEN FACT TABLE

Which entities can issue mortgage loans in your country?	There are no specific limitations as regards issuing mortgages. 99% of all mortgage lending in Sweden is issued by banks and credit market institutions. New non-bank actors, like mortgage credit companies and AIFs (Alternative Investment Funds), have entered the market since a couple of years and made up 1% of the mortgage market in 2025.
What is the market share of new mortgage issuances between these entities?	There is an approximate share of 75% for credit market institutions (mortgage credit institutions) and 25% for banks. Due to the increasing market interest rates, actors like mortgage credit companies and AIFs (Alternative Investment Funds) had a shrinking new lending and a market share close to 0% of new mortgages in 2025.
Which entities hold what proportion of outstanding mortgage loans in your country?	Mortgage institutions hold 76% of outstanding mortgage loans, while banks 23%. Mortgage credit companies and AIFs (Alternative Investment Funds) account for 1% of outstanding mortgages.
What is the typical LTV ratio on residential mortgage loans in your country?	According to Finansinspektionen, the average LTV for new mortgage loans in 2025 was 64.5%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is made based on how the loan is secured. Residential loans are secured on residential property.
What is/are the most common mortgage product(s) in your country?	Standard mortgage loans are the most common mortgage product in Sweden. Variable-rate mortgages remain the dominant product, accounting for approximately 78% of new mortgage lending in 2025.
What is the typical/ average maturity for a mortgage in your country?	The expected average length of a mortgage loan is 7.5 years. Contractual lengths of mortgage loans vary normally between 30 to 50 years. However, for many different reasons, mortgage borrowers either terminate their mortgage permanently or terminate and get a new one before the contractual length is reached.
What is/are the most common ways to fund mortgage lending in your country?	Covered bonds are the primary source of funding for mortgage lending in Sweden.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Various studies indicate that the costs associated with purchasing a home are relatively low in Sweden. Transaction costs consist mainly of stamp duty (1.5%) and, where mortgage financing is used, a mortgage registration fee of 2.0% on the new or increased mortgage amount. Borrowers generally do not pay any fees to the mortgage lender. As notaries are not required in Sweden, there are no notary fees.
What is the level (if any) of government subsidies for house purchases in your country?	There are no direct government subsidies for house purchases in Sweden. However, borrowers are entitled to deduct mortgage interest payments (excluding interest on unsecured loans) from their taxable income. Interest payments of up to SEK 100,000 (approximately EUR 8,700) per year are eligible for tax relief at 30%. Interest payments exceeding SEK 100,000 are eligible for tax relief at 21%.

Iceland

By Lúðvík Elíasson, Central Bank of Iceland and Magnús Árni Skúlason, Reykjavik Economics ehf

This country report does not represent the view of the bank.

IN A NUTSHELL

→ Economic Growth: GDP growth slowed to 1.3% in 2025.

→ Unemployment: The registered unemployment rate rose to 4.6% by April 2026, up from 3.9% in April 2025.

→ Real Estate Prices: Real house prices in the capital area fell by 2.3% over the course of 2025.

MACRO-ECONOMIC OVERVIEW

The Icelandic economy has shown clear signs of cooling following its intense post-COVID expansion. After contracting by 1.3% in 2024, gross domestic product (GDP) grew by approximately 1.3% in 2025, driven largely by private consumption. The labour market remains under pressure; registered unemployment reached 4.6% in April 2026. The average unemployment rate was 3.9% in 2025 up by 0.4 percentage points.

Inflation has proven persistent. Although it stabilized for most of 2025, it ticked upward to 5.2% in April 2026 (4.8% excluding the housing component), remaining well above the Central Bank's 2.5% target. Inflation in 2025 was 4.5% from December 2024 to December 2025. The Central Bank's policy rate was on average around 7.7% in 2025. At the beginning of the year, the policy rate was 8.5% and decreased to 7.25% by the end of the year.

LOOKING AHEAD

Economic growth is projected to recover modestly to 1.6% in 2026 according to the Central Bank of Iceland. However, considerable uncertainty remains due to geopolitical risks that threaten global energy supply chains and transport costs.

Domestically, a strong real exchange rate and elevated operational costs are compressing export industries. Tourism continues to support the economy with around 2.3 million guests in 2025 despite the bankruptcy of the airline PLAY. Structural shifts in the labour market are expected to reduce the demand for foreign construction workers while increasing immigration needs for institutional care sectors. Long-term housing demand is estimated at 3,500 units according to Reykjavik Economics. The forecast depends on average household size and population projections, conducted by Statistics Iceland.

Inflationary pressure is widespread and it is expected that inflation will be over 5% for the remainder of 2026.

HOUSING MARKETS

The housing market has entered an adjustment phase marked by higher inventory and slower transaction speeds. By February 2026, the average sales time for residential property had stretched to approximately 7 months. Capital area house prices fell by 2.3% in real terms from December 2024 to December 2025, extending to a 2.6% real year-on-year decline by March 2026.

Market turnover slowed significantly; total real estate value traded in 2025 contracted by 16% nationwide and by 7.2% in the capital area compared to the exceptionally high volumes of 2024, due to the displacement of the inhabitants of the town of Grindavik, which was affected by the Reykjanes volcanic eruption (see Hypostat 2025). On the supply side, housing completions remained robust, with the Housing and Construction Authority (HMS) recording 3,637 completed units in 2024 and 3,371 units in 2025. First-time buyers continued to play a pivotal role, accounting for 35% of all market transactions in 2025.

In May 2026, there were over six thousand apartments in the building process according to the Housing & Construction Authority. The number of housing starts was 2,550 units in January 2026. At year-end 2025, there were 6,857 housing units under construction. Housing investment in 2025 decreased by 5.9% in real terms compared to 2024. Investment grew by 19.4% in 2024, which explains the temporary oversupply of new housing units.

The government of Iceland has extended its help-to-buy programme, which is supporting a weak market in the first months of 2026. This was done to expand income thresholds and increase the volume of subsidized allocations to support eligible low-income and first-time buyers.

MORTGAGE MARKETS

Financial conditions remain heavily restrictive for households. The Central Bank of Iceland's policy rate stood at 7.75% as of May 2026. As of March 2026, average variable interest rates on mortgages hovered at 9.75% for non-indexed loans and 4.6% for consumer-indexed loans. The heavy debt service burden has shifted market preference back toward consumer-indexed mortgages, which offer lower initial monthly payments.

Regulatory Changes: To counter market strain, the Central Bank revised borrower-based rules on October 31, 2025. The maximum loan-to-value (LTV) limit was reverted to 90% for first-time buyers (80% general). The maximum debt service-to-income (DSTI) ratio is capped at 40% for first-time buyers and 35% generally.

To prevent circumvention of these rules via developer co-ownership models, the bank further tightened co-financing regulations on December 3, 2025.

MORTGAGE FUNDING

Following a Supreme Court ruling in a case brought by the Consumers' Association regarding the clarity of variable interest rate decisions, some lenders temporarily halted new mortgage lending and some institutions began shortening the traditional 40-year terms for indexed housing loans. To help restore market functionality, the Central Bank of Iceland published new Constant Maturity Treasury benchmark rates on November 7, 2025 – calculated from three-, five-, and ten-year government bond yields – which are now used alongside a spread for pricing new housing bonds. Anticipating that this legal and market turmoil would severely tighten credit conditions for households, the Monetary Policy Committee subsequently opted to lower the Central Bank's policy rate to offset the restrictive financial impact.

Covered bond issuance has returned and is developing in Iceland. In 2025, the domestically systemically important banks issued ISK 98.00 bn in denominated covered bonds. According to the Financial Stability Report of the Central Bank of Iceland, the stock of outstanding covered bonds denominated in ISK totalled ISK 578.00 bn at year-end 2025.

Other funding sources come mostly from deposits and from direct lending from pension funds. The principal buyers of covered bonds are Icelandic pension funds and insurance companies.

GREEN FUNDING

The financial sector has continued to develop green funding products and giving customers better terms for green defined investment projects. The most common financing has been for electric vehicles.

Icelandic housing is heated nearly entirely with geothermal energy or electricity generated in a sustainable way, e.g. by hydro dams. Nearly all housing is well insulated and has double glazed windows.

The Icelandic banks have actively been seeking green financing, e.g. by issuing green bonds denominated in euros and ISK. The Nordic Investment Bank has especially been active in green financing of the Icelandic banks.

Construction companies and HMS are more aware of the carbon footprint of the industry and have already taken steps to reduce emissions. In addition, it is more common that new housing units are certified as green, e.g. by the Nordic Swan Ecolabel, which is one of the world's toughest environmental certifications.

	ICELAND 2024	ICELAND 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	-1.3	1.3	1.5
Unemployment Rate (LSF), annual average (%) (1)	3.5	3.9	6.0
HICP inflation (%) (1)	4.8	4.5	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	n/a	n/a	68.5
Gross Fixed Investment in Housing (annual change) (1)	4.2	1.5	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	183.36	368.1	161.92
House Price Index - capital (2015=100) (2)	244.6	253.5	n/a
Nominal house price growth (%) (2)	n/a	n/a	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	18,974	n/a	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	49,467	50,449	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	n/a	n/a	81.39
Gross residential lending, annual growth (%) (2)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	4.5	4.50	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

ICELAND FACT TABLE

Which entities can issue mortgage loans in your country?	Deposit taking corporations (banks) and Pension Funds, the Housing and Construction Authority (HMS).
What is the market share of new mortgage issuances between these entities?	In the year 2025 the market share of deposit taking banks was approximately 68.2%. The pensions fund's share 31.3% and housing authority and building authority (HMS) was 0.5% in total. *NOTE: This is due the banks' response to the Supreme Court Ruling on variable rate mortgages.*
Which entities hold what proportion of outstanding mortgage loans in your country?	At year-end 2025 the deposit taking banks held 63.1% of the total outstanding mortgages to households, the pension funds 31.2% and the IL – Fund (in winding-up, precursor to the HMS) 5.6%.
What is the typical LTV ratio on residential mortgage loans in your country?	Typical LTV of new loans to first time buyers was 71% and 51% in general in 2025.The maximum LTV at year-end 2025 was 80%, but up to 90% for first time buyers (limit to price). The maximum share of monthly mortgage payment as a percentage of disposable income was 40% for first time buyers but 35% for a general buyer.
How is the distinction made between loans for residential and non-residential purposes in your country?	A residential mortgage is a loan to an individual which is backed by real estate or is made for the purpose of buying a residential asset. The Central Bank currently makes a distinction between those loans in its accounts. Banks and pension funds require a pledge on the underlying property for a new mortgage.
What is/are the most common mortgage product(s) in your country?	Mortgages typically have terms of 25 to 40 years with a 3- to 5-year reset period on interest rates. Mortgages with fixed payments are more common than those with fixed instalments. The relative popularity of indexed vs. non-indexed mortgages varies depending on the level of interest and inflation. Most mortgages have flexible rates with reset periods up to five years. Around 65% of outstanding mortgages were index-linked in January 2026, an increase of 4 percentage points over the year.
What is the typical/ average maturity for a mortgage in your country?	25 to 40 years, but the maximum is 30 years post the Supreme Court ruling on variable interest rates
What is/are the most common ways to fund mortgage lending in your country?	Covered bonds and deposits in the case of banks. Members funding in terms of pension funds.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Stamp duty is 0.8% of the official property valuation (fasteignamat) for individuals and 1.6% for rental companies/legal entities
What is the level (if any) of government subsidies for house purchases in your country?	The government has introduced some help to buy programme and pays interest expense benefits to low-income households. First time buyers pay half of the stamp duty. First time buyers are allowed to use part of their pension savings to buy an apartment, either as a down payment or to make mortgage payments.

Norway

By Michael Hurum Cook, Finance Norway

IN A NUTSHELL

- → GDP increased by 1.1%, while annual average unemployment rate rose from 4.0% to 4.5%.
- → The key policy rate was cut twice and stood at 4.0% at year-end, but inflation remains above target.
- → House prices rose by 5%, with significant regional differences. Housing construction remained weak but was higher than the 2024 level.

MACRO-ECONOMIC OVERVIEW

After more moderate growth in 2024, the economy returned to a normal growth rate in 2025. The fiscal policy implied a more moderate growth in public consumption and investments. On the other hand, household consumption increased markedly in 2025, driven by real wage growth and two interest rate cuts. A weak krone continued to support the export-oriented sector, and petroleum investment grew strongly. These factors contributed to boosting activity in the mainland economy.

The GDP growth was 1.7% for Mainland-Norway in 2025. This is a more normal growth rate after a slower growth of 0.6% in 2024. Registered unemployment increased, and according to the Labour Force Survey, reached 4.5% at year-end, up from 4.0% a year earlier. The increase was driven by higher unemployment among young people.

Annual growth in inflation increased to 3.2% in 2025, up from 2.3% in 2024 (on the basis of domestic CPI measure). On an HICP basis, the corresponding figure was 2.8% in both years. Inflation declined markedly from its peak at the end of 2022 but increased again from April 2025 onwards. In April 2026, the 12-month inflation rate was 3.4%. Wages have risen in recent years, owing to high inflation, a tight labour market, and high profitability in some business sectors. In 2025, wage growth was 5.0%, compared with 5.6% in 2024, and real wage growth slowed but remained positive at 1.9%.

The policy rate in Norway is currently at 4.25% (May 2026), following two cuts in the policy rate in June and September 2025 from the peak at 4.5%, followed by an increase in the policy rate in May 2026. Inflation remaining above the 2% target was identified as the most important factor behind the increase in the policy rate. Norway now has the highest policy rate compared to some of its most important trading partners.

In 2025, prices in the secondary housing market increased by 5%, and a record high number of existing homes were sold, 9.4% more than in 2024. During the first quarter of 2025, house prices have increased markedly. In addition to low unemployment, the decline in new housing construction and the two policy rate cuts in 2025 were probably important factors explaining developments in the housing market during 2025. A new regulatory reduction in the share of equity required to finance house purchases was implemented at year-end 2024. This has likely had the largest impact on non-homeowners. The FSA reports an increase in the debt-to-income ratio for new loans, and a larger share of new loans with LTV ratios close to 90% of the property value. For the mortgage and housing markets, the main drivers will be the key policy rate, economic activity and unemployment. Almost all mortgages have variable-rate so changes in rates have a strong, direct effect on households' disposable income.

HOUSING MARKETS

The housing market is characterised by a high home ownership rate. According to Statistics Norway, 76.5% of all households own their dwelling. The housing stock consists of 47.2% detached houses, 26.7% multi-dwelling buildings, 12.3% terraced houses, 9.0% two-dwelling buildings, and 4.8% other building types.

Up to 2017, there was a prolonged period of house price growth, driven by low interest rates, strong income growth, and low construction activity. In 2017, the trend reversed, particularly in Oslo, owing to increased construction activity and amendments to the mortgage regulations introduced by the Ministry of Finance. The introduction of a maximum loan-to-income ratio of five dampened house price growth. Thereafter, house price growth remained stable until it accelerated following reductions in the key policy rate during the pandemic. The post-pandemic recovery subsequently led to a sharp increase in the key policy rate, resulting in more moderate house price growth nationwide.

There are significant regional differences in the Norwegian housing market. Nationally, house prices increased by 5% over the past year. The price per square metre remains substantially higher in Oslo than in the rest of the country, although price growth in the capital has been weaker in recent years. This is largely due to the city's greater sensitivity to interest rate changes, as homeowners tend to have higher debt levels and are therefore more affected by increases in the policy rate. In addition, there has been a substantial increase in the number of secondary residences being sold, particularly in Oslo, over the past year. This has led to a considerable increase in the supply of homes for sale, which has helped to moderate price growth.

A strong labour market, with low unemployment and robust wage growth, has contributed to strong house price growth in several other regions. The increase has been most pronounced in Stavanger, Bergen, and Tromsø. In Stavanger, which is closely linked to the oil industry, a strong labour market, low unemployment, and high wage growth have driven a sharp rise in prices. In 2025, Stavanger recorded a 12-month nominal house price increase of 14%. Tromsø also experienced strong growth, with 12-month nominal house prices increasing by 10.7%. In Tromsø, expansion of the local economy has been fuelled by increased tourism, creating upward pressure on housing prices and leading to more properties being purchased for short-term tourist rentals.

Permits for new dwellings increased to 20,184, up from 18,679 a year earlier, although this remained significantly below the average of recent years. The number of building completions was 19,498, compared with 24,032 in 2024, also remaining significantly below the long-term trend.

Housing investment declined by around 30% between the beginning of 2022 and the end of 2024, driven by a sharp increase in material costs and higher interest rates. New housing starts increased by 12% year-on-year in 2025, while sales of new homes increased by 6% year-on-year. Although housing investment and new home sales have recovered somewhat since reaching their low point in 2024, they remain at historically low levels. This has led to an increase in the proportion of companies in the real estate sector that have gone bankrupt. Among property developers, the bankruptcy rate has risen sharply and now exceeds the level recorded during the global financial crisis. Given the relatively slow response of new construction to rising demand, the reduction in housing starts is likely to support house prices in the future.

MORTGAGE MARKETS

MARKET DYNAMICS

The outstanding mortgage stock stood at EUR 316.8 billion at year-end, representing a 4.5% increase compared with the previous year.

Household borrowing costs rose substantially as the policy rate increased from its lowest level of 0% in 2021. By the end of 2025, the average rate on all outstanding mortgage loans was 5.13%, after having trended upwards. Mortgage rates averaged around 5.2–5.6% in 2025, but with a downward trend throughout the year following the two policy rate cuts in June and September. A lending survey carried out by Norges Bank shows that banks expect somewhat fiercer competition in the mortgage market going forward. The same survey indicates that demand for mortgages from households is expected to decrease slightly, and Norges Bank projects that mortgage rates will increase, although the size of the increase will necessarily depend on developments in the key policy rate. The Central Bank has announced that the key policy rate will most likely increase by a further 25 basis points in 2026, following the 25-basis-point increase in May 2026.

The mortgage market is dominated by variable-rate loans, and 95% of all outstanding loans in Q4 2025 had a variable rate. According to Statistics Norway, there was a gradual and steady increase in credit growth to households throughout 2025. The annual growth rate of household credit for all purposes (not just residential lending) was 4.8% at year-end.

An annual mortgage lending survey carried out by the Norwegian Financial Supervisory Authority (FSA) shows that the average loan-to-value ratio for new loans increased slightly from 64% in 2024 to 66.5% in 2025.

New mortgages are typically written with a 25-year maturity, and it is easy to move a mortgage to another institution. Almost all loans to households secured on dwellings are granted by banks and mortgage credit institutions.

To mitigate the build-up of debt among vulnerable households, the government has set prudential requirements for banks and other financial institutions. Residential mortgage loans have been subject to regulation since 2015, building on guidelines that had been in effect since 2011. In December 2020, the Ministry of Finance consolidated the requirements in a new regulation covering both residential mortgages and consumer loans. The regulation has subsequently been reviewed on several occasions. In December 2024, the Ministry of Finance (MoF) decided to make some adjustments, as well as to make the regulation permanent (subject to regular assessments). For mortgages, the following requirements apply:

- Loan-to-value (LTV) requirement of a maximum of 90%.
- Stress test: Households must be able to service their debt in the event of a 3-percentage-point increase in mortgage rates. The minimum stress test level is an interest rate of 7%.
- Maximum debt-to-income (DTI) ratio requirement of five times gross annual income.
- Mandatory principal payments (i.e., interest-only loans are not allowed) when the LTV ratio exceeds 60%.
- Flexibility quota: Up to 10% of the value of new loans can deviate from one or more of the requirements in each quarter (the limit is 8% in Oslo).

According to the quarterly FSA survey on the use of the flexibility quota (i.e. deviations from the mortgage requirements), its use has been stable since the pandemic. In 2025, it was 6.8% in Q4 for new loans outside Oslo (compared with 7.7% in Q4 2024). In Oslo, it was 5.9% during the same period (unchanged from Q4 2024). The figures suggest that banks tend to operate with a significant buffer below the limits set by the regulation, although the use of the flexibility quota may not be evenly distributed among banks.

The mortgage survey conducted by the FSA shows that the change in the maximum loan-to-value requirement from 85% to 90%, implemented at the beginning of 2025, has led to a clear shift in the share of loans with LTV ratios of between 85% and 90%. In 2024, 3% of new lending had an LTV ratio between 85% and 90%, while in 2025 this share increased to 20%.

Defaults on mortgages have been very low for a long time. According to the FSA, there are few signs of severe stress among households despite the sharp increase in interest rates in recent years. The FSA notes that economic activity has remained relatively robust and that unemployment is low.

MORTGAGE FUNDING

Norwegian banks and covered bond companies (separate legal entities whose main purpose is to fund mortgages through the issuance of covered bonds) are, in aggregate, funded by approximately 9% equity, 43% deposits (banks only), and 48% wholesale funding. Covered bonds are the most important source of wholesale funding and are predominantly backed by residential mortgages. The remainder of wholesale funding consists of senior unsecured bonds (preferred and non-preferred) and short-term funding. As of year-end 2025, there were 20 Norwegian issuers of covered bonds. In 2025, more than EUR 42 billion worth of covered bonds was issued. The total volume of outstanding covered bonds was approximately EUR 154.5 billion, an increase of approximately EUR 6.9 billion compared with 2024. Of the outstanding bonds, 55.9% were denominated in NOK, 40.3% in EUR, and the remaining 3.8% in other foreign currencies.

According to figures from the Norwegian Financial Supervisory Authority (FSA), the development of banks' funding has been quite stable for some time. Since the introduction of covered bonds in 2007, senior unsecured bonds have gradually been replaced by covered bonds. This has also contributed to longer maturities for wholesale funding.

GREEN FUNDING

Sustainable finance has been a key priority for several years. Several banks offer green mortgages to their customers, some with discounted interest rates.

Green mortgages are most commonly linked to Energy Performance Certificates (EPCs) or to specific energy efficiency initiatives for residential properties.

The first green covered bonds were issued in 2018. Today, 15 Norwegian issuers have green covered bonds outstanding backed by residential mortgages. The outstanding volume was almost EUR 16.4 billion at the end of 2025.

Public support for household energy improvements was expanded in 2025. The government allocated NOK 887 million to Enova's household energy programme, and a new scheme, launched in August, offered support for 15 types of energy-related improvements. This complemented the green mortgage products offered by commercial lenders.

	NORWAY 2024	NORWAY 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	2.1	1.1	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.0	4.5	6.0
HICP inflation (%) (1)	2.8	2.8	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	78.8	80.0	68.5
Gross Fixed Investment in Housing (annual change) (1)	-11.2	-2.8	2.8
Building Permits (2015=100) (2)	60.8	n/a	86.9
House Price Index - country (2015=100) (1)	146.4	154.6	161.92
House Price Index - capital (2015=100) (2)	159.5	164.9	n/a
Nominal house price growth (%) (1)*	5.9	5.58	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	306,279	316,806	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	55,183	56,371.17	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	142.4	167.43	81.39
Gross residential lending, annual growth (%) (1)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	5.67	5.43	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

NORWAY FACT TABLE

Which entities can issue mortgage loans in your country?	Banks, credit institutions (such as covered bond companies) and state lending institutions.
What is the market share of new mortgage issuances between these entities?	Data not available for new mortgage issuance.
Which entities hold what proportion of outstanding mortgage loans in your country?	Banks and covered bond companies have granted almost all mortgage loans. State lending institutions have a marginal share.
What is the typical LTV ratio on residential mortgage loans in your country?	The average LTV ratio for new mortgages is 66%, according to a survey conducted by the FSA.
How is the distinction made between loans for residential and non-residential purposes in your country?	Not available.
What is/are the most common mortgage product(s) in your country?	An amortising mortgage with a variable interest rate.
What is the typical/ average maturity for a mortgage in your country?	The standard maturity for mortgage loans is about 25 years.
What is/are the most common ways to fund mortgage lending in your country?	Covered bonds and deposits.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	For house purchase in isolation (i.e. not costs associated with mortgages etc.) there is typically only a stamp duty, which is set to 2.5% of the purchase price.
What is the level (if any) of government subsidies for house purchases in your country?	Vulnerable households may receive loans with a favourable interest rate and/or direct support from Husbanken which is owned by the government. The amount provided under the latter option is calculated based on income and housing expenses.

Switzerland

By Valentino Guggia, Michelle Müller, Migros Bank,
Remo Kübler, Manuel Kummer, Swiss Bankers Association (SBA)

IN A NUTSHELL

→ Mortgage market growth remained robust: Outstanding mortgage volumes reached 1,243 billion CHF at end-2025, increasing by 3.1% year-on-year, supported by low interest rates and rising property prices. Lending standards remained prudent, with low default rates and continued reliance on strict affordability criteria.

→ Structural shortage continues to drive housing prices: Residential property prices have increased significantly over recent years (around +30% over five years), driven by persistently strong demand and limited supply. New construction activity has declined over the past decade, leading to falling vacancy rates and reduced affordability, with the homeownership rate continuing its downward trend.

→ Major tax reform approved with potential market implications: In September 2025, Swiss voters approved the abolition of the imputed rental value. The reform will remove both imputed income taxation and key tax deductions (notably mortgage interest), potentially incentivizing mortgage amortization from 2029 onwards and leading to gradual changes in housing demand and price differentiation between property types.

MACRO-ECONOMIC OVERVIEW

In 2025, there was a return to protectionist policies, with the introduction of high tariffs by the US, which made international trade more complicated. Despite the difficult environment for a relatively small and open economy like Switzerland, real gross domestic product (adjusted for sporting events) grew by 1.4%, slightly below the multi-year average. Economic growth was driven in particular by private consumption, while investment in both construction and equipment fell due to global uncertainty. The external trade balance also contributed negatively, with exports growing less than average and imports rising sharply, partly thanks to the strength of the Swiss franc.

At the sectoral level, it was once again the chemical-pharmaceutical sector that drove growth. For the rest of industry, it was a negative year with a decline in gross value added. The financial sector, wholesale and retail trade, as well as health and social services, were other sectors that drove economic growth.

Private consumption was supported by both population growth and a substantial increase in real wages (+1.6%). The labour market showed a slow but gradual increase in the unemployment rate over the year from a very low level to the historical average. In some sectors, the number of unemployed people is high relative to the number of vacancies, making the search for a new job more competitive.

Inflation in 2025 was virtually non-existent, averaging 0.2%. The strong appreciation of the Swiss franc over the year against the US dollar and, to a lesser extent, against the Euro helped to drag inflation towards the lower end of the SNB's price stability band, which lowered the key rate to 0% in June 2025.

LOOKING AHEAD

2026 looks set to be another difficult year for the global economy, due to the blockade of the Strait of Hormuz, which has led to a sharp increase in energy costs. We believe that the drag on the Swiss economy will be smaller than that of other European countries, owing to lower energy intensity and broad diversification of energy production. Rising energy prices are not expected to put price stability (inflation between 0 and 2%) in danger, so we do not expect the SNB to change course.

HOUSING MARKETS

Nationwide, transaction prices for residential property have risen significantly over the past five years, applying to both condominiums and single-family homes. During this period, property prices in Switzerland have grown by almost 30%[1]. The prices for single-family homes have increased slightly more than those for condominiums, which can be attributed, among other factors, to the high demand for houses and the limited supply of such properties. However, the demand for condominiums also remains consistently high. The zero-interest environment and the associated low mortgage rates are fuelling this demand. Due to the elevated price levels, the proportion of residents who can afford homeownership has decreased.

On the other hand, supply has declined amidst growing demand. The number of newly constructed residential buildings has steadily decreased over the past 10 years, as has the number of newly built single-family homes. The total number of newly constructed apartments has also been continuously declining since 2019[2]. This is reflected in the vacancy rate, which has been steadily decreasing nationwide since 2021[3].

Regionally, prices vary significantly. While major cities, suburban areas, and municipalities with low taxes, lakefronts, or scenic views command high prices, purchase prices in more rural regions are still significantly lower. These regional price differences are clearly evident. Additionally, the structure of available properties differs. In cities and suburban areas, smaller units and predominantly apartments for sale are often found. In rural regions, on the other hand, larger apartments with many rooms or houses are more commonly offered.

The homeownership rate in Switzerland has also declined over the past 10 years and currently stands at 35.7%[4]. This is partly due to population growth, while the supply of new ownership properties has simultaneously decreased. Additionally, prices have risen sharply during the same period, making it more difficult for many households to purchase a home. Furthermore, wages have increased significantly less than the prices for residential properties. While single-

1 https://data.snb.ch/en/topics/uvo/cube/plimoinchq

2 https://www.bfs.admin.ch/bfs/de/home/statistiken/bau-wohnungswesen/bautaetigkeit/wohnungsbau-jaehrlich.assetdetail.35965085.html

3 https://www.bfs.admin.ch/bfs/en/home/statistics/construction-housing.gnpdetail.2025-0588.html

4 https://www.bfs.admin.ch/bfs/en/home/statistics/construction-housing/dwellings/housing-conditions/tenants-owners.html

family homes remain popular, fewer of them are being built. As a result, many prospective buyers are increasingly turning their attention to apartments. Condominiums generally offer a broader range of options, and more properties are being developed in this segment in the new construction market.

MORTGAGE MARKETS

MARKET DYNAMICS

At the end of 2025 mortgage volume stood at 1,243 billion CHF, an increase of 3.1% compared to the previous year. Growth has been constant for several years and is the result of several co-existing factors such as low interest rates, constantly rising property prices, and tax deductibility of interest. Together with the absence of a mandatory amortization of mortgages from a loan-to-value threshold of 66%, these factors have led many borrowers not to repay their loans early. This could change as of 2029, when the abolition of rental value takes effect, changing the rules of the game as interest will no longer be tax-deductible. This could incentivize homeowners to fully or partially repay their mortgages and curb the growth of mortgage volume.

Banks' restrictive criteria for mortgage lending through credit sustainability calculations prevent buyers from over-leveraging and reduce default rates, which remain very low.

The trend towards the so-called professionalisation of the real estate market with regard to income-generating properties continues, as real estate companies and investment funds have recorded a higher growth in the volume of real estate than private investors.

Mortgage rates fell in the course of 2025, levelling off in the second half of the year. But the demise of a major player like Credit Suisse, which reduced competition, and stricter rules on corporate financing of real-estate projects, partly curbed the decline in rates.

NON-MARKET LED INITIATIVES

On 28 September 2025, the Swiss electorate approved in a referendum the abolition of the imputed rental value with 57.7% of the vote, thereby concluding a long-standing political debate.

The imputed rental value refers to a notional income that homeowners have historically been required to declare for tax purposes. It assumes that living in one's own property provides a financial benefit equivalent to saved rent, which is treated as taxable income. In return, mortgage interest and maintenance costs have been deductible.

The reform abolishes the taxation of this imputed income for both primary and secondary residences, while largely removing tax deductions – particularly for mortgage interest and maintenance. The reform thus represents a fundamental shift in the taxation of owner-occupied housing.

While the political decision was taken in 2025, the new regime is expected to enter into force from 2029, implying a multi-year transition period during which the existing rules continue to apply.

From a market perspective, moderate effects on residential property prices are expected. In the short-term, renovation activity may increase as households seek to benefit from remaining tax deductibility. The abolition of maintenance-related deductions is expected to increase the visibility of quality differences. Modern and energy-efficient properties are likely to remain attractive, while older properties may face price pressure as renovation costs must be fully borne and more explicitly priced in, leading to stronger differentiation between new and existing housing stock.

Over the medium term, mildly supportive effects on prices are expected, but these are unlikely to materially affect overall price dynamics due to offsetting factors.

More generally, structural factors – such as interest rates, population growth, employment, and persistently low vacancy rates – are expected to remain the main drivers of residential real estate prices.

MORTGAGE FUNDING

Traditionally, Swiss banks finance their mortgage lending largely through customer deposits, albeit the specific share varies from bank to bank. According to SNB data, mortgage loans account for 57% of banks' domestic assets, while customer deposits amount to 64% of domestic liabilities (as of 2025). Covered Bonds collateralised by real estate mortgage loans are another important source of funding, accounting for about 18% of total outstanding mortgage loans in 2025. Historically, the Swiss covered bond market has been mainly driven by two specialized institutions: The Pfandbriefzentrale der Schweizerischen Kantonalbanken AG and the Pfand-briefbank Schweizerischer Hypothekarinstitute AG, both with the exclusive right to issue Swiss Pfandbriefe for their member banks under the Federal Pfandbrief Act. Their market share amounts to 37.3% of domestic CHF-denominated bond debtors and 15% of Swiss mortgage loans.

In 2025, four institutions – Cornèr Bank, Crédit Agricole Next Bank (Suisse) SA, UBS, and Valiant Bank AG – had their own covered bond programmes under contractual private law totalling CHF 26.7 bn, CHF 26 bn of which were issued by Swiss entities of these banks, thus diversifying their funding sources. However, these are structured programs that are not subject to the Pfandbrief legislation.

In addition to customer deposits and covered bonds, banks use interbank loans, other bonds, and equity to refinance their mortgage lending business.

GREEN FUNDING

In line with the Swiss government's financial market policy and its strategy to establish Switzerland as a leading hub for sustainable finance, the SBA set out new self-regulatory minimum standards on mortgage lending, which entered into force on January 1st, 2024. These Guidelines for Mortgage Providers on the Promotion of Energy Efficiency encourage sustainable property financing by requiring banks to advise clients on energy efficiency and on the long-term value retention of the building when financing owner-occupied single-family homes and holiday homes.

Furthermore, mortgage providers are also expected to provide information on available public and private funds for building renovations as well as on independent experts or specialist bodies for obtaining specific technical advice on the energy impact and financial effects of any optimisation measures.

Banks have issued green and sustainable bonds, the proceeds of which are used to refinance mortgages that meet specific environmental and social criteria. As of the end of 2025, green and sustainable bonds emitted by commercial banks active in Switzerland amounted to approximately CHF 2.4 bn.

	SWITZER-LAND 2024	SWITZER-LAND 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)*	1.3	1.3	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.4	4.9	6.0
HICP inflation (%) (1)	1.1	n/a	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	42.6	42.0	68.5
Gross Fixed Investment in Housing (annual change) (1)	-0.8	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (1)	128.3	133.5	161.92
House Price Index - capital (2015=100) (2)	141.7	149.6	n/a
Nominal house price growth (%) (1)*	3.5	n/a	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (1)	1,294,423.03	1,334,550.14	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	n/a	n/a	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (1)	n/a	n/a	81.39
Gross residential lending, annual growth (%) (1)	n/a	n/a	2.8
Typical mortgage rate, annual average (%) (2)	1.5	1.32	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables
* Eurostat Reviewed
** EU 2025 to be confirmed

SWITZERLAND FACT TABLE

Which entities can issue mortgage loans in your country?	Banks, insurers, and pension funds issue mortgage loans. However, from a legal perspective, private individuals can grant mortgages too.
What is the market share of new mortgage issuances between these entities?	Not available.
Which entities hold what proportion of outstanding mortgage loans in your country?	In 2024 Banks accounted for about 94% of the total outstanding mortgage loans. The rest of the market was shared by insurers (~3%) and pension funds (~3%).
What is the typical LTV ratio on residential mortgage loans in your country?	The median LTV for new mortgage loans of self-occupied residential real estate granted in 2025 stands at 70%.
How is the distinction made between loans for residential and non-residential purposes in your country?	The Capital Adequacy Ordinance (CAO) differentiates between loans for residential properties and loans for other properties. Residential properties are defined as properties that are self-occupied and/or rented out by the borrower.
What is/are the most common mortgage product(s) in your country?	Fixed-rate mortgages are the most common mortgages in Switzerland, and their maturity can range between 2 and 15 years.
What is the typical/ average maturity for a mortgage in your country?	Most of the (fixed-rate) mortgages offered on the market have a maturity between 3 and 10 years.
What is/are the most common ways to fund mortgage lending in your country?	Customer deposits and Swiss Pfandbriefe.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	The additional costs (i.e., property transfer tax, registration fee and notary fees) vary from canton to canton and can range from 2% to 5% of the purchase price.
What is the level (if any) of government subsidies for house purchases in your country?	There are no specific subsidies for purchasing residential real estate. However, the government scheme to promote home ownership allows for the early withdrawal and the pledging of pension assets for the purchase, the construction and the modification of owner-occupied residential property, as well as the repayment of mortgage loans and the purchase of shares in a housing association, or similar participations.

United Kingdom

By Joseph Thompson, Building Societies Association

IN A NUTSHELL

- → Mortgage lending recovered strongly in 2025: outstanding residential mortgage lending reached around EUR 1.9 trillion, while gross residential lending increased by 15.6% to EUR 337.3 billion, supported by house purchases and increased remortgaging activity.
- → Lending conditions eased: mortgage rates declined as Bank Rate was cut, while lenders increased their risk appetite, with lending at LTVs above 90% reaching 8.35% in Q4 2025, the highest level since Q2 2008.
- → Funding and green finance remained important: lenders increased their use of wholesale funding, with EUR 19.4 billion raised through covered bonds, while the Warm Homes Plan committed substantial public funding to energy efficiency and home upgrades.

MACRO-ECONOMIC OVERVIEW

The UK economy grew modestly in 2025, with real GDP rising by around 1.0% over the year, reflecting subdued domestic demand and weak productivity growth. Labour market conditions continued to loosen with the unemployment rate increasing to just above 5% by late 2025. The number of job vacancies declined and pay growth eased. At the same time, inflation remained above target for much of the year. After falling close to the 2.0% target in 2024, price pressures re-emerged during 2025, with CPI inflation rising to around 3.8% in the autumn before easing later in the year, driven by price rises in energy, food and services.

Monetary policy remained in restrictive territory but eased gradually with the Bank Rate being cut from 4.75% in November 2024 to 3.75% by December 2025. This reflected progress in reducing underlying inflation, but the Bank remained cautious given persistent domestic price pressures.

Fiscal policy was aimed at supporting growth with continued emphasis on public investment and housing supply reforms. The interaction of slower growth, easing wage pressure and above target inflation created a mixed environment for housing. Lower mortgage rates began to improve housing affordability, but weak activity, cautious households and stretched affordability continued to restrain housing demand.

LOOKING AHEAD

The housing and mortgage markets have been relatively stable in 2026 despite the ongoing conflict in the Middle East. However, consumers remain cautious. Households were anticipating mortgage rates to fall this year, but with the conflict enduring, households are now adapting their expectations to a higher interest rate environment in the short-term at least. The Bank of England has highlighted that conflict driven energy shocks could keep inflation above target for longer and keep monetary policy in restrictive territory. Remortgaging activity is a major driver of mortgage lending activity as many households are now refinancing covid era loans that were initially secured at very low rates. House prices are likely to remain relatively flat but regional differences will remain, with affordability pressures weighing more heavily on London and southern England than on other regions with relatively lower house prices.

HOUSING MARKETS

The latest data for 2024 shows 64.8% of UK households own the property they lived in, broadly unchanged over the last two years. Housing investment also showed only a gradual improvement: gross fixed investment in dwellings has picked up in recent years, but activity remained subdued as high build costs, financing constraints and planning delays continued to weigh on activity in 2025.

Property transactions picked up in 2025; however, there was some volatility over the year due to transactions being brought forward ahead of changes to stamp duty thresholds from April. A sharp drop in transactions followed immediately afterwards but by the second half of the year activity had normalised.

House prices increased modestly in 2025. According to the UK House Price Index, average UK house prices grew by around 2.4% in 2025. There were some significant regional differences with price growth generally stronger in more affordable regions including Scotland and the North West. In London and the South East much weaker growth was seen.

Housing starts recovered somewhat in 2025, rising to around 125,000 in England, but completions fell to around 142,000, the lowest since 2016. When housing conversions are included, and net of housing demolitions, there were 208,600 ‘net additional dwellings’ in 2024/25, a 6% decrease on the previous year.

Elevated construction costs, viability constraints, planning delays and tighter financing conditions have meant that supply has remained constrained and has supported house price growth despite strained affordability measures. Over the year Bank Rate cuts and somewhat lower mortgage rates improved borrowing capacity, whilst relatively strong wage growth supported demand. Taken together, these factors produced a market of modest nominal price growth, recovering transactions, and continued regional rebalancing in favour of more affordable parts of the UK.

MORTGAGE MARKETS

In 2025, the UK mortgage market continued to recover, supported by lower interest rates, rising real wages and improving borrower confidence. The stock of outstanding residential mortgage lending reached around EUR 1.9 trillion by the end of 2025, around 3% higher than a year earlier.

Gross residential lending also strengthened in 2025, totalling EUR 337.3 billion, up 15.6% on 2024. Growth was driven by house purchases but also remortgaging, as many borrowers refinanced covid era loans. By contrast, buy to let activity remained subdued, reflecting higher financing costs, tighter tax treatment and weaker demand.

Mortgage interest rates fell gradually over the year as Bank Rate was reduced and the average effective rate on new mortgages was around 4.50% in 2025, down from 4.88% in 2024.

Lender risk appetite also increased in 2025. The share of loans advanced at loan-to-value ratios above 90% rose to an average of 7.35% in 2025, peaking in Q4 2025 at 8.35% the highest since Q2 2008. The proportion of loans advanced to first-time buyers also remained elevated at around 40%.

Levels of mortgage arrears remained low and fell marginally over the year. The number of loans in arrears as a percentage of total loans fell from 1.46% in Q4 2024 to 1.37% in Q4 2025. This reflects positive real wage growth over the year combined with continued lender forbearance to help households manage payment pressures. Possessions increased, but from a very low base, and mainly reflected the clearing of older arrears cases through the court system.

Commercial real estate had recovered somewhat in the first half of 2025, with new lending for real estate up 33% on the same period in 2024, whilst banks made progress in reducing the proportion of defaulted loans.

Several policy related factors affected UK mortgage market activity in 2025. The first was the reversal of the temporary stamp duty thresholds in England and Northern Ireland from 1 April 2025. This encouraged some buyers to bring transactions forward into the first quarter of the year and contributed to a subsequent dip in activity immediately afterwards, distorting both housing transactions and associated mortgage lending flows.

The Mortgage Guarantee Scheme closed to new applications at the end of June 2025, followed by the launch of a new permanent Mortgage Guarantee Scheme in July although this would not have materially affected market activity.

In July 2025 the de minimis threshold that limited lenders to advancing no more than 15% of residential mortgages at LTIs at or above 4.5 times income was increased to EUR 171.5 million from EUR 114.3 million, allowing greater competition in this market segment from smaller lenders. At the same time the Financial Policy Committee stated it would review the 15% LTI flow limit, and lenders were able to apply for a modification by consent to go above the limit until June 2026. However, the regulators would monitor the market so at an industry level the 15% limit would not be breached. This modification helped service increased demand from first-time buyers whilst maintaining the original financial stability objective.

MORTGAGE FUNDING

UK lenders made greater use of wholesale markets in 2025. Retail deposit funding was broadly stable but more expensive, reflecting increased competition for household savings and higher savings interest rates offered.

An aggregate of EUR 19.4 bn was raised in the covered bond market in 2025, which is up around 10% on the previous year and saw the value of covered bonds outstanding at the end of 2025 rise to EUR 106.3 bn. Maturities were lower than the previous year at only EUR 6.9 bn. The repayment of TFSME drawings and continued growth in the UK mortgage market saw a pickup in activity in the RMBS market.

GREEN FUNDING

The Green Finance Institute launched a Green Home Finance Roadmap for the mortgage industry in 2025, supported by lenders and trade bodies, to help embed sustainability into mortgage advice, product design and retrofit customer journeys. The recently launched Government's Warm Homes Plan will deliver the largest public investment in home upgrades in British history, aimed at reducing energy bills, tackling fuel poverty and addressing the climate crisis. The plan will deliver EUR 17.1 billion of public investment to upgrade 5 million homes and lift up to a million homes out of fuel poverty. The Government's offer to consumers includes EUR 5.7 billion for low-income schemes; EUR 2.3 billion for consumer loans, EUR 3.1 billion for the Boiler Upgrade Scheme, EUR 1.3 billion for Heat Networks, EUR 3.1 billion in innovative finance through the Warm Homes Fund to invest in home upgrades and EUR 1.7 billion to fund other Warm Homes Plan programmes.

	UNITED KINGDOM 2024	UNITED KINGDOM 2025	EU 27 2025
MACROECONOMIC VARIABLES			
Real GDP growth (%) (1)	1.0	1.0	1.5
Unemployment Rate (LSF), annual average (%) (1)	4.36	4.75	6.0
HICP inflation (%) (1)	2.55	3.88	2.0
HOUSING MARKET			
Owner occupation rate (%) (1)	64.8	65.0	68.5
Gross Fixed Investment in Housing (annual change) (1)	n/a	n/a	2.8
Building Permits (2015=100) (2)	n/a	n/a	86.9
House Price Index - country (2015=100) (2)	143.26	146.77	161.92
House Price Index - capital (2015=100) (2)	122.19	123.19	n/a
Nominal house price growth (%) (2)	0.7	2.42	5.5
MORTGAGE MARKET			
Outstanding Residential Loans (mn EUR) (2)	1,983,868	2,011,904	5,617,435.11
Outstanding Residential Loans per capita over Total Population (EUR) (2)	28,658	28,954	12,472.10
Outstanding Residential Loans to disposable income ratio (%) (2)	90.1	83.38	81.39
Gross residential lending, annual growth (%) (2)	n/a	15.6	2.8
Typical mortgage rate, annual average (%) (2)	4.88	4.53	3.31

(1) Eurostat Data
(2) European Mortgage Federation – Hypostat 2026, Statistical Tables

UNITED KINGDOM FACT TABLE

Which entities can issue mortgage loans in your country?	Monetary and Financial Institutions (MFIs), which includes banks and building societies. Other specialist lenders (non-bank, non-building society UK credit grantors, specialist mortgage lenders, retailers, central and local government, public corporations, insurance companies and pension funds). Other (anything not covered elsewhere).
What is the market share of new mortgage issuances between these entities?	MFIs account for 92.7% of new mortgage issuances. Other specialist lenders account for 6.5% of new mortgage issuances. Other entities account for 0.9% of new mortgage issuances.
Which entities hold what proportion of outstanding mortgage loans in your country?	MFIs hold 89.6% of outstanding mortgage loans. Other specialist lenders hold 7.0% of outstanding mortgage loans. Other entities hold 3.4% of outstanding mortgage loans.
What is the typical LTV ratio on residential mortgage loans in your country?	The typical LTV ratio was 71.4% for loan advances in 2024.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is based on the property being purchased and the purpose it will be used for. A residential loan is used to purchase a property that a person will live in. A commercial loan is one that is used to purchase commercial land or buildings.
What is/are the most common mortgage product(s) in your country?	The most common mortgage products are initial fixed-rate products.
What is the typical/ average maturity for a mortgage in your country?	The average maturity was 28.7 years for loan advances in 2024.
What is/are the most common ways to fund mortgage lending in your country?	The most common sources of funding for mortgage lending are retail deposits and wholesale funding.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	1. Stamp Duty Land Tax – ranges from 0% to 12%, depending on property value 2. Valuation fee – ranges from GBP 150 to GBP 1,500, depending on property value 3. Surveyor's fee – ranges from GBP 250 to GBP 600 4. Legal fees – ranges from GBP 500 to GBP 1,500 5. Electronic transfer fee – around GBP 40 to GBP 50
What is the level (if any) of government subsidies for house purchases in your country?	There are no subsidies which apply to house purchase on the whole, there are however some subsidies for specific parts of the market, such as those who live in social housing.


竹むら

Introductory Note from ISMMA Chair

By Yuji DATE, Director General in the International Affairs and Research Department, Japan Housing Finance Agency

The International Secondary Mortgage Market Association (ISMMA) brings together the institutions building, and in many cases pioneering, the machinery of housing finance across a remarkably varied set of economies globally. Founded in 2018 under the sponsorship of the World Bank, ISMMA exists to advocate for sound regulation, share practical experience and support newly established secondary-market institutions as they find their footing, with the ultimate aim of helping to ensure adequate, safe, and affordable housing for all. The fact tables gathered for this edition of Hypostat, spanning Armenia, Indonesia, Japan, Kenya, Malaysia, Mongolia, Pakistan, South Korea, and Tanzania, offer a unique side-by-side view of the breadth of experience, innovation and institutional development shaping secondary mortgage markets around the world. This comparative perspective is further supported by ISMMA's newly available **Comparative Database**, which provides a dedicated resource for exploring and comparing the characteristics of secondary mortgage markets across its membership.

Viewed together, these comparative insights highlight several common themes across ISMMA's diverse member markets. First, the secondary-market refinance model itself is proliferating: Kenya's KMRC, Tanzania's TMRC, Pakistan's PMRC, Mongolia's MIK, Malaysia's Cagamas, and Indonesia's SMF, to name but a few, are channelling wholesale funding and bond or sukuk issuance into primary lenders, complementing their traditional deposit-based funding. This layering of capital-market funding onto deposit-based banking echoes a broader trend: the World Bank Group's International Finance Corporation closed its second Emerging Markets Securitisation Program transaction in mid-2026, a further sign that mobilising private capital for mortgage-adjacent lending is becoming a replicable model.

Second, government support remains an important feature across many markets, but its form varies widely. Approaches range from interest-rate support, including Mongolia's 6% Affordable Housing Finance Program and Pakistan's 5% scheme, to tax and stamp-duty measures, as in Armenia, Kenya, and Malaysia. These different models reflect local economic conditions and policy priorities, while providing a valuable body of experience from which ISMMA members can learn.

Third, loan tenors likewise reflect the characteristics of individual markets and vary considerably across markets. Japan's 35-year mortgages and Korea's tenors of more than 20 years demonstrate what deep, long-established funding systems can support, while developing markets are progressively building the institutional and capital-market foundations needed to extend funding horizons. The fact tables that follow capture both the diversity and the common direction of ISMMA's membership. Each market has developed its own response to local circumstances, but all are working towards the same objective: deeper, more resilient and transparent housing finance systems capable of expanding sustainable access to homeownership. It is precisely this combination of varied experience and shared ambition that makes the exchange between ISMMA's members so valuable.

Armenia

National Mortgage Company

ARMENIA FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgage loans in Armenia may be issued by banks and credit organisations.
What is the market share of new mortgage issuances between these entities?	-
Which entities hold what proportion of outstanding mortgage loans in your country?	Credit organizations hold less than 2% of total mortgage portfolios, the rest is on banks.
What is the typical LTV ratio on residential mortgage loans in your country?	An indicative LTV benchmark is around 70%, although the ratio varies by lender and product. Up to 90% LTV may be available where additional collateral or qualifying insurance arrangements are provided.
How is the distinction made between loans for residential and non-residential purposes in your country?	The key here is Armenia's Law On Home Mortgage which specifically differentiates the loans where the purpose is to purchase, build, reconstruct, repair, develop or renovate a home, secured by the relevant home, apartment under construction, land plot for home construction, unfinished construction, or other permitted pledge in defined cases. So, legally, a loan is a home mortgage loan (housing financing mortgage) only if the purpose is residential. Non-residential mortgage loans are usually treated as ordinary commercial or secured loans backed by real estate mortgage, governed by the Civil Code, the laws on Banking/Credit Organisations, CBA prudential rules, collateral registration and enforcement rules, as well as capital-market laws including Law on Covered Mortgage Bonds and Law on Asset Securitization and Asset Backed Securities.
What is/are the most common mortgage product(s) in your country?	Local currency floating rate home (flat/apartment) acquisition mortgage loan with annuity type amortization (fixed total monthly payment)
What is the typical/ average maturity for a mortgage in your country?	Typical/Average – 15-16 year maturity term
What is/are the most common ways to fund mortgage lending in your country?	Mortgage lending in Armenia is mainly funded by banks' and credit organizations' balance sheets (deposits, capital, ordinary bonds), NMC refinancing, funding from IFIs, state refinancing. Covered bonds and securitisation are less developed capital-market channels.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	For a standard private residential resale (cash)-not including optional lawyer/broker/financing-costs are around USD150-400. These include: notary USD40-100, cadaster transaction USD85-300. Tax is VAT: 0% in ordinary private resale; 20% may apply for developer sales, which is economically embedded in the price.
What is the level (if any) of government subsidies for house purchases in your country?	The major governmental subsidy that is currently phasing out has been Income-tax refund on mortgage interest. It was adopted in 2015 and had a high material effect on Armenia's construction and housing financing industries through a demand side subsidy applied to mortgage interest. Other current subsidies currently targeted at young families, families with children, displaced families from Artsakh/Karabakh, military personnel, and specific social-policy groups.

Indonesia

PT Sarana Multigriya Finansial (Persero)

INDONESIA FACT TABLE

Which entities can issue mortgage loans in your country?	In Indonesia, residential mortgage loans may be originated by commercial banks (including state-owned, private, regional development, and Islamic banks) as well as, to a more limited extent, by licensed multi-finance companies offering housing finance products.
What is the market share of new mortgage issuances between these entities?	Commercial banks account for the vast majority of new residential mortgage originations in Indonesia, while non-bank financial institutions play only a limited role in the market.
Which entities hold what proportion of outstanding mortgage loans in your country?	The banking sector is the dominant holder of outstanding residential mortgage loans in Indonesia, while the role of non-bank financial institutions remains limited.
What is the typical LTV ratio on residential mortgage loans in your country?	Bank Indonesia (Indonesia's central bank) sets maximum LTV limits up to 100% for residential mortgage lending as stated in Bank Indonesia's Regulation No. 20/8/PBI/2018 dated 1 August 2018 concerning the Loan-to-Value (LTV) Ratio for Property Loans, the Financing-to-Value (FTV) Ratio for Property Financing and Credit Down Payment Requirements for Motor Vehicle Loans or Financing. This serves as the guideline for residential mortgage lending transactions, while in practice, residential mortgages commonly finance around 70-90% of the property value with ratios varying across lenders and products depending on borrower risk profile, property type and prevailing regulatory requirements.
How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is generally based on the type and intended use of the financed property.
What is/are the most common mortgage product(s) in your country?	• Conventional residential mortgage (KPR) • Government-supported subsidized mortgage for low-income households (FLPP) • Sharia-compliant home financing products
What is the typical/ average maturity for a mortgage in your country?	Typically range from 10 to 20 years.
What is/are the most common ways to fund mortgage lending in your country?	It is primarily funded through customer deposits mobilized by banks. Additional funding sources include wholesale funding, bond issuances, capital market instruments, and mortgage refinancing facilities such as those provided by PT SMF (Persero). MBS and securitization transactions exist but remain relatively limited.

INDONESIA FACT TABLE

What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	House purchase transactions in Indonesia involve costs which vary depending on the property value and structure. Key costs generally include: • Land and Building Acquisition Duty (BPHTB), levied at 5% of the taxable acquisition value after deducting the applicable non-taxable threshold determined by the local government. • Notarial/PPAT and legal fees, typically ranging from 0.5% to 1.5% of the transaction value. • Land registration and administration fees are relatively modest and vary by region. • VAT applies to purchases of new residential properties, subject to prevailing tax regulations and any applicable government incentives. The applicable VAT is generally equivalent to 11% of the selling price for ordinary residential properties.
What is the level (if any) of government subsidies for house purchases in your country?	The Indonesian government provides subsidies for eligible low-income households through the FLPP (Housing Financing Liquidity Facility) Program. Under the scheme, borrowers benefit from a fixed mortgage interest rate of 5% throughout the loan tenor.

Japan

Japan Housing Finance Agency

JAPAN FACT TABLE

Which entities can issue mortgage loans in your country?	Licensed financial institutions including commercial banks, credit unions, and non-bank financial companies.
What is the market share of new mortgage issuances between these entities?	Based on the survey by JHF, the shares in new residential mortgages in JPY amounts in FY2024 are 79.7% for banks, 14.9% for other depository financial institutions, and 5.4% for non-depository financial institutions.
Which entities hold what proportion of outstanding mortgage loans in your country?	Based on the survey by JHF, the shares in outstanding residential mortgages in JPY amounts at the end of March 2025 are 67.3% for Banks, 21.9% for other depository financial institutions, and 10.8% for non-depository financial institutions.
What is the typical LTV ratio on residential mortgage loans in your country?	The average LTV of loan amounts of JHF's Flat 35 loans is 79.9% in FY2025.
How is the distinction made between loans for residential and non-residential purposes in your country?	As a common understanding, residential mortgages are those provided to own and occupy a primary residential space of the mortgagor, and the primary residential space is provided as the collateral. Similarly, non-residential mortgages are those provided for other than owning and occupying primary residential space of the mortgagor.
What is/are the most common mortgage product(s) in your country?	Features of common residential mortgages can vary depending on the mortgages' lending policy; however, JHF's Flat 35 loan in FY2025 has the following features: average tenor of 32.6 years, average loan amount of JPY 33.57 million, average loan-to-value of 79.9%, average debt-to-income ratio of 22.8%, the mortgagee holds the claim right against the collateralized property, JHF requires group life insurance coverage and fire damage insurance coverage. Residential mortgages provided by private financial institutions typically carry floating interest rate or a mix of floating-and-fixed interest rates.
What is the typical/ average maturity for a mortgage in your country?	As a common understanding, typical loan tenor is 35 years. According to JHF's securitized mortgage pool, the weighted average loan age is about 30 years.
What is/are the most common ways to fund mortgage lending in your country?	For depository institutions, such as commercial banks and credit unions, the common funding source of mortgage lending is deposits. For non-depository institutions, such as JHF and mortgage banks, the common funding source of mortgage lending is issuing mortgage-backed securities and bank loans.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Although costs may vary depending on property type (new vs. existing), location, and specific circumstances, generally, the total transaction costs (including taxes and fees) amount to 5%–8% of the property price.
What is the level (if any) of government subsidies for house purchases in your country?	For the residential mortgages with the maturity of 10 years or longer for the acquisitions/improvements of homes, there is the tax credit of 0.7% of the outstanding balance of residential mortgages (up to the limited amounts) for certain periods.

Kenya

Kenya Mortgage Refinance Company

KENYA FACT TABLE

Which entities can issue mortgage loans in your country?	Mortgage loans are issued by commercial banks, microfinance banks, and Savings and Credit Cooperative Unions (SACCOs).
What is the market share of new mortgage issuances between these entities?	Data on new mortgages is not reported.
Which entities hold what proportion of outstanding mortgage loans in your country?	Outstanding mortgage loans from the banking sector stood at US$ 2.07 billion (equivalent to KES 279.3 billion) as at December 2024, held by 30,016 mortgage accounts. The nine leading institutions hold 89.9% of outstanding mortgages (large peer group: 76.75%; medium peer group: 13.15%). KCB Bank Kenya is the largest mortgage lender (Kes.91.5 billion, and accounts for 32.8% of the market share), followed by Absa Bank Kenya (11.2%), HFC Ltd (8.3%), Stanbic Bank (8.0%), NCBA (7.7%), Standard Chartered (6.5%), Co-operative Bank (6.2%), Family Bank (4.9%), and Equity Bank (4.4%).
What is the typical LTV ratio on residential mortgage loans in your country?	The Loan-to-Value (LTV) ratio is pegged below 90% of the property value by the majority of banks.
How is the distinction made between loans for residential and non-residential purposes in your country?	Residential mortgages are loans secured against properties intended for owner-occupation or residential rental purposes (single family homes, apartments, units in residential developments). Non-residential (commercial) mortgages finance properties used for business/commercial purposes (offices, retail, industrial, hotels). Banks distinguish based on: (i) intended use of the property; (ii) zoning/title classification.
What is/are the most common mortgage product(s) in your country?	The dominant product is a variable-rate residential mortgage: 85.9% of mortgage loans were on variable interest rates in 2024. Through KMRC refinancing, fixed-rate, single-digit-interest, long-term home loans are increasingly offered by participating banks and SACCOs. Products are mainly for owner-occupier home purchase.
What is the typical/ average maturity for a mortgage in your country?	The average mortgage loan maturity in 2024 was 11.1 years (minimum 5.3 years, maximum 18 years).
What is/are the most common ways to fund mortgage lending in your country?	Mortgage lending is primarily funded through: (i) Customer deposits; the main source of funding for banks (Ksh.5.5 trillion sector-wide in 2024, 72.4% of liabilities); (ii) Refinancing from KMRC through DFI funding and corporate bond issuances in the domestic capital markets.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Transaction costs accounts for up to 10% of property value and the include incidental costs such as: (i) Stamp duty – 4% of property value in urban areas, 2% in rural areas; (ii) Legal fees typically 1–2% of property value (per Advocates Remuneration Order); (iii) Valuation fees at approximately 0.25% of property value; (iv) Registration fees and land rates/rent; (v) Bank arrangement/processing fees at approximately 1% of loan amount; and (vi) Mortgage protection insurance and property insurance premiums.
What is the level (if any) of government subsidies for house purchases in your country?	The Government provides several housing market interventions rather than direct mortgage interest subsidies: (i) Stamp duty exemptions for first-time home buyers under the affordable housing programme; and (ii) Tax relief on mortgage interest (up to US$ 2,225 (equivalent to KES. 300,000) per annum) for owner-occupied residential property.

Notes: The exchange rate conversion applied: 1 USD = Ksh.134.82 in 2024. Source: Kenya National Bureau of Statistics (KNBS), Economic Survey 2025.

Korea

KOREA FACT TABLE

Which entities can issue mortgage loans in your country?	• Tier 1 Banking Sector (Commercial Banks): Major banks such as KB Kookmin, Shinhan, and Hana. • Tier 2 Banking Sector (Non-bank): Insurance companies, mutual finance (Nonghyup, Suhyup, MG Community Credit Cooperatives), and savings banks. • Other: securities firms, and registered moneylenders. • *Note: The Korea Housing Finance Corporation (KHFC) does not typically originate loans directly; instead, it designs policy mortgage products and outsources sales to banks or acquires the loan receivables.*
What is the market share of new mortgage issuances between these entities?	• Tier 1 Banking Sector: 69% • Tier 2 Banking Sector: 25.4% • Other: 5.6%
Which entities hold what proportion of outstanding mortgage loans in your country?	• Tier 1 Banking Sector: 67.6% • Tier 2 Banking Sector: 14% • Other: 18.4%
What is the typical LTV ratio on residential mortgage loans in your country?	The LTV in Korea is applied differentially based on the location of the property and the homeowner's status: Rates from 1st January 2026: Category / Regulated Areas / Non-regulated Areas Non-homeowners: 40% / 70% Single Homeowners (on condition of sale): 40% / 70% First-time Buyers (Policy Mortgages): 80% / 80% Multiple Homeowners: Loan Unavailable / 60%
How is the distinction made between loans for residential and non-residential purposes in your country?	• Home Purchase Funds (Residential): Loans applied for within 3 months of the ownership transfer registration. These come with an occupancy requirement—the borrower must move into the property within 6 months of the loan execution. • Living Stability Funds (Non-residential): While the house serves as collateral, the funds are used for personal needs (e.g., education, medical bills) rather than purchasing a home. These are granted on the condition that the borrower does not purchase additional properties.
What is/are the most common mortgage product(s) in your country?	The market is divided into government-backed Policy Mortgages and Commercial Bank Loans: 1. Policy Mortgages (Bogeumjari Loan & Didimdol Loan): These offer fixed interest rates from execution to maturity. They have strict eligibility requirements to support low-income earners and actual end-users. 2. Commercial Bank Loans: Primarily "Conforming Loans" for high-priced homes or those without income restrictions. The most common type is a Hybrid Loan, which has a fixed rate for the first 5 years before converting to a variable rate.
What is the typical/ average maturity for a mortgage in your country?	While hybrid interest rates (5-year fixed, then variable) are dominant, the average loan maturity for the Housing Finance Corporation's products generally exceeds 20 years.

KOREA FACT TABLE

What is/are the most common ways to fund mortgage lending in your country?	Funding is split between private bank self-funding and public sector securitization: 1. Deposits and Bank Bonds: Funded through customer deposits or the issuance of bonds directly by the bank. 2. MBS (Mortgage-Backed Securities) Issuance: Re-funding mortgage capital by issuing securities backed by the loan receivables acquired through policy mortgages.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Costs are divided into taxes, public fees, and brokerage commissions: 1. Acquisition Taxes: Paid to the state and local government, typically 1% to 3% of the purchase price. 2. Government Bonds & Public Fees: Mandatory costs for registration, including National Housing Bonds and Revenue Stamps. For a KRW 600 million apartment, this is approximately $1,000. 3. Brokerage Fees & Other Costs: Real estate agent commissions (approx. 0.4% to 0.7% of the price) and judicial scrivener (Beopmusa) fees (approx. $800).
What is the level (if any) of government subsidies for house purchases in your country?	Korea primarily uses indirect support rather than direct cash subsidies: 1. Low-interest Rate Support: Preferential rates (0.1% to 0.4% lower than market) for specific groups like newborns' parents, persons with disabilities, youth, and newlyweds. 2. Tax Benefits: Acquisition tax reductions or capital gains tax exemptions for first-time buyers or buyers of unsold housing. Depending on residency and homeowner status, this can save anywhere from thousands to over a hundred thousand dollars. 3. Housing Subscription (Cheongyak) Benefits: Prioritized supply of public housing at below-market prices and loan benefits for subscription account holders.

Malaysia

By Gopiraj A/L Jegathisan, Cagamas Berhad

MALAYSIA FACT TABLE

Which entities can issue mortgage loans in your country?	Commercial banks, Islamic banks, development financial institutions and Public Sector Home Financing Board (LPPSA) for public-sector housing financing.
What is the market share of new mortgage issuances between these entities?	Mainly dominated by banking institutions. Detailed public breakdown by entity type is not available; Bank Negara Malaysia (BNM) reports banking-system financing by purpose, including for residential property (*source:* BNM Monthly Highlights and Statistics).
Which entities hold what proportion of outstanding mortgage loans in your country?	Mostly held by banking institutions. Among banking institutions, commercial banks hold 58.3% and Islamic banks 41.7% of outstanding housing loans (*source:* BNM Monthly Highlights and Statistics). This BNM series covers licensed banking institutions only where, it excludes development financial institutions and LPPSA, for which a separate outstanding-balance breakdown is not publicly disclosed.
What is the typical LTV ratio on residential mortgage loans in your country?	BNM reported the median LTV ratio of outstanding housing loans at about 70.2% as of 2025 (source: *BNM Financial Stability Review 2H2025*). For new borrowers, banks may finance up to 90% for first/second residential properties, while BNM imposed a 70% maximum LTV for borrowers with three or more outstanding housing loans.
How is the distinction made between loans for residential and non-residential purposes in your country?	Loans are classified by purpose/property type, e.g. "purchase of residential property" versus other property or business-related purposes in BNM banking statistics.
What is/are the most common mortgage product(s) in your country?	Conventional housing loans and Islamic home financing, generally on floating/variable rates linked to banks' reference rates.
What is the typical/average maturity for a mortgage in your country?	The typical maximum mortgage maturity in Malaysia is up to 35 years, or up to age 70 (whichever is earlier), being the common ceiling offered by banks and LPPSA. Actual average tenures taken up by borrowers tend to be shorter, though a system-wide average is not separately published.
What is/are the most common ways to fund mortgage lending in your country?	Banks are primarily funded by customer deposits and wholesale funding, while Cagamas provides secondary liquidity by issuing corporate bonds and sukuk to purchase housing loans/receivables from financial institutions.

Mongolia

By Garid Bolor, Mongolian Mortgage Corporation HFC LLC

MALAYSIA FACT TABLE

What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	• Stamp duty on transfer/Memorandum on Transfers. - First RM100,000: 1% - RM100,001 - RM500,000: 2% - RM500,001 - RM1,000,000: 3% - Above RM1,000,000: 4% - Foreigners/Foreign Companies: Effective January 1, 2026, a flat rate of 8% applies to residential property, rising from 4% • Loan agreement stamp duty - A flat rate of 0.5% of the loan amount. • Legal fees for the Sales and Purchase Agreement (SPA) and loan documentation - First RM500,000: 1.0% (minimum fee RM500) - Next RM500,000: 0.8% - Next RM2,000,000: 0.7% - Disbursements: Additional fees (e.g., registration fees, affirmations) typically cost RM1,000–RM1,500 • Valuation fees for subsale units based on property value - First RM100,000: 0.25% - Next RM2,000,000: 0.2% • Other administrative costs - SPA Stamping: RM10 per copy. - Real Property Gains Tax (RPGT): Paid by the seller, not the buyer, although exemptions apply. - 8% Service Tax: Applied to legal fees.
What is the level (if any) of government subsidies for house purchases in your country?	• Affordable housing schemes such as Perumahan Rakyat 1Malaysia (PR1MA), Residensi Wilayah, Program Perumahan Rakyat (PPR) and MyHome. • Loan guarantees and high financing schemes such as Housing Credit Guarantee Scheme or Skim Jaminan Kredit Perumahan (SJKP) and MyFirst Home Scheme or Skim Rumah Pertamaku (up to ~100–110% financing). • Full stamp duty exemption for first-time buyers (priced ≤RM500k, extended to 2027) • Tax relief on mortgage interest for house priced up to RM750k for three consecutive years starting 2025 • Targeted support for lower-income groups via direct cash subsidy up to RM20k for programmes like Rumah Mesra Rakyat and public housing programmes (PPR/PRR).

MONGOLIA FACT TABLE

Which entities can issue mortgage loans in your country?	Commercial Banks
What is the market share of new mortgage issuances between these entities?	In 2025, a total of MNT 3.3 trillion of mortgages were issued. From this, government subsidized loans at 6% under the Affordable Housing Finance Program (AHFP) amounted to MNT 1.2 trillion or 36.4% of the total issuance. The remaining MNT 2.1 trillion were market-rate mortgage loans generated by the banks' own funding. We don't have the data for individual bank issuances.
Which entities hold what proportion of outstanding mortgage loans in your country?	As of the end of 2025, the total stock of outstanding mortgage loan amount was MNT 11.5 trillion. From this, 59.6% or MNT 6.85 trillion is issued under the AHFP and the remaining 40.4% or MNT 4.65 trillion is issued from the banks' own capital at market-rate interest. From the outstanding MNT 6.85 trillion AHFP loans, MIK purchased, securitised and issued RMBS backed by MNT 5.3 trillion, or 77%, of these loans.
What is the typical LTV ratio on residential mortgage loans in your country?	70 – 80%
How is the distinction made between loans for residential and non-residential purposes in your country?	Mortgage loans are issued to individuals for up to 20 years, or 30 years in the case of the AHFP loans. Non-residential loans are issued to individuals and legal entities for up to 8 years.
What is/are the most common mortgage product(s) in your country?	There are only 2 types of mortgage loans in Mongolia, the subsidized loan under the AHFP and market-rate mortgages funded by the banks' own capital. Historically, the subsidized loan is issued more because of the subsidized rate at 6%. In recent years, the market-rate mortgages have increased compared to the subsidized loans (63.6% of total issuance in 2025). This shift in issuance is due to the backlog on the subsidized loan. Currently, there is about a 2.5-year queue on the subsidized loan. Borrowers are getting market-rate mortgages (18-24%) because it's better to get their apartment now at a higher rate rather than wait 2-3 years for a subsidized loan.
What is the typical/ average maturity for a mortgage in your country?	Market-rate mortgage loans up to 20 years. AHFP loans up to 30 years.
What is/are the most common ways to fund mortgage lending in your country?	The 2 types of mortgages are funded in the following way: • Subsidized loan under AHFP: 80% of the funding is provided by the Bank of Mongolia from the RMBS repayments from MIK. The remaining 20% is funded by the commercial banks. • Market-rate mortgage: 100% funded by the banks' own funding.

Pakistan

Pakistan Mortgage Refinance Company Ltd

MONGOLIA FACT TABLE

What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Depending on whether the individual purchases a home with a market-rate mortgage or a subsidized mortgage, they pay a 20-30% down payment and finance the remaining payment with a loan. There are costs associated with obtaining a mortgage, such as notary fees, loan research fees, state registration fees for collateral, life and property insurance, and these costs are approximately 1% of the purchase price of the home.
What is the level (if any) of government subsidies for house purchases in your country?	Borrowers purchasing housing with a subsidized housing loan under the AHFP, the government's mortgage loan program, were granted a 3% interest subsidy starting from 2023 if they purchase housing in a rural area (countryside).

PAKISTAN FACT TABLE

Which entities can issue mortgage loans in your country?	Commercial Banks, Housing Finance Companies, Development Finance Institutions, Microfinance Banks, Non-Banking Finance Companies and Micro Finance Institutions
What is the market share of new mortgage issuances between these entities?	New mortgages are predominantly underwritten by Commercial Banks, other entities have a limited share.
Which entities hold what proportion of outstanding mortgage loans in your country?	Commercial Banks PKR 223 bn (1Q 26), HFC PKR 14 bn; As of 1Q, Total Housing Finance number for Micro Finance Banks sector is PKR 43 Bn, out of which only PKR 9 Bn is mortgaged backed and the rest is incremental housing which is largely unsecured credit for a shorter tenor up to 5 years.
What is the typical LTV ratio on residential mortgage loans in your country?	Typical ratio is 85%.
How is the distinction made between loans for residential and non-residential purposes in your country?	Mortgages in Pakistan are only for residential purposes. For commercial enterprises banks use project finance structures . There can be mortgages in the under construction residential project, provided the builder has off-plan financing arrangements with the bank.
What is/are the most common mortgage product(s) in your country?	Housing finance term loans up to 20 years
What is the typical/ average maturity for a mortgage in your country?	8 years
What is/are the most common ways to fund mortgage lending in your country?	Bank deposits
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Up to 15% of the property cost
What is the level (if any) of government subsidies for house purchases in your country?	Currently, a government scheme is ongoing, providing subsidies to banks and offering end consumer rate of 5%

Tanzania

Tanzania Mortgage Refinance Company Limited (TMRC)

TANZANIA FACT TABLE

Which entities can issue mortgage loans in your country?	Commercial Banks and Financial Institutions (Housing Finance Companies) are the primary lenders. TMRC provides wholesale refinancing and pre-financing to these primary lenders but does not lend directly to individuals.
What is the market share of new mortgage issuances between these entities?	As of end of year 2025, outstanding market volume was TZS 744 billion for residential mortgages. The top ten lenders out of 29 primary lenders command roughly 84.52% of the market share amounting to TZS 629 billion. The annual growth was around 12.95% compared to a total of TZS 659.30 billion at the end of year 2024.

Which entities hold what proportion of outstanding mortgage loans in your country?

SNO	MORTGAGE LENDER	NO. OF ACCOUNTS	AMOUNT IN TZS BILLIONS	% MARKET SHARE
1	CRDB BANK PLC	1,653	235.46	31.62%
2	NMB BANK PLC	762	92.97	12.48%
3	AZANIA BANK PLC	467	59.33	7.97%
4	TANZANIA COMMERCIAL BANK PLC	445	46.00	6.18%
5	FIRST HOUSING FINANCE COMPANY LIMITED	313	38.01	5.10%
6	STANBIC BANK TANZANIA LIMITED	164	36.15	4.86%
7	DCB COMMERCIAL BANK PLC	223	36.14	4.85%
8	KCB BANK TANZANIA LIMITED	171	29.40	3.95%
9	EXIM BANK TANZANIA LIMITED	198	28.83	3.87%
10	NATIONAL BANK OF COMMERCE LIMITED	161	27.11	3.64%
11	ABSA BANK TANZANIA LIMITED	127	26.15	3.51%
12	BANK OF AFRICA TANZANIA LIMITED	82	14.50	1.95%
13	NCBA BANK TANZANIA LIMITED	57	11.38	1.53%
14	EQUITY BANK TANZANIA LIMITED	92	11.03	1.48%
15	AMANA BANK LIMITED	153	9.75	1.31%
16	ACCESS BANK TANZANIA LIMITED	76	9.51	1.28%
17	DIAMOND TRUST BANK TANZANIA PUBLIC LIMITED COMPANY	37	8.16	1.10%
18	I & M BANK TANZANIA LIMITED	34	5.55	0.75%
19	AKIBA COMMERCIAL BANK PLC	41	3.63	0.49%
20	PEOPLES BANK OF ZANZIBAR LIMITED	5	3.17	0.43%
21	ECOBANK TANZANIA LIMITED	20	2.52	0.34%
22	MAENDELEO BANK PLC	419	2.17	0.29%
23	BANK OF BARODA TANZANIA LIMITED	18	2.16	0.29%
24	MWANGA HAKIKA BANK LIMITED	22	2.12	0.28%
25	MUCOBA BANK PLC	19	1.57	0.21%
26	MKOMBOZI COMMERCIAL BANK PLC	10	0.64	0.09%
27	TIB DEVELOPMENT BANK LIMITED	8	0.63	0.08%
28	LETSHEGO FAIDIKA BANK TANZANIA LIMITED	7	0.55	0.07%
29	INTERNATIONAL COMMERCIAL BANK TANZANIA LIMITED	3	0.10	0.01%
	TOTAL	**5,787**	**744.68**	**100.00%**

What is the typical LTV ratio on residential mortgage loans in your country?	For house purchase, LTV should not exceed 90%, however the home buyer may exceed the limit up to 100% if they are able to provide additional collateral in the form of fixed deposit, pension entitlement, collateral replacement indemnity (CRI) or Government securities whose total value shall be at least 10% of the value. For Equity release, LTVs may vary from 60% – 80%

TANZANIA FACT TABLE

How is the distinction made between loans for residential and non-residential purposes in your country?	The distinction is driven by the property type, land use and loan purpose.
What is/are the most common mortgage product(s) in your country?	The most common products offered by primary lenders are residential property purchase, refinancing/equity release, home improvement, and recently, construction and semi finishing loans.
What is the typical/ average maturity for a mortgage in your country?	The typical maturity offered by banks is up to 25 years though largely numbers of mortgages are in the range of 5 to 20 years.
What is/are the most common ways to fund mortgage lending in your country?	Mortgage Primary Lenders rely on primary sources such as deposits and internally generated funds and secondary funding sources such as TMRC and DFIs to fund mortgages.
What is the level of costs associated with house purchase in your country (taxes and other transaction costs)?	Buyers typically face transaction costs ranging from 3.5%-9.5% of purchase price for the properties acquired on resale basis while the cost may be a bit higher if the arrangement for a purchase is from a new development above TZS 50 million from a developer. The primary costs are: i Stamp Duty (statutory) – A flat 1% of the approved property value or purchase price (whichever is higher). ii Registration fee (statutory) – Another flat 1% of the approved property value or purchase price (whichever is higher), to be paid before registration of the property transfer, as proof of payment is required to complete the title transfer process. iii Professional and Statutory Fees-This encompasses legal fees (typically 1%-2% of the purchase price), valuation fees (based on location and value), registration fees of 1% under Land Registration Act, and real estate agent commissions (based on the purchase price, could vary between 3% - 5%). iv Title search, verification and clearing of any outstanding land rent arrears v VAT- Standard private resales are exempt. However, buying a newly constructed property from a developer attracts an 18% VAT for the property value above TZS 50mn.
What is the level (if any) of government subsidies for house purchases in your country?	The government provides a subsidy of VAT exemption to home buyers for properties sold by developers for values not exceeding TZS 50 million.

A — THE MORTGAGE MARKET

1. Total Outstanding Residential Loans

Total Amount, End of the Year, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	90,710	96,925	101,169	107,354	112,666	119,774	125,528	135,896	142,173	138,662	136,341	138,136.00
BELGIUM	196,877	207,117	220,114	233,224	246,528	263,419	275,378	291,948	308,579	315,229	323,996	321,800.00
BULGARIA	3,499	3,522	3,700	4,190	4,715	6,384	7,031	8,086	9,390	11,263	14,100	16,863.67
CROATIA	7,998	7,845	6,975	7,017	7,178	7,632	8,260	9,004	9,932	10,840	11,395	13,757.00
CYPRUS	11,655	11,661	11,515	11,123	8,670	8,605	8,649	8,385	8,386	8,339	8,488	8,693.42
CZECHIA	28,732	32,085	34,940	40,555	43,984	48,658	51,174	60,632	65,497	66,410	68,359	76,352.11
DENMARK	239,403	238,848	243,751	250,708	255,215	262,611	270,820	281,740	284,146	277,743	278,687	286,384.47
ESTONIA	6,064	6,323	6,661	7,107	7,603	8,119	8,656	9,449	10,492	11,106	11,967	13,169.20
FINLAND	89,762	91,955	94,056	96,129	97,781	100,354	103,610	107,759	109,315	107,490	105,760	106,272.00
FRANCE	833,120	866,401	899,358	954,226	1,009,562	1,078,645	1,136,990	1,214,582	1,280,950	1,292,144	1,283,174	1,284,701.00
GERMANY	1,237,410	1,279,456	1,326,901	1,378,810	1,445,987	1,530,434	1,629,423	1,744,433	1,842,772	1,871,314	1,891,500	1,930,600.00
GREECE	69,408	67,593	61,397	58,812	56,766	52,707	46,133	30,891	29,753	28,456	26,986	25,654.74
HUNGARY	17,146	14,943	14,024	13,602	13,604	13,715	13,321	14,660	14,204	14,993	15,450	17,490.92
IRELAND	90,593	87,898	86,195	84,045	83,301	81,637	80,891	79,634	78,130	80,213	82,519	94,691.00
ITALY	359,137	362,332	369,520	375,425	378,966	383,515	391,515	409,868	426,953	424,651	426,224	440,522.60
LATVIA	4,703	4,503	4,412	4,362	4,102	4,177	4,178	4,505	4,713	4,790	5,053	5,556.00
LITHUANIA	6,006	6,179	6,597	7,194	7,786	8,457	9,176	10,237	11,471	12,174	12,670	15,160.00
LUXEMBOURG	25,038	26,599	28,314	30,656	33,062	35,651	38,957	42,464	44,596	43,942	43,820	42,735.00
MALTA	3,592	3,905	4,204	4,548	4,949	5,459	5,824	6,459	7,910	8,353	8,170	8,882.09
NETHERLANDS	696,303	703,901	715,680	726,602	740,431	751,902	769,655	806,818	836,390	854,472	890,132	935,946.00
POLAND	82,555	88,390	89,592	93,111	96,728	104,146	104,607	111,423	106,166	110,595	110,593	121,584.38
PORTUGAL	102,469	98,516	95,377	94,093	93,952	93,846	96,176	98,149	101,700	100,370	104,105	108,828.28
ROMANIA	10,105	11,522	12,893	14,262	15,785	16,999	18,354	20,347	21,432	21,218	22,129	23,016.97
SLOVAKIA	17,364	19,714	22,508	25,383	28,271	31,001	33,787	37,677	41,602	39,035	40,749	43,758.83
SLOVENIA	5,348	5,525	5,717	5,976	6,239	6,587	6,862	7,479	8,215	8,272	8,598	8,991.28
SPAIN	552,613	526,105	511,253	497,711	494,459	487,561	481,913	487,146	486,890	471,915	474,501	491,547.64
SWEDEN	339,152	375,277	387,000	401,977	409,876	423,397	469,091	485,635	470,048	476,323	466,702	506,935.67
EURO AREA 20	4,389,099	4,462,590	4,559,506	4,689,983	4,847,042	5,036,226	5,235,596	5,512,438	5,757,901	5,803,830	5,845,987	5,903,907.31
EU 27	5,117,689	5,235,022	5,352,379	5,515,406	5,694,126	5,919,770	6,178,254	6,503,965	6,738,716	6,782,375	6,871,280	7,115,990
ICELAND	9,167	9,688	11,851	12,091	12,351	13,104	12,711	14,952	15,889	17,114	18,974	19,796.00
NORWAY	241,128	242,633	274,257	270,151	280,500	298,318	299,365	328,387	324,846	312,510	306,279	316,806.00
SWITZERLAND	763,933	853,457	884,018	832,915	896,413	960,608	n/a	n/a	n/a	n/a	n/a	
UNITED KINGDOM	1,612,453	1,755,378	1,546,503	1,542,945	1,574,861	1,709,024	1,669,740	1,861,750	1,827,277	1,862,971	1,983,868	2,011,904.00
AUSTRALIA	1,025,000	1,083,893	1,173,469	1,144,937	1,127,950	1,133,735	1,291,720	1,419,737	1,379,141	1,446,951	1,364,504	1,444,571.40
BRAZIL	135,687	117,305	157,747	143,958	134,780	141,340	111,840	129,174	164,836	193,730	181,678	202,982.72
CANADA	896,116	887,681	1,004,421	996,750	991,832	1,123,183	1,100,173	1,373,068	1,495,894	1,455,094	1,530,129	1,434,892.15
JAPAN	1,275,745	1,431,968	1,550,537	1,451,780	1,601,853	1,702,550	1,689,996	1,689,435	1,606,115	1,480,502	1,405,782	1,273,407.00
RUSSIA	56,579	56,366	78,449	83,379	88,621	120,740	111,767	151,272	191,161	191,205	188,845	221,572.90
SINGAPORE	81,663	88,973	94,261	94,862	100,555	102,563	96,339	109,271	122,148	121,321	127,749	193,115.00
SOUTH KOREA	422,800	498,377	563,852	601,734	632,255	650,224	682,787	731,245	753,952	742,393	733,511	788,326.00
TURKEY	44,270	45,096	44,167	42,105	31,208	29,982	30,637	19,621	18,035	13,527	n/a	11,894.40
USA	11,526,568	12,854,235	13,276,165	11,668,812	12,222,189	12,457,189	11,404,454	12,356,000	13,120,576	12,664,621	11,506,016	13,783,200.00

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Federal Reserve*

Time series breaks:
- Cyprus: 2004 (reclassification of loans)
- Ireland: 2010 (different definition used from 2010 - see Table-specific notes below)
- Italy: 2010 (due to a change of methodology)
- Luxembourg: 2003 (due to a change in the statistical source)
- Netherlands: 2006 (due to a change of methodology)
- Norway: 2009 (due to a change in methodology)
- Malta: 2005 (due to a change in the statistical source), before 1999 aggregate data residential and commercial
- Poland: 2007 (due to a change of methodology)
- Romania: 2007 (due to a change of methodology)
- Slovakia: 2006 (due to a change of methodology)
- Spain: 1999 (due to a change in methodology)
- Sweden: 2004 (due to a change in the statistical source)
- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Australia, Canada, Japan

Table-specific notes:
- For further details on the methodologies, please see "Annex: Explanatory Note on data"
- Please note that the conversion to euros is based on the bilateral exchange rate at the end of the period (provided by the ECB and Bloomberg)
- Please note that due to the conversion to euros, changes observed for countries not belonging to the euro area may be due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used, on Table 30 of this publication.
- For Turkey the entire series has been updated
- For Ireland, this series includes all housing loans until 2009. From 2010, this series represents only housing loans for owner-occupied dwellings.
- For Malta, this series does not include non-resident lending
- For Japan, the reference year is the Japanese Fiscal year, from April to March
- For Spain the series from 1999 has been updated and refers total residential mortgage loans (only backed up by a mortgage)
- For the US, all mortgage credit lending series has been discontinued by the source as of 2019

2. Change in Outstanding Residential Loans

End of period, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	3,088	6,215	4,244	6,185	5,312	7,108	5,754	10,368	6,277	-3,511	-8,662	1,795
BELGIUM	7,393	10,240	12,997	13,110	13,304	16,891	11,959	16,570	16,631	7,028	8,390	-2,196
BULGARIA	-8	23	178	491	525	1,669	647	1,055	1,304	1,873	2,837	2,764
CROATIA	-194	-130	-787	153	190	430	512	744	928	908	555	2,362
CYPRUS	-199	6	-146	-392	-2,453	-65	44	-264	1	-47	149	205
CZECHIA	1,510	3,353	2,855	5,616	3,428	4,675	2,516	9,457	4,865	913	1,949	7,994
DENMARK	7,553	-555	4,903	6,957	4,507	7,396	8,208	10,920	2,406	-6,402	944	7,697
ESTONIA	168	259	338	446	496	516	537	794	1,042	615	861	1,202
FINLAND	1,449	2,193	2,101	2,073	1,652	2,573	3,256	4,149	1,556	-1,825	-1,730	512
FRANCE	18,493	33,281	32,957	54,868	55,336	69,083	58,345	77,592	66,368	11,194	-8,970	1,527
GERMANY	28,588	42,046	47,445	51,909	67,177	84,447	98,989	115,010	98,340	28,541	20,186	39,100
GREECE	-1,646	-1,815	-6,196	-2,585	-2,046	-4,059	-6,574	-15,242	-1,138	-1,297	-1,470	-1,332
HUNGARY	-1,353	-2,203	-919	-423	3	111	-395	1,339	-456	789	457	2,041
IRELAND*	-4,269	-2,695	-1,703	-2,150	-744	-1,664	-746	-1,257	-1,504	2,083	2,306	12,172
ITALY	-2,253	3,195	7,188	5,905	3,541	4,549	8,001	18,353	17,085	-2,303	1,573	14,299
LATVIA	-359	-200	-91	-50	-260	75	1	327	208	77	263	503
LITHUANIA	160	172	416	589	585	669	717	1,061	1,234	703	496	2,490
LUXEMBOURG	1,649	1,561	1,715	2,342	2,408	2,569	3,325	3,507	2,132	-654	-35,772	-1,085
MALTA	314	313	299	344	401	510	365	635	1,451	443	-183	712
NETHERLANDS	2,205	6,654	10,355	9,568	12,586	9,887	15,670	37,163	29,572	18,082	35,660	45,814
POLAND	1,743	5,835	1,202	3,520	3,616	7,419	460	6,817	-5,257	4,427	5,452	10,991
PORTUGAL	-4,116	-3,953	-3,139	-1,284	-141	-106	2,330	1,973	3,551	-1,330	3,735	4,723
ROMANIA	848	1,417	1,371	1,369	1,523	1,214	1,355	1,993	1,085	-214	911	888
SLOVAKIA	2,060	2,350	2,794	2,875	2,888	2,730	2,786	3,890	3,925	-2,567	1,714	3,010
SLOVENIA	41	177	192	259	263	348	173	617	736	57	326	393
SPAIN	-17,079	-26,508	-14,852	-13,542	-3,252	-6,899	-5,647	5,233	-256	-14,975	2,586	17,047
SWEDEN	-1,227	36,125	11,722	14,977	7,883	13,538	45,568	16,544	-15,587	6,275	-9,621	40,233
EURO AREA 20	35,686	73,490	96,913	130,470	157,053	189,162	199,285	276,842	245,463	45,929	42,157	57,920
EU 27	44,557	117,355	117,438	163,130	178,728	225,615	258,158	325,711	234,751	43,660	88,904	244,710
ICELAND	225	522	2,162	240	260	753	1,500	2,241	937	1,225	1,860	822
NORWAY	-4,322	1,506	31,624	-4,107	10,350	17,817	1,047	29,022	-3,541	-12,336	-6,231	10,527
SWITZERLAND	43,867	89,524	30,561	-51,103	63,498	64,195	n/a	n/a	n/a	n/a	n/a	n/a
UNITED KINGDOM	129,031	142,925	-208,875	-3,558	31,916	134,164	-39,285	192,010	-34,472	35,694	120,897	28,036
AUSTRALIA	29,249	456,449	87,968	17,107	-9,087	18,807	48,889	113,749	76,574	-14,271	5,263	80,067
BRAZIL	30,503	-16,717	40,441	-13,789	-9,177	6,561	-29,501	17,334	35,662	28,894	-12,052	21,305
CANADA	78,511	-8,435	116,739	-7,670	-4,918	131,351	n/a	100,109	n/a	8,725	-204,206	-95,236
JAPAN	7,033	157,063	119,254	-99,135	151,099	102,339	-20,120	-561	-83,320	-125,613	n/a	-132,375
RUSSIA	-10,659	-213	22,083	4,930	5,242	32,120	-8,970	39,504	39,933	5,362	-7,721	32,728
SINGAPORE	11,794	7,310	5,288	601	5,693	2,008	-6,224	12,932	12,878	29,887	7,397	65,366
SOUTH KOREA	68799	75576	65475	37882	30521	17969	32563	48458	22707	-11,559	-8,882	54,815
TURKEY	7,222	827	-930	-2,062	-10,896	-1,226	655	-11,016	-1,586	-4,509	n/a	n/a
USA	1,379,076	1,327,667	421,930	-1,607,354	553,377	235,000	-1,052,734	951,546	764,575	-455,955	-1,158,605	2,277,184

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Federal Reserve*

Time series breaks:

- See Table 1

- n/a: figure not available

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the time series are the result of the variation between two consecutive amounts of outstanding mortgage loans.
- Please note that the conversion to euros is based on the bilateral exchange rate at the end of the period (provided by the ECB and Bloomberg)
- Please note that due to the conversion to euros, changes observed for countries not belonging to the euro area may be due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used, on Table 30 of this publication.

3. Gross Residential Loans

Total Amount, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	16,877	21,166	20,363	28,130	28,106	30,568	38,069	37,204	34,606	21,471	22,781	29,849
BELGIUM	29,441	36,155	36,554	33,568	34,895	43,805	36,115	45,549	39,584	27,589	29,840	37,900
BULGARIA	697	973	1,157	1,620	1,709	1,793	2,013	2,767	3,417	3,869	5,387	7,121
CROATIA	530	669	1,721	663	974	1,159	1,592	1,595	2,662	2,703	2,447	4,882
CYPRUS	480	268	543	720	869	874	783	1,121	1,178	1,016	1,087	1,993
CZECHIA	6,446	7,984	10,384	11,207	11,871	10,694	10,062	17,915	6,995	5,417	9,771	28,174
DENMARK	35,303	50,700	40,526	40,661	39,100	74,476	55,830	56,922	69,878	60,833	34,405	47,564
ESTONIA	819	942	1,038	1,206	1,315	1,399	1,368	1,899	2,207	1,783	2,056	2,543
FINLAND	17,540	33,307	29,511	30,982	33,970	33,705	38,088	32,461	27,933	26,125	26,436	21,971
FRANCE	112,900	213,700	252,500	268,500	203,600	247,500	250,600	275,200	259,500	153,100	132,700	171,300
GERMANY	177,100	208,600	209,400	214,300	227,800	245,000	269,700	299,600	273,500	196,300	205,900	239,100
GREECE	n/a	447	471	518	553	587	640	973	1,197	1,189	1,430	2,145
HUNGARY	885	1,343	1,688	2,352	2,875	3,012	2,844	3,524	3,273	1,796	3,511	5,218
IRELAND	3,855	4,848	5,656	7,286	8,722	9,540	8,365	10,467	14,057	12,088	12,568	14,483
ITALY	31,848	61,850	79,092	70,499	67,860	71,616	76,338	79,049	69,450	68,544	60,378	73,325
LATVIA	247	271	363	419	714	546	1,095	884	1,208	992	1,398	2,886
LITHUANIA	541	1,051	1,219	1,341	1,460	1,479	1,581	2,196	2,443	2,175	3,299	6,067
LUXEMBOURG	5,694	6,347	7,134	7,250	8,680	9,407	10,685	11,243	9,337	5,299	n/a	984
MALTA	55	241	279	98	642	493	787	1,569	1,576	833	929	1,557
NETHERLANDS	48,550	63,474	80,977	100,972	107,080	122,626	138,957	163,181	154,114	107,240	138,754	173,648
POLAND	8,003	9,850	9,389	10,695	11,810	12,270	13,037	18,908	10,394	12,893	19,619	21,451
PORTUGAL	2,313	4,013	5,790	8,259	9,903	10,950	12,056	15,774	17,384	24,519	24,519	28,730
ROMANIA	1,542	2,516	2,470	2,656	2,688	2,696	2,504	3,953	3,840	3,069	4,597	5,300
SLOVAKIA	5,840	6,362	9,865	8,019	9,363	11,323	12,240	15,736	20,185	9,641	14,339	23,504
SLOVENIA	633	886	1,059	1,118	1,068	1,130	1,512	2,008	2,196	1,143	1,375	2,153
SPAIN	26,800	35,721	37,492	38,861	43,056	43,591	43,970	59,425	65,220	56,396	67,952	82,748
SWEDEN	51,168	60,761	59,341	59,871	55,755	55,165	61,206	68,059	64,146	44,981	52,548	58,663
EURO AREA 20	481,513	698,207	778,025	826,045	786,140	879,722	938,264	1,046,662	982,355	709,433	732,953	929,907
EU 27	587,996	833,317	904,836	956,180	913,855	1,041,896	1,092,851	1,226,643	1,146,778	842,290	862,790	1,095,258
ICELAND	994	1,769	11,562	13,978	16,558	n/a	n/a	n/a	n/a	3,487	5,009	n/a
UNITED KINGDOM	252,301	305,534	300,855	296,364	303,739	306,465	276,178	358,374	367,250	257,201	291,874	322,251
AUSTRALIA	224,757	242,678	239,637	250,892	218,192	228464.6	269354.2	396114	398095.4	360266.9	388779.9	432112
BRAZIL	49,698	33,554	25,618	26,821	25,988	29,352	29,579	39,932	44,264	46,708	48,747	47,449
CANADA	172,343	218,526	228,136	223,819	189,081	216,977	318,566	346,863	273,950	229,324	264,316	358,580
JAPAN	136,253	148,309	202,497	166,748	157,653	171,814	172,041	166,558	147,459	133,680	121,133	n/a
RUSSIA	34,623	17,065	19,873	30,664	40,695	40,506	53,729	65,397	60,755	77,618	42,257	47340.53864
TURKEY	12,566	15,464	17,078	16,611	6,872	8,808	15,680	7,437	7,139	5,535	3,033	3,700
USA	1,524,778	1,854,523	1,921,236	1,914,869	1,869,924	2,010,612	1,992,965	1,886,369	2,275,160	2,353,662	1,458,656	1,657,171

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Japan Housing Finance Agency, Federal Reserve, Inside Mortgage Finance, FRED*

Time series breaks:
- France: 2007
- The Netherlands: 2003 (change of source); 2004-2007 (change of methodology)
- USA: 2006
- Luxembourg: 2023 (change of source)

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Australia, Austria, Canada, Greece, Japan, Latvia, Malta, Slovakia, Turkey, USA

Table-specific notes:
- For further details on the methodologies, please see "Annex: Explanatory Note on data"
- Please note that the conversion to euros is based on the yearly average bilateral exchange rate (provided by the ECB)
- Please note that due to the conversion to euros, changes observed for countries not belonging to the euro area may be due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used, on Table 30 of this publication.
- Data includes internal remortgaging for the following countries: Slovakia and Italy
- For Austria and Turkey the figure includes only new loans
- For Belgium the figure also includes external remortgaging
- For Spain the figure also includes credits to households.
- For Sweden only residential lending from mortgage credit institutions is included. Lending by banks is not included in the above. However, mortgage credit institutions are estimated to constitute around 75% of the total residential mortgage credit market.
- For Denmark the figure does not include second homes
- For Japan, the reference year is the Japanse Fiscal year, from April to March
- For US, the credit mortgage lending series has been discontinued by the source as of 2019
- ECB is the data source (rather than National Experts) for: Austria, Croatia, France, Lithuania, Italy

4. Representative Interest Rates on New Residential Loans

Annual average based on monthly figures, %

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	2.29	2.02	1.92	1.89	1.84	1.63	1.34	1.20	1.87	3.87	3.89	3.22
BELGIUM	3.17	2.49	2.11	2.09	1.91	1.78	1.57	1.46	2.14	3.59	3.41	3.90
BULGARIA	6.69	5.89	4.99	4.00	4.64	3.51	3.52	3.27	3.11	3.53	2.95	2.47
CROATIA	5.05	5.07	4.78	3.80	3.52	3.07	2.93	2.65	2.55	3.26	3.73	3.04
CYPRUS	4.43	3.59	3.06	2.77	2.41	2.12	2.10	2.17	2.55	4.13	4.70	3.95
CZECHIA	2.56	2.33	2.07	2.11	2.49	2.62	2.22	2.27	4.61	5.88	5.16	4.655
DENMARK	1.29	1.09	1.15	1.00	0.81	0.66	0.69	0.69	1.29	4.55	4.73	3.25
ESTONIA	2.43	2.25	2.28	2.34	2.59	2.54	2.48	2.15	2.68	5.36	5.02	3.60
FINLAND	1.80	1.35	1.16	0.95	0.86	0.73	0.69	0.77	1.85	4.42	3.99	2.86
FRANCE	2.96	2.32	1.88	1.60	1.55	1.36	1.26	1.15	1.47	3.03	3.41	3.03
GERMANY	2.49	1.95	1.76	1.83	1.87	1.52	1.25	1.26	2.51	4.00	3.79	3.66
GREECE	2.94	2.62	2.74	2.78	3.01	3.11	2.85	2.78	3.14	4.10	4.06	3.59
HUNGARY	8.48	6.21	5.32	4.70	4.43	4.86	4.56	4.43	7.35	9.20	7.28	6.5
IRELAND	3.42	3.49	3.26	3.19	3.01	2.93	2.81	2.73	2.71	3.78	4.04	3.5
ITALY	2.83	2.50	2.02	1.90	1.89	1.44	1.25	1.40	3.01	4.42	3.11	3.25
LATVIA	3.38	3.18	3.21	2.82	2.82	2.67	2.62	2.39	2.98	5.53	5.44	4.05
LITHUANIA	2.15	1.88	1.95	2.01	2.22	2.37	2.33	2.16	2.78	5.45	5.24	3.89
LUXEMBOURG	2.02	1.86	1.68	1.74	1.75	1.53	1.34	1.32	2.01	4.07	3.96	3.71
MALTA	2.85	2.99	2.84	2.83	2.71	2.58	2.60	3.01	2.87	2.85	2.60	2.45
NETHERLANDS	3.37	2.95	2.56	2.41	2.38	2.18	1.81	1.63	2.34	4.03	3.93	3.57
POLAND	4.10	4.40	4.40	4.40	4.40	4.32	3.47	3.06	7.70	8.32	7.65	6.93
PORTUGAL	3.21	2.38	1.95	1.65	1.41	1.26	1.08	0.83	1.78	4.03	3.67	3.41
ROMANIA	5.06	3.99	3.46	3.70	5.16	5.45	5.12	4.12	5.15	7.29	6.44	5.87
SLOVAKIA	3.39	2.72	1.97	1.82	1.58	1.41	1.17	1.02	1.93	4.30	4.42	3.48
SLOVENIA	2.92	2.55	2.29	2.46	2.45	2.21	2.01	1.71	3.65	3.96	3.60	2.86
SPAIN	2.96	2.24	2.01	1.95	1.97	1.99	1.73	1.49	1.97	3.75	3.35	2.73
SWEDEN	2.24	1.66	1.60	1.58	1.50	1.52	1.48	1.35	2.34	4.34	4.14	2.93
ICELAND	3.86	4.19	4.10	4.06	3.98	3.62	2.75	2.43	2.27	3.30	4.00	4.50
NORWAY	3.78	2.86	2.43	2.50	2.45	2.75	2.12	1.79	2.82	4.86	5.67	5.43
SWITZERLAND	1.89	1.77	1.63	1.53	1.45	1.37	1.27	1.19	1.33	1.72	1.53	1.32
UNITED KINGDOM	3.12	2.62	2.34	2.03	2.11	2.25	2.00	2.11	2.56	4.81	4.88	4.53
AUSTRALIA	5.08	4.83	4.51	5.51	4.65	4.15	3.65	3.45	5.97	5.75	5.93	5.76
BRAZIL	9.30	10.10	10.80	9.10	8.00	7.70	7.20	7.20	10.00	10.40	9.40	10.56
CANADA	3.05	2.70	2.70	2.89	3.44	3.30	2.55	n/a	n/a	n/a	n/a	4.16
JAPAN	1.62	1.52	1.06	1.23	1.36	1.21	1.31	1.33	1.60	1.82	1.85	1.97
RUSSIA	12.45	13.35	12.48	10.64	9.56	9.87	7.68	7.47	7.12	8.18	8.66	7.70
SOUTH KOREA	3.55	3.03	2.91	3.27	3.39	2.74	2.50	2.94	4.24	4.37	3.90	4.06
TURKEY	11.86	12.31	13.25	12.14	19.30	17.75	12.47	17.83	19.11	29.32	42.79	41.43
USA	4.17	3.85	3.65	3.99	4.54	3.94	3.11	2.96	5.34	6.81	4.20	6.60

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Japan Housing Finance Agency, Federal Reserve*

Time series breaks:

- Czech Republic: 2013 (source was changed from 2013 to the Central Bank data)
- Croatia: 2012 (new series from 2012 onwards due to revised methodology)
- Iceland: 2005 (in 2004, the average is based on data between September and December)
- Romania: 2014 (change in the methodology of the NBR to reflect the changes in granting mortgages by currency)
- Slovakia: 2009 (before 2009, the reference currency for the interest rate was SKK)
- Slovenia: 2007 (before 2007, the reference currency for the interest rate was SIT)
- Sweden: 2005 (before 2005, the average was calculated with quarterly data)
- Japan: 2003 (the underlying mortgage products changed due to a succession of government agencies dealing with housing finance in Japan)

- n/a : figure not available

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- For national definitions of representative interest rates on new residential loans, please see the methodological Annex ("Explanatory Note on data")
- Type: The type of new residential loan related to the published representative interest rate is provided in the column "type". There are 6 main types:
  (1) Weighted average interest rate on loans to households for house purchase
  (2) Initial fixed period interest rate up to 1 year on loans for house purchase
  (3) Initial fixed period interest rate over 1 and up to 5 years on loans for house purchase
  (4) Initial fixed period interest rate over 5 and up to 10 years on loans for house purchase
  (5) Initial fixed period interest rate of over 10 years on loans for house purchase
  (6) Other
- For Iceland the number represents real interest rate

5. Amount of Gross Lending with a Variable Interest Rate

Fixation period of up to 1 year, %

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	84.0	76.1	63.6	51.8	43.5	43.6	37.6	38.0	39.6	39.7	23.1	3.32
BELGIUM	4.2	0.6	0.9	1.4	6.7	6.4	5.1	5.1	7.8	7.6	7.1	n/a
BULGARIA	96.1	93.4	97.2	98.5	98.6	99.0	98.1	98.2	95.0	99.8	99.0	99.54
CROATIA	72.2	77.5	50.7	30.7	15.7	13.3	20.3	14.9	9.0	8.6	3.8	3.25
CYPRUS	91.7	95.1	96.1	97.9	94.8	93.2	92.7	97.9	n/a	66.6	51.6	19.8
CZECHIA	8.5	5.8	4.1	2.7	3.0	3.1	2.4	2.5	5.0	6.8	n/a	n/a
DENMARK	23.0	14.1	17.8	19.2	15.5	18.9	25.7	24.1	38.7	n/a	38.5	39.41
ESTONIA	88.2	89.3	89.4	88.9	88.6	89.9	86.8	90.7	93.0	94.4	96.6	*97.6
FINLAND	93.7	92.9	92.5	95.2	96.3	96.6	96.9	95.6	95.5	93.3	96.2	95.5
FRANCE	4.2	2.0	1.1	0.6	0.6	0.6	0.5	0.5	0.8	1.0	4.0	3.2
GERMANY	15.8	12.4	12.0	11.4	11.7	11.0	10.5	9.7	11.0	15.6	11.8	11.8
GREECE	90.3	92.4	85.6	82.0	85.7	83.9	61.6	56.5	44.4	34.2	29.6	34.5
HUNGARY	47.1	45.0	41.9	41.0	16.0	7.0	1.2	0.7	0.7	1.0	23.4	19.8
IRELAND	86.6	66.0	65.4	49.5	39.0	26.9	22.8	19.8	10.8	13.3	30.5	20.1
ITALY	77.7	47.9	37.5	33.3	33.3	29.4	18.5	17.1	40.0	35.5	11.4	11.7
LATVIA	96.3	95.3	92.7	93.8	95.7	95.8	94.5	95.6	93.9	91.9	91.9	95.4
LITHUANIA	89.2	88.1	85.8	91.1	97.3	98.4	97.2	97.6	96.0	97.1	97.5	87.05
LUXEMBOURG	74.8	52.1	45.0	42.3	46.9	39.0	33.9	35.0	46.2	42.6	39.0	43.7
MALTA	72.8	72.4	72.2	74.2	62.7	44.4	57.7	65.5	65.4	53.4	n/a	34.8
NETHERLANDS	19.6	14.5	13.7	13.7	16.2	18.6	14.8	11.8	14.3	21.1	15.7	17.07
POLAND	100.0	100.0	100.0	100.0	100.0	100.0	97.0	93.7	47.7	30.7	21.9	26.70
PORTUGAL	92.3	92.1	66.4	60.3	65.0	71.7	67.9	85.5	76.5	24.1	22.0	23.32
ROMANIA	88.0	85.0	93.0	93.0	75.0	77.0	71.0	73.0	60.0	55.0	32.0	27
SLOVAKIA	4.0	2.7	3.0	1.4	1.2	1.4	2.1	1.9	2.5	3.4	5.0	3.89
SLOVENIA	97.8	66.0	53.0	46.2	45.7	54.3	41.0	13.2	7.7	1.5	2.5	1.5
SPAIN	64.5	62.9	46.3	42.4	36.3	35.5	34.0	25.1	23.6	18.3	12.3	7.8
SWEDEN	75.7	73.0	76.0	71.7	68.8	59.3	48.4	43.5	63.7	76.5	85.0	75.91
NORWAY	93.0	90.0	92.0	98.0	97.0	97.0	98.0	99.0	99.0	99.0	97.1	96
UNITED KINGDOM	13.2	15.8	16.0	11.5	7.5	7.9	8.6	6.4	5.1	14.8	7.8	1.46
ICELAND		38.5	52.8	55.5	49.3	60.2	64.9	52.3	45.5	69.1	59.8	n/a
CANADA	26.9	33.7	18.3	18.4	27.6	10.9	20.8	43.9	44.3	10.3	14.9	35.6
JAPAN	52.5	56.5	50.2	50.7	60.5	63.1	70.0	76.2	77.9	84.3	83.5	n/a
SOUTH KOREA	n/a	n/a	61.0	71.1	64.8	53.0	63.8	76.8	75.3	41.8	37.9	n/a

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Statistical Data Warehouse - ECB (dataset RAI.M.LU.SVLHPHH.EUR.MIR.Z) - https://data.ecb.europa.eu/data/datasets/RAI/RAI.M.LU.SVLHPHH.EUR.MIR.Z, CMHC, Residential Mortgage Industry Report - Spring 2026, Figure 6, Statistics Canada, Table 10-10-0006-01, Bank of Canada*

• n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

• Canada, Denmark, Estonia, Hungary, Italy, Japan, Latvia

Table-specific notes:

• The data has been validated with the dataset provided by the European Central Bank

6. Average Amount of a Mortgage Granted

EUR

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
BELGIUM	138,084	144,159	149,126	154,717	158,649	162,494	176,622	184,317	195,849	192,355	196,056	187,632.00
CZECHIA	n/a	n/a	n/a	n/a	n/a	n/a	55,220	61,356	76,695	101,237	99,703	167,770.16
BULGARIA	61,334.08	67,243.26	70,527.51	76,636.98	86,274.95	89,895.27	102,362.36	127,262.81	124,575.60	126,392.42	144,205.13	120,000.00
DENMARK	132,820	138,767	142,238	145,861	149,845	154,635	164,356	174,231	178,463	177,459	180,451	n/a
ESTONIA	37,079	37,894	39,081	40,521	42,195	43,719	45,802	49,902	54,535	57,915	62,177	147,400.00
FINLAND	94,171	95,735	97,215	98,735	100,030	104,792	108,449	110,553	113,793	114,800	114,487	n/a
FRANCE	145,313	149,018	153,857	161,350	170,187	179,050	180,036	190,170	207,537	196,800	183,354	193,104.68
GERMANY	n/a	209,000	n/a	240,000	n/a	277,000	n/a	338,000	n/a	340,900	354,600	372,900.00
GREECE	n/a	n/a	n/a	n/a	n/a	n/a	n/a	73,157	78,812	68,682	70,281	89,397.00
HUNGARY	15,322	15,484	17,339	18,759	23,833	24,285	25,053	33,192	29,390	33,783	42,300	56,244.49
IRELAND	174,269	180,963	191,719	209,373	216,941	222,965	234,869	240,654	267,072	277,342	292,079	312,600.00
LATVIA	30,315	31,390	25,206	34,276	37,407	72,000	76,000	84,000	84,000	83,000	87,000	95,000.00
NETHERLANDS	247,394	254,266	224,392	243,455	261,502	277,879	291,919	316,755	339,115	364,640	359,500	373,000.00
POLAND	49,364	50,633	50,562	57,369	59,493	64,658	66,523	73,188	72,479	82,644	98,791	104,500.00
ROMANIA	33,306	34,418	35,632	39,299	41,899	43,472	40,308	50,380	53,391	53,718	57,697	67,815.54
SLOVAKIA	62,091	59,035	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
SPAIN	102,253	106,736	109,785	117,199	124,265	125,615	134,738	137,920	144,914	141,827	145,482	163,767.00
ICELAND	72,003	52,278	96,354	120,664	121,582	n/a	n/a	216,241	212,288	205,726	221,477	n/a
NORWAY	188,612	173,123	173,276	190,913	184,280	186,558	186,597	199,227	211,194	189,665	190,092	306,383.00
UNITED KINGDOM	206,027	241,876	222,875	214,301	216,765	225,184	239,492	260,780	278,403	258,506	282,682	208,415.00
AUSTRALIA	220,594	239,968	244,373	245,927	243,527	282,796	299,274	351,451	395,761	364,644	388,415	395,308.00
BRAZIL	50,102	37,528	32,628	41,056	33,786	38,502	38,708	38,850	40,912	47,017	41,416	42,089.57
CANADA	231,197	247,453	266,338	279,653	274,620	266,464	294,735	345,822	354,108	325,315	337,249	357,174.00
JAPAN	231,274	253,220	290,624	283,245	281,104	312,573	324,727	311,303	236,611	213,060	194,083	198,533.00
RUSSIA	34,185	24,396	23,201	28,211	31,047	30,874	30,176	34,265	48,923	41,326	32,429	n/a
TURKEY	21,509	22,530	22,476	33,525	24,378	25,165	27,351	24,852	24,476	31,551	28,684	29,496.00

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Japan Housing Finance Agency*

- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Australia, Canada, Czechia, Japan, Latvia, Netherlands, Turkey

Table-specific notes:

- Please note that the conversion to euros is based on the yearly average bilateral exchange rate (provided by the ECB)
- Please note that due to the conversion to euros, changes observed for countries not belonging to the euro area may be due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used, on Table 30 of this publication.
- For Belgium it represents the average of the year for the purchase of a dwelling
- For Denmark the statistics includes only owner occupation from mortgage banks
- For Germany the statistics contain average amount of a mortgage for the purchase of a second hand single family house
- For the UK the figure represents the median advance mate to home-owner for house purchase activity

7. Total Outstanding Non-Residential Mortgage Loans

Total Amount, End of the Year, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CZECHIA	13,544	14,435	16,446	19,358	19,997	29,510	11,850	12,450	13,820	14,210	15,100	16,050
DENMARK	151,264	143,427	148,532	148,608	149,845	154,635	164,356	160,316	131,138	155,963	169,547	168,450
ESTONIA	3,250	3,339	3,509	3,382	2,393	3,501	3,716	3,941	4,406	4,719	5,349	4,180
FINLAND	19,501	20,713	22,117	24,129	26,493	28,406	29,850	22,400	23,100	22,850	23,400	24,150
GERMANY	247,345	250,310	249,295	261,102	265,796	299,137	316,469	218,358	228,524	228,498	229,071	321,500
GREECE	n/a	n/a	n/a	n/a	n/a	n/a	11,200	11,850	12,400	13,100	13,850	14,600
HUNGARY	n/a	n/a	n/a	n/a	n/a	n/a	7,120	7,850	8,420	8,900	9,450	10,100
IRELAND	25,108	22,737	20,493	17,890	14,211	10,966	14,800	14,200	13,600	12,900	12,400	12,200
ITALY	79,915	87,372	81,591	n/a	n/a	n/a	142,500	138,400	134,100	131,800	135,200	139,400
LATVIA	2,034	1,898	2,255	2,025	1,664	n/a	2,150	2,280	2,410	2,550	2,680	2,820
MALTA	1,391	1,228	1,252	1,286	1,399	1,533	1,820	1,980	2,150	2,310	2,480	2,650
NETHERLANDS	n/a	n/a	n/a	n/a	n/a	n/a	74,200	72,800	71,100	69,500	72,100	75,300
POLAND	13,055	13,952	13,616	18,532	16,187	16,230	19,606	18,632	18,686	18,938	18,479	23,100
ROMANIA	17,763	16,887	15,409	14,189	14,427	15,000	14,986	15,410	17,605	18,942	98,999	10,900
SPAIN	134,581	129,690	115,889	185,105	166,228	156,024	150,562	139,701	131,310	127,571	124,938	104,800
ICELAND	11,092	n/a	n/a	n/a	n/a	n/a	3,150	3,420	3,780	3,950	4,120	4,350
NORWAY	13,550	13,027	13,752	13,399	19,556	19,215	19,012	48,200	51,400	52,800	55,100	57,800
AUSTRALIA	524,797	558,371	599,575	589,029	588,282	610,387	186,000	199,200	214,800	225,000	232,800	241,200
BRAZIL	20,555	16,862	20,783	15,034	10,439	7,490	22,100	23,800	26,200	28,100	29,500	31,200
CANADA	280,904	291,451	339,483	345,150	379,414	439,130	424,700	441,440	463,760	478,640	492,900	507,160
JAPAN	190,401	232,126	257,421	247,373	268,369	277,828	424,700	441,440	463,760	478,640	492,900	507,160
RUSSIA	2,573	1,711	1,693	1,081	1,773	2,765	2,190	24,100	26,800	25,400	23,800	22,500
SINGAPORE	27,522	31,144	31,753	30,950	30,481	30,284	97,979	103,499	109,019	113,159	117,989	122,819
USA	2,916,811	3,478,185	3,831,895	3,462,965	3,988,682	n/a	2,714,000	2,870,400	3,082,000	3,229,200	3,330,400	3,413,200

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Federal Reserve*

Time series breaks:
- Latvia: 2003 (due to a change in the statistical source)

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Australia, Brazil, Canada, Czechia, Finland, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Malta, Netherlands, Norway, Russia, Singapore, USA

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the conversion to euros is based on the bilateral exchange rate at the end of the period (provided by the ECB and Bloomberg)
- Please note that due to the conversion to euros, changes observed for countries not belonging to the euro area may be due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used, on Table 30 of this publication.
- For US, the credit mortgage lending series has been discontinued by the source as of 2019.

8. Total Outstanding Residential Loans to GDP Ratio

%

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	27.2	28.2	28.3	29.1	29.2	30.2	33.0	33.5	31.8	29.1	27.0	26.9
BELGIUM	48.9	49.7	51.2	52.4	53.6	55.0	59.8	57.5	55.7	54.0	52.8	60.54
BULGARIA	8.1	7.7	7.6	8.0	8.4	10.4	11.4	11.4	10.9	12.0	13.6	14.5
CROATIA	17.9	17.1	14.7	14.2	13.8	13.6	16.2	15.3	14.5	14.2	13.3	14.8
CYPRUS	67.0	65.2	60.8	54.9	40.1	37.1	39.2	33.6	30.2	28.0	25.3	23.8
CZECHIA	18.2	18.9	19.7	20.9	20.8	21.6	23.7	25.4	23.7	21.7	21.4	21.6
DENMARK	90.1	87.5	86.1	85.0	84.4	84.8	87.0	82.1	74.7	74.3	70.2	69.8
ESTONIA	30.2	30.6	30.6	29.8	29.4	29.0	31.6	30.3	29.1	29.5	30.3	31.6
FINLAND	43.4	43.5	43.2	42.5	41.9	41.8	43.5	43.0	40.8	38.7	38.3	36.8
FRANCE	38.8	39.4	40.3	41.5	42.7	44.2	49.1	48.5	48.5	46.1	43.9	43.0
GERMANY	42.3	42.3	42.3	42.2	42.9	44.1	47.9	48.2	47.5	45.4	43.9	43.2
GREECE	39.2	38.3	35.2	33.2	31.6	28.7	28.0	17.0	14.4	12.9	11.4	10.3
HUNGARY	16.1	13.2	12.1	10.7	10.0	9.4	9.7	9.5	8.4	7.6	7.5	8.1
IRELAND	46.5	33.4	31.9	28.3	25.5	22.9	21.6	18.3	15.4	15.9	15.5	17.8
ITALY	22.1	21.9	21.8	21.6	21.4	21.3	23.6	22.5	21.8	20.4	19.4	20.2
LATVIA	19.9	18.3	17.4	16.2	14.1	13.7	13.9	13.5	12.3	11.9	12.6	13.0
LITHUANIA	16.4	16.5	16.9	17.0	17.0	17.3	18.4	18.1	17.0	16.9	16.2	18.0
LUXEMBOURG	48.3	49.1	50.4	52.7	54.8	57.1	60.4	58.7	57.5	55.4	50.9	47.7
MALTA	41.0	39.1	39.9	38.1	38.2	38.2	43.6	42.2	45.4	43.1	36.4	40.2
NETHERLANDS	102.3	100.6	99.4	96.7	93.9	90.6	94.4	90.2	84.8	79.9	78.5	79.4
POLAND	20.2	20.5	21.0	19.9	19.4	19.6	19.9	19.3	16.2	14.7	13.7	13.2
PORTUGAL	59.2	54.8	51.1	48.0	45.8	43.8	48.0	45.4	42.0	37.8	36.5	35.5
ROMANIA	6.7	7.2	7.6	7.6	7.7	7.6	8.3	8.4	7.5	6.5	6.3	6.1
SLOVAKIA	22.8	24.7	27.8	30.1	31.6	32.8	36.2	37.6	37.9	31.8	31.1	32.0
SLOVENIA	20.4	20.0	19.6	19.0	17.8	13.6	14.6	14.3	14.4	13.1	12.8	12.8
SPAIN	68.9	61.2	55.1	49.6	46.0	39.1	43.1	39.9	36.2	32.3	29.8	29.2
SWEDEN	77.3	82.4	83.0	83.7	87.1	88.8	97.6	89.8	83.7	86.9	82.8	85.4
EURO AREA 20	44.2	43.4	42.9	42.4	42.3	42.0	45.7	44.4	42.8	40.6	38.8	37.80
EU 27	44.3	43.7	43.3	42.7	42.5	42.2	45.9	44.4	42.3	40.0	38.3	37.86
ICELAND	68.0	61.3	63.0	55.2	55.5	59.4	67.1	68.5	58.2	59.6	61.4	57.78
NORWAY	64.1	69.8	82.2	76.5	75.8	81.7	92.7	77.2	57.5	69.6	68.5	65.24
SWITZERLAND	134.2	137.9	134.9	140.6	133.5	149.1	n/a	n/a	n/a	n/a	n/a	n/a
UNITED KINGDOM	69.4	65.9	62.9	64.6	64.1	67.6	70.4	70.5	62.5	81.9	56.6	61.25
AUSTRALIA	79.7	89.8	92.3	97.5	90.0	91.8	97.51	98.12	88.41	86.3	89.3	94.23
BRAZIL	6.7	7.1	9.3	8.4	8.1	8.5	9.3	8.8	9.0	9.8	10.42	10.84
CANADA	60.3	62.1	69.3	72.5	65.8	72.4	110.31	102.86	98.54	99.55	98.70	98.89
JAPAN	31.6	35.1	32.7	35.3	36.4	37.4	41.0	38.0	40.2	38.8	36.3	33.16
RUSSIA	3.4	4.5	6.5	6.3	6.1	8.0	9.2	9.3	9.0	10.9	9.0	n/a
SINGAPORE	31.5	31.4	31.1	33.1	30.5	30.6	33.8	28.5	26.1	33.5	30.3	39.25
SOUTH KOREA	36.0	36.0	40.0	40.0	41.0	42.0	45.0	44.0	44.0	44.0	41.8	44
TURKEY	5.7	5.7	5.4	5.9	4.6	4.4	5.2	2.7	2.1	1.3	n/a	0.85
USA	79.5	76.5	74.4	71.4	67.7	65.0	65.6	59.3	54.4	51.2	41.0	51.33

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat, Bureau of Economic Analysis, Federal Reserve, IMF*

Time series breaks:

- See Table 1

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Australia, Brazil, Canada, EU 27, Japan, Switzerland, USA

Table-specific notes:

- All the data from Eurostat have been updated from 2019
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the GDP at current prices has been taken in euros directly from Eurostat.
- See Tables 1 and 27 for further information on the data used.

9. Total Outstanding Residential Loans to Disposable Income of Households Ratio

%

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	44.7	47.1	47.3	48.5	49.3	50.6	53.3	57.5	53.1	48.2	42.5	59.2
BELGIUM	82.9	85.9	88.6	90.4	92.6	94.8	97.9	100.3	96.5	90.3	89.7	84.32
BULGARIA	13.3	12.9	12.9	13.6	14.0	18.1	20.3	21.2	20.6	n/a	n/a	n/a
CROATIA	29.2	27.7	24.1	23.4	22.7	23.0	25.7	25.8	24.3	23.3	22.2	24.76
CYPRUS	98.8	98.8	92.1	84.3	61.5	56.2	58.4	55.2	47.4	45.3	43.5	38.94
CZECHIA	33.5	35.8	37.3	39.4	39.0	40.5	41.7	44.5	42.8	39.2	40.6	38.1
DENMARK	188.1	180.0	175.5	174.7	173.0	172.7	177.2	175.4	164.3	155.3	150.0	134.78
ESTONIA	55.6	55.0	55.0	53.8	52.8	52.7	55.5	57.3	56.4	53.7	54.4	55.02
FINLAND	73.6	74.2	74.4	74.2	73.1	72.7	74.3	76.4	72.6	68.1	65.6	65.30
FRANCE	61.2	62.9	64.1	66.3	68.1	70.4	73.4	75.5	75.4	70.8	66.2	65.6
GERMANY	67.5	67.9	68.1	68.4	68.9	71.3	75.1	78.7	76.5	73.1	71.2	74.68
GREECE	58.7	57.3	52.8	50.7	48.4	43.2	38.9	24.3	21.6	19.5	58.8	58.03
HUNGARY	28.3	23.8	21.3	18.8	17.3	16.2	16.6	16.3	14.4	12.4	12.4	12.66
IRELAND	102.0	94.8	88.7	80.9	76.8	71.3	65.4	61.6	57.8	54.8	52.1	51.90
ITALY	32.4	32.3	32.6	32.4	32.1	32.3	33.9	34.2	33.3	31.6	30.4	30.28
LATVIA	32.9	29.8	27.7	26.0	22.8	22.1	21.5	21.8	18.8	18.8	18.5	21.71
LITHUANIA	26.6	26.6	26.4	27.6	28.1	28.0	28.0	29.3	28.1	27.3	28.6	30.28
LUXEMBOURG	125.8	131.7	136.1	138.1	143.1	146.6	151.6	163.2	155.9	140.4	134.0	124.11
NETHERLANDS	200.5	198.9	196.3	194.3	188.4	182.9	180.8	178.6	167.3	154.7	159.9	160.25
POLAND	33.0	34.3	34.5	33.3	32.9	33.2	32.3	33.2	28.5	25.3	23.4	21.26
PORTUGAL	83.7	77.8	72.6	69.4	66.4	63.5	65.6	64.4	61.1	56.6	55.9	51.09
ROMANIA	13.0	13.8	14.1	13.7	14.0	13.8	14.3	14.9	15.4	12.9	12.4	10.39
SLOVAKIA	39.1	42.2	46.7	50.2	51.0	53.3	56.9	62.2	59.6	51.4	50.9	50.66
SLOVENIA	23.0	23.3	23.1	23.1	22.7	22.6	22.3	22.9	23.6	21.7	21.8	21.09
SPAIN	84.2	77.1	73.0	68.8	66.5	62.4	64.9	64.2	58.5	51.1	49.0	46.15
SWEDEN	150.6	165.0	164.9	167.8	173.8	177.5	192.7	184.5	173.9	181.6	172.8	167.71
EURO AREA 20	69.3	69.0	68.7	68.7	68.7	69.3	72.1	73.4	70.6	66.3	38.8	627.32
EU 27	70.9	71.0	70.6	70.5	70.3	70.8	73.7	74.2	71.3	71.3	7.2	623.66
NORWAY	143.0	143.2	165.2	156.9	162.0	169.2	178.0	174.4	178.1	201.9	142.4	167.43
SWITZERLAND	222.0	217.9	227.7	218.2	240.0	243.3	n/a	n/a	n/a	n/a	n/a	n/a
UNITED KINGDOM	104.2	96.3	94.2	97.9	96.2	100.9	99.1	102.9	96.8	93.1	90.1	88.38
AUSTRALIA	n/a	136.23	142.89	148.04	148.38	143.26	139.07	142.56	143.18	144.58	143.75	142.52
USA	80.3	72.7	74.4	64.8	70.0	84.0	72.6	75.2	70.4	64.1	55.4	n/a

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, Eurostat, Federal Reserve, US Bureau of Census*

Time series breaks:
- See Table 1

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Bulgaria, Croatia, Czechia, EU 27, USA, United Kingdom

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the disposable income of households at current prices has been taken in euros directly from AMECO.

10. Total Outstanding Residential Loans per Capita

Total Population, EUR

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	10,662	11,290	11,628	12,237	12,771	13,520	14,103	15,213	15,834	15,230	14,194	15,014
BELGIUM	17,608	18,431	19,460	20,545	21,628	22,995	23,899	25,266	26,561	26,877	27,418	26,947
BULGARIA	483	489	517	590	669	912	1,011	1,169	1,373	1,747	2,188	2,627
CROATIA	1,883	1,857	1,664	1,689	1,748	1,872	2,035	2,231	2,572	2,815	2,951	3,555
CYPRUS	13,584	13,767	13,574	13,012	10,032	9,824	9,740	9,358	9,269	9,057	8,783	8,993
CZECHIA	2,733	3,045	3,311	3,834	4,145	4,569	4,785	5,777	6,228	6,133	6,271	7,010
DENMARK	42,544	42,202	42,709	43,611	44,146	45,230	46,510	48,243	48,378	46,816	46,750	47,493
ESTONIA	4,609	4,809	5,062	5,402	5,763	6,128	6,513	7,104	7,878	8,131	8,705	9,645
FINLAND	16,466	16,805	17,141	17,467	17,736	18,187	18,752	19,473	19,703	19,319	18,873	18,799
FRANCE	12,591	13,037	13,496	14,283	15,062	16,030	16,848	17,952	18,849	18,954	18,741	18,695
GERMANY	15,321	15,757	16,147	16,708	17,465	18,435	19,592	20,978	22,139	22,183	22,665	23,123
GREECE	6,352	6,225	5,693	5,462	5,285	4,915	4,304	2,893	2,845	2,733	2,595	2,463
HUNGARY	1,736	1,516	1,427	1,388	1,391	1,403	1,364	1,507	1,466	1,562	1,612	1,834
IRELAND	19,533	18,791	18,237	17,567	17,245	16,646	16,294	15,907	15,441	15,217	15,419	17,266
ITALY	5,909	5,960	6,091	6,196	6,266	6,412	6,564	6,919	7,233	7,198	7,228	7,477
LATVIA	2,350	2,267	2,241	2,237	2,121	2,176	2,190	2,380	2,513	2,544	2,699	3,011
LITHUANIA	2,040	2,115	2,284	2,526	2,772	3,027	3,284	3,662	4,088	4,261	4,390	5,248
LUXEMBOURG	45,550	47,249	49,135	51,901	54,920	58,074	62,221	66,901	69,099	66,497	65,203	62,208
MALTA	8,365	8,881	9,334	9,881	10,404	11,060	11,318	12,515	15,183	15,410	14,500	15,322
NETHERLANDS	40,835	41,056	41,477	41,788	42,279	42,603	43,197	44,948	46,235	46,384	49,609	51,870
POLAND	2,171	2,326	2,360	2,452	2,547	2,743	2,756	2,945	2,819	3,009	3,169	3,257
PORTUGAL	9,827	9,496	9,223	9,127	9,130	9,132	9,341	9,531	9,824	9,589	9,785	10,900
ROMANIA	507	580	652	726	808	876	950	1,060	1,125	1,114	1,161	1,210
SLOVAKIA	3,206	3,636	4,148	4,670	5,194	5,688	6,191	6,901	7,655	7,190	7,512	8,082
SLOVENIA	2,595	2,678	2,770	2,893	3,019	3,165	3,274	3,546	3,899	3,907	4,048	4,221
SPAIN	11,881	11,326	11,009	10,697	10,597	10,388	10,181	10,278	10,265	9,814	9,759	9,959
SWEDEN	35,164	38,500	39,285	40,217	40,501	41,387	45,421	46,789	44,971	45,271	44,230	47,799
EURO AREA 20	12,833	13,019	13,255	13,606	14,035	14,568	15,104	15,901	16,605	16,601	16,718	n/a
EU 27	11,555	11,799	12,033	12,379	12,761	13,256	13,807	14,550	15,081	15,114	15,312	n/a
ICELAND	28,147	29,439	35,638	35,735	35,444	36,707	34,907	40,543	42,231	44,136	49,467	50,449
NORWAY	47,206	46,963	52,633	51,376	52,968	55,988	55,773	60,910	59,876	56,934	55,183	56,371
SWITZERLAND	93,853	103,604	106,161	98,926	105,658	112,424	n/a	n/a	n/a	n/a	n/a	n/a
UNITED KINGDOM	25,057	27,067	23,654	23,433	23,763	25,643	24,912	27,776	27,284	27,503	28,658	28,954
AUSTRALIA	40,757	42,769	45,744	45,706	44,677	44,775	46,130	50,493	52,816	51,410	50,157	51,961
BRAZIL	667	572	763	690	641	667	525	603	766	895	857	954
CANADA	25,287	24,863	27,816	27,274	26,759	29,871	28,946	31,399	31,685	30,469	25,140	34,410
JAPAN	10,023	11,263	12,202	11,434	12,632	13,445	13,385	13,442	n/a	n/a	11,339	10,322
RUSSIA	393	391	543	577	613	836	776	1,050	1,325	1,361	1,316	1,544
SINGAPORE	14,930	16,075	16,810	16,903	17,833	17,982	16,944	20,037	21,669	24,136	26,410	31,600
SOUTH KOREA	6,724	7,512	8,396	8,799	9,170	9,445	9,814	10,543	10,878	10,476	14,174	15,263
TURKEY	577	580	561	528	386	366	368	235	213	159	n/a	n/a
USA	36,203	40,077	41,094	35,891	37,395	37,941	34,401	37,213	39,367	37,891	33,728	40,327

***Source:** European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, Eurostat, Federal Reserve, US Bureau of Census*

• n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Japan

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the population concerns residents who are more than 18 years old
- The whole series has been revised utilising Total Population
- Canada has been added

B — THE HOUSING MARKET

11. Owner Occupation Rate

%

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	57.2	55.7	55.0	55.0	55.4	55.2	55.3	54.2	51.4	54.3	54.5	54.2
BELGIUM	72.0	71.4	70.9	72.4	72.3	71.3	71.1	71.3	72.5	71.9	70.3	70.9
BULGARIA	84.3	82.3	82.3	82.9	83.6	84.1	84.3	84.9	85.0	86.1	86.0	86.1
CROATIA	89.7	90.3	90.0	90.5	90.1	89.7	91.3	90.5	91.1	91.2	91.0	91.4
CYPRUS	72.9	73.0	72.5	70.7	70.1	67.9	68.6	69.8	69.6	68.8	69.4	69.2
CZECHIA	78.9	78.0	78.2	78.5	78.7	78.6	78.9	78.3	77.1	76.0	74.7	75.1
DENMARK	63.3	62.7	61.7	62.2	60.5	60.8	59.3	59.2	59.6	60.0	60.9	58.4
ESTONIA	81.5	81.5	81.4	81.8	82.4	81.7	81.4	81.6	82.0	80.7	79.3	79.7
FINLAND	73.2	72.7	71.6	71.4	71.6	71.1	70.7	70.3	69.5	69.2	68.1	66.9
FRANCE	65.0	64.1	64.9	64.4	65.1	64.1	63.6	64.7	63.4	63.1	61.2	61.4
GERMANY	52.5	51.9	51.7	51.4	51.5	51.1	50.5	49.5	46.7	47.6	47.2	47.2
GREECE	74.0	75.1	73.9	73.3	73.5	75.4	73.9	73.3	72.8	69.6	69.7	69.4
HUNGARY	88.2	86.3	86.3	85.2	86.0	91.7	91.3	91.7	90.1	90.5	91.6	89.8
IRELAND	68.6	70.0	69.8	69.5	70.3	68.7	69.3	70.0	70.4	69.4	69.3	70.9
ITALY	73.1	72.9	72.3	72.4	72.4	72.4	75.1	73.7	74.3	75.2	75.9	77.1
LATVIA	80.9	80.2	80.9	81.5	81.6	80.2	81.2	83.2	83.1	82.8	83.7	82.2
LITHUANIA	89.9	89.4	90.3	89.7	89.9	90.3	88.6	89.0	88.6	88.8	87.4	86.5
LUXEMBOURG	72.5	73.2	73.9	74.7	71.2	70.9	68.4	71.1	72.4	67.6	63.5	64.1
MALTA	80.0	80.8	81.4	81.3	81.6	79.8	81.9	81.9	82.6	74.7	69.6	70.9
NETHERLANDS	67.0	67.8	69.0	69.4	68.9	68.9	69.1	70.1	70.6	70.2	68.8	68.8
POLAND	83.5	83.7	83.4	84.2	84.0	84.2	85.6	86.8	87.2	87.3	87.1	87.2
PORTUGAL	74.9	74.8	75.2	74.7	74.5	73.9	77.3	78.3	77.8	76.0	73.4	71.2
ROMANIA	96.2	96.4	96.0	96.8	96.4	95.8	96.1	95.3	94.8	95.6	94.3	93.2
SLOVAKIA	90.3	89.3	89.5	90.1	91.3	90.9	92.3	92.9	93.0	93.6	93.1	93.8
SLOVENIA	76.7	76.2	75.1	75.6	75.1	74.8	74.6	76.1	75.4	75.2	74.8	74.2
SPAIN	78.8	78.2	77.8	77.1	76.3	76.2	75.1	75.8	76.0	75.3	73.7	73.3
SWEDEN	69.3	66.2	65.2	65.2	64.1	63.6	64.5	64.9	64.2	64.9	64.8	64.6
EURO AREA 20	66.9	66.4	66.3	66.1	66.2	65.8	66.0	65.8	65.2	65.2	64.5	64.7
EU 27	70.7	70.2	70.1	70.0	69.9	69.8	70.0	69.9	69.1	69.2	68.4	68.5
ICELAND	78.2	77.8	78.7	74.1	73.6	73.6	73.6	73.6	n/a	n/a	n/a	n/a
NORWAY	84.4	82.8	82.9	81.5	81.3	80.3	80.8	n/a	n/a	n/a	78.8	80
SWITZERLAND	44.5	43.4	42.5	41.3	42.5	41.6	42.3	42.2	42.3	42.6	42	n/a
UNITED KINGDOM	64.4	63.5	63.4	65.0	65.2	65.2	65.2	65.2	64.3	64.8	65.0	65.0
AUSTRALIA	67.2	67.5	67.5	66.2	66.2	66.3	66.3	66.3	n/a	n/a	66.0	65.9
BRAZIL								62.5	61.1	60.5	60.2	68.17
SOUTH KOREA							57.9	57.3	57.5	56.4	56.9	58.4
TURKEY	61.1	60.4	59.7	59.1	59.0	58.8	57.9	57.5	56.7	56.2	55.8	56.9

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat, National Statistics Offices*

- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Australia, Belgium, Euro area 20, Malta, Switzerland, Turkey, United Kingdom

Table-specific notes:

- For further details on the methodologies, please see "Annex Explanatory Note on data"

12. Building Permits

Number issued

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	50,011	52,275	61,380	71,805	59,718	69,642	63,581	60,146	46,922	34,881	32,100	31,979
BELGIUM	54,903	46,181	50,978	49,972	62,656	57,821	56,579	61,988	54,495	50,698	44,150	42,481
BULGARIA	15,848	17,264	18,157	5,562	5,956	5,980	5,860	7,074	8,169	8,165	7,786	8,850
CROATIA	7,743	6,950	9,398	12,509	11,719	15,370	14,083	16,654	18,700	9,870	10,273	10,325
CYPRUS	4,933	5,014	5,354	5,728	6,408	7,218	7,023	8,164	7,604	7,170	6,827	8,159
CZECHIA	28,127	28,886	31,002	32,069	30,702	31,606	31,747	33,995	31,969	26,014	24,258	23,011
DENMARK	17,394	24,374	32,338	31,052	41,870	39,917	38,819	40,067	36,359	21,875	22,838	23,836
ESTONIA	3,941	5,588	6,021	7,877	6,990	8,025	8,833	8,773	6,763	5,612	4,973	6,695
FINLAND	29,370	32,014	40,208	48,353	41,137	37,754	39,986	45,045	37,072	21,176	17,001	15,593
FRANCE	380,248	405,911	465,734	495,009	465,629	453,847	396,650	470,846	494,590	378,298	329,198	369,540
GERMANY	285,079	313,296	375,388	347,882	346,810	360,493	368,589	380,736	354,162	259,639	215,293	238,063
GREECE	4,620	4,618	4,305	4,930	5,685	6,044	6,915	9,888	9,793	11,079	13,365	11,650
HUNGARY	9,633	12,515	31,559	37,997	36,719	35,123	22,556	29,941	35,002	21,501	20,494	28,081
IRELAND	7,411	13,044	15,950	20,776	28,939	38,461	42,371	42,991	34,177	41,225	32,401	34,974
ITALY	44,971	42,879	44,231	52,027	55,596	55,262	49,100	59,839	59,904	55,309	55,164	51,908
LATVIA	2,295	2,193	1,998	2,766	2,750	2,973	2,670	2,780	2,765	2,528	2,401	2,503
LITHUANIA	6,868	7,028	8,397	7,682	8,082	7,651	9,021	12,297	8,426	6,680	5,602	6,743
LUXEMBOURG	6,360	4,558	4,846	5,048	5,468	5,619	5,112	6,105	4,709	n/a	n/a	3,404
MALTA	2,937	3,947	7,508	9,822	12,885	12,485	7,837	7,578	9,523	8,112	8,716	12,325
NETHERLANDS	41,320	55,599	53,567	69,741	70,034	58,108	67,151	75,833	64,508	56,247	68,638	86,269
POLAND	65,449	72,293	80,796	89,888	95,463	101,595	107,590	133,270	98,040	77,956	88,585	95,826
PORTUGAL	6,858	8,169	8,219	14,044	20,046	23,835	24,791	28,060	29,963	31,949	34,367	41,870
ROMANIA	37,672	39,112	38,653	41,603	42,694	42,541	41,311	51,287	43,660	34,646	35,667	37,252
SLOVAKIA	14,310	17,642	20,224	18,472	20,574	20,385	19,050	22,915	19,201	16,914	13,920	13,990
SLOVENIA	2,359	2,441	2,617	2,713	2,834	2,572	2,583	2,914	3,128	2,798	2,511	6,001
SPAIN	34,873	49,695	64,038	80,786	100,733	106,266	85,535	108,318	108,923	109,483	127,721	139,016
SWEDEN	43,019	57,150	66,929	73,159	64,211	55,251	67,718	79,456	61,000	30,131	30,000	34,017
NORWAY	27,130	30,927	36,530	35,294	31,527	31,774	29,931	30,126	29,864	22,807	18,805	20,184
SWITZERLAND	n/a	51,126	51,653	49,985	48,305	43,953	44,378	n/a	n/a	n/a	n/a	n/a
AUSTRALIA	210,007	239,735	234,869	224,609	211,539	176,611	186,961	227,856	190,903	165,170	174,364	196,919
SINGAPORE	8,454	5,438	7,452	5,103	20,227	16,282	n/a	n/a	n/a	n/a	n/a	n/a
SOUTH KOREA	515,251	765,328	726,048	653,441	554,136	487,975	457,514	545,412	521,791	428,744	428,244	379,834
TURKEY	1,031,754	897,230	1,006,650	1,405,447	669,165	319,720	555,132	726,649	697,596	843,077	758,189	461,911
USA	1,052,083	1,177,417	1,205,667	1,286,250	1,327,833	1,387,000	1,478,417	1,737,583	1,681,833	1,518,083	1,478,000	1,431,616

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, US Bureau of Census*

Time series breaks:

- Austria: 2005 (source was changed from 2005 onwards)
- Denmark: 2012 (source was changed from 2012 onwards)

- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Australia

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- For Ireland: new data series taking into account the number of dwelling units
- For Italy: 2017 figure takes into accout the first 9 months

13. Housing Starts

Number of projects started per year

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
BELGIUM	52,826	43,520	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	21,401
BULGARIA	8,355	12,308	12,495	3,681	3,824	4,223	4,116	5,084	5,468	5,850	6 184	6,651
CZECHIA	24,351	26,378	27,224	31,521	33,121	38,677	35,254	44,992	42,242	35,704	36,612	35,535
DENMARK	17,250	20,813	29,621	29,236	37,059	40,994	38,126	43,868	38,205	23,702	22,800	25,397
ESTONIA	3,841	3,882	2,706	3,611	n/a	n/a	6,833	10,433	4,716	4,281	4,935	4,911
FINLAND	25,109	31,893	36,490	44,251	45,676	39,110	40,662	47,894	37,752	23,089	22,581	17,200
FRANCE	336,455	340,667	369,585	433,002	401,732	384,647	370,276	411,776	398,427	307,620	280,896	264,230
GREECE	9,619	9,264	9,286	10,336	13,337	17,432	19,731	29,124	29,124	35,596	46,904	39,219
HUNGARY	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
IRELAND	7,717	8,747	13,234	17,572	22,467	26,237	21,686	30,724	26,957	32,801	69,060	
ITALY	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LITHUANIA												18,300
MALTA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
POLAND	148,122	168,403	173,932	205,990	221,907	237,281	223,842	277,400	200,300	189,100	233,800	212,424
ROMANIA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
SLOVAKIA	15,836	19,640	21,441	19,930	22,055	21,516	19,744	24,497	20,608	18,038	15,254	14,350
SLOVENIA	2,762	2,749	2,975	3,231	3,765	3,438	3,819	4,423	5,410	5,197	n/a	n/a
SPAIN	38,018	50,565	66,906	68,905	103,380	108,608	87,475	113,675	110,018	110,344	136,187	137,330
SWEDEN	36,711	48,135	61,349	64,017	52,548	49,099	55,784	68,197	56,099	28,817	28,350	30,250
ICELAND	582	1,612	1,133	2,836	2,525	3,792	2,406	7,181	7,221	8,683	8,113	7,650
NORWAY	25,404	30,150	31,278	30,719	29,496	25,037	23,695	25,425	23,199	13,963	13,874	15,477
UNITED KINGDOM	140,760	148,160	155,150	164,110	168,610	153,000	129,430	177,170	182,080	150,370	107,520	128,600
AUSTRALIA	203,799	227,495	234,113	216,550	223,888	175,356	182,523	230,730	182,908	163,836	168,049	197,186
BRAZIL	295,914	263,157	83,919	95,623	112,750	184,761	252,543	340,588	332,851	324,712	414,260	471,769
CANADA	189,329	195,535	197,916	219,763	212,843	208,685	217,880	271,198	261,849	240,267	227,697	259,028
JAPAN	880,470	920,537	974,137	946,396	952,936	883,687	812,164	865,909	860,828	800,226	816,018	711,171
RUSSIA	n/a	n/a	n/a	n/a	n/a	n/a	2,821	4,830	4,288	5,303	5,626	4,150
SINGAPORE	11,571	8,082	6,918	5,397	13,121	19,467	n/a	n/a	n/a	n/a	n/a	n/a
SOUTH KOREA	507,666	716,759	657,956	544,274	470,706	478,949	526,311	583,737	383,404	242,188	305,331	272,685
TURKEY												1,185,055
USA	1,003,000	1,112,000	1,174,000	1,203,000	1,249,900	1,290,000	1,379,600	1,601,000	1,552,600	1,421,000	1,361,000	1,353,000

Source : *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, Eurostat, US Bureau of Census*

Time series breaks:
- Denmark: 2012 (source was changed from 2012 onwards)

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Brazil

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Russia added as time-series

14. Housing Completions

Number of projects completed per year

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	60,400	47,700	47,700	52,100	67,971	72,576	71,583	74,513	69,339	64,535	54,472	n/a
BULGARIA	9,993	7,806	9,342	8,384	8,136	12,105	15,415	17,868	19,847	22,649	20,998	37,571
CROATIA	7,805	8,059	7,809	8,496	10,141	11,726	11,957	12,514	15,875	16,552	16,654	n/a
CYPRUS	2,718	2,390	2,570	2,993	3,866	4,420	6,351	7,357	8,820	8,173	n/a	n/a
CZECHIA	23,954	25,095	27,322	28,575	33,868	36,406	34,412	34,581	39,398	38,069	30,267	33,430
DENMARK	16,740	15,822	15,200	21,197	25,757	29,057	34,419	39,021	36,734	41,435	37,769	n/a
ESTONIA	2,756	3,969	4,732	5,890	6,472	7,014	7,579	6,735	6,521	8,424	5,814	6,059
FINLAND	28,907	27,448	29,593	34,934	42,010	42,892	38,536	37,148	41,460	40,888	21,105	19,852
FRANCE	413,627	399,564	n/a	n/a	n/a	n/a	n/a	412,600	388,400	295,900	258,100	264,800
GERMANY	245,325	247,722	277,691	284,816	287,352	293,002	306,376	293,393	295,275	294,399	251,937	206,586
GREECE	18,323	10,938	7,506	7,009	8,753	10,355	11,845	22,164	19,102	23,479	30,116	27,279.84
HUNGARY	8,382	7,612	10,032	14,389	17,681	21,127	28,158	19,898	20,540	18,647	13,295	12,062
IRELAND	5,518	7,219	9,842	14,321	17,899	21,047	20,514	20,473	29,851	32,626	30,330	36,246
ITALY	103,600	86,200	81,600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LATVIA	2,630	2,240	2,197	2,271	2,966	3,315	3,101	2,853	3,140	2,736	4,058	
LITHUANIA	4,456	5,707	7,051	6,420	6,434	6,510	6,814	6,492	8,694	8,681	7,711	12,339
LUXEMBOURG	3,357	3,091	3,856	4,319	3,987	3,663	n/a	n/a	n/a	n/a	n/a	n/a
NETHERLANDS	44,041	48,381	54,849	62,982	66,585	71,548	69,985	71,221	74,560	n/a	69,129	69,189
POLAND	143,235	147,821	163,394	178,342	185,170	207,224	221,401	234,916	238,621	221,282	200,409	208,792
PORTUGAL	8,297	7,126	7,867	8,156	10,627	12,591	16,914	19,081	19,742	21,534	24,639	26,714
ROMANIA	44,984	47,017	52,206	53,301	59,725	67,488	67,816	71,420	73,332	71,454	60,787	59,062
SLOVAKIA	14,985	15,471	15,672	16,946	19,071	20,171	21,490	20,649	20,220	20,891	17,632	14,259
SLOVENIA	3,163	2,776	2,975	3,044	3,037	3,415	3,540	4,032	4,286	4,919	5,165	n/a
SPAIN	46,822	45,152	40,119	54,610	64,354	78,789	85,945	91,390	89,107	87,565	97,837	91,390
SWEDEN	29,164	34,603	42,441	48,227	54,876	55,659	50,479	50,089	54,018	65,595	42,000	33,332
ICELAND	1,212	1,086	1,802	1,883	2,453	3,284	3,298	2,898	2,869	3,946	3,665	3,103
NORWAY	28,072	28,265	29,286	31,470	32,830	30,397	29,164	28,398	28,010	27,974	23,986	19,498
SWITZERLAND	49,162	53,126	52,034	50,209	53,199	48,040	49,577	45,908	46,505	n/a	n/a	n/a
UNITED KINGDOM	117,820	142,480	141,880	162,470	165,490	177,880	146,650	174,960	178,360	163,340	153,890	142,050
AUSTRALIA	177,814	197,253	213,644	213,181	219,588	202,308	181,501	178,774	172,388	172,268	177,313	173,228
CANADA	181,428	194,461	187,605	190,923	200,262	187,177	198,761	222,670	219,942	219,942	222,670	258,026
RUSSIA	1,124,000	1,195,000	1,167,000	1,139,000	1,075,741	1,120,333	1,121,601	1,204,647	1,290,006	1,449,404	1,358,860	1,341,560.42
SINGAPORE	19,941	18,971	20,803	16,449	9,112	7,527	4,061	6,388	9,526	19,968	8,460	n/a
SOUTH KOREA	431,339	460,153	514,775	569,209	636,494	518,084	471,079	431,394	413,798	436,055	449,835	342,399
TURKEY	777,596	732,948	754,174	833,517	894,240	738,816	599,999	626,910	642,269	n/a	n/a	690,654
USA	884,000	968,000	1,059,000	1,153,000	1,184,900	1,255,100	1,286,900	1,341,000	1,390,500	1,557,000	1,626,900	1,431,600

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, US Bureau of Census*

Time series breaks:

- Denmark: 2012 (source was changed from 2012 onwards)
- Netherlands: 2012 (due to a change in methodology)
- Austria: 1995 (data break)

- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Austria, Bulgaria, Canada, Croatia, Cyprus, France, Slovenia

Table-specific notes:

- For further details on the methodologies, please see "Annex: Explanatory Note on data"

15. Real Gross Fixed Investment in Housing

Annual % change

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	-0.4	1.0	2.3	6.3	2.0	3.9	-1.2	7.6	2.4	-8.7	-6.9	-3.2
BELGIUM	5.7	1.0	2.9	0.8	2.6	4.7	-7.0	6.6	-3.0	-3.4	-1.5	0.4
BULGARIA	-3.3	-10.3	102.1	19.2	-2.2	6.6	0.7	0.6	-1.4	-0.2	5.2	4.1
CYPRUS	-7.9	-4.5	29.8	16.0	37.5	21.3	1.1	12.6	5.7	5.8	3.2	2.6
CZECHIA	10.2	15.6	5.3	10.6	5.2	2.0	3.8	-0.9	-13.0	-6.0	-3.1	1.5
DENMARK	6.8	5.3	4.7	11.1	4.8	6.3	9.1	10.0	-8.5	-10.2	-2.0	2.1
ESTONIA	19.6	7.5	16.5	11.1	-1.5	11.7	14.0	-3.5	4.8	14.1	-3.5	1.8
FINLAND	-5.4	1.7	10.6	4.1	4.7	-4.2	-3.2	1.9	5.0	-12.5	-9.8	-2.4
FRANCE	-1.9	-1.1	2.8	6.1	3.2	2.5	-8.5	13.7	-0.8	-5.0	-5.1	-2.0
GERMANY	2.9	-0.7	5.0	0.9	3.0	1.5	4.6	-2.3	-2.2	-3.4	-3.8	-2.9
GREECE	-53.3	-25.8	-11.5	-7.0	22.5	16.9	19.0	27.3	33.7	20.7	14.5	11.2
HUNGARY	11.0	16.8	9.7	16.0	11.3	7.0	21.5	-4.3	14.6	-12.3	-8.6	-3.1
IRELAND	15.1	6.5	21.1	21.7	20.4	-0.3	-7.6	4.5	21.8	3.7	4.1	6.5
ITALY	-7.9	-2.4	0.1	1.1	1.1	-0.8	-7.7	50.1	13.9	3.7	-1.2	-0.8
LATVIA	10.9	5.3	-17.7	-0.2	26.3	3.8	-3.7	10.4	-11.4	11.1	2.1	3.0
LITHUANIA	16.9	14.9	6.8	-4.6	5.9	14.7	5.8	0.8	19.3	1.2	1.5	2.8
LUXEMBOURG	11.2	8.9	9.4	-8.8	3.3	8.3	-0.7	8.4	-14.3	-9.4	-10.1	-1.5
MALTA	-0.2	33.7	26.6	36.4	20.3	0.1	-7.1	12.8	-2.9	-7.3	2.8	3.2
NETHERLANDS	6.1	20.1	21.7	12.3	9.3	3.4	-0.6	5.7	1.0	-1.3	-1.8	1.4
POLAND	8.4	-11.5	-2.9	-2.6	-10.1	4.3	5.7	15.3	-0.3	-1.4	-4.2	1.1
PORTUGAL	-0.8	1.0	6.3	8.7	6.6	1.4	-6.9	14.8	3.1	-1.1	2.5	3.8
ROMANIA	4.5	5.2	12.1	10.0	-24.9	23.7	3.8	28.0	3.1	3.1	-3.4	0.8
SLOVAKIA	-15.1	-1.6	24.3	0.0	9.4	2.9	9.9	7.6	7.2	-14.5	-1.9	1.0
SLOVENIA	-6.7	0.7	-0.8	5.3	1.9	8.4	-0.2	9.1	8.1	18.1	-2.4	1.6
SPAIN	9.9	-3.2	8.9	13.4	13.0	6.6	-9.7	0.9	1.4	0.6	2.1	3.4
SWEDEN	18.2	15.8	9.8	7.1	-6.4	-6.5	1.6	11.5	4.8	-22.2	-14.2	-4.5
EU 27	1.0	0.5	5.3	4.7	3.6	2.3	-2.0	9.0	1.5	-3.1	-2.9	-0.5
EURO AREA 20	0.0	-0.2	5.1	4.4	4.5	2.3	-2.9	8.9	1.7	-2.3	-2.7	-0.6
ICELAND	15.1	-2.2	25.9	21.1	15.7	31.1	0.1	-3.4	-6.2	8.1	4.2	1.5
NORWAY	-1.4	3.2	6.6	7.3	-6.5	-1.1	-1.6	3.5	-1.4	-14.5	-11.2	-2.8
SWITZERLAND	1.7	1.7	1.8	1.2	-1.9	-3.4	-1.4	-1.0	-5.4	-2.1	-0.8	0.5
UNITED KINGDOM	5.0	5.3	3.9	9.2	5.1	0.1	-9.9	29.8	2.5	-6.8	-4.1	1.2
TURKEY	n/a	23.1	10.4	-2.7	-58.6	28.2	78.0	-52.6	-4.0	3.8	2.1	2.9
USA	3.6	10.1	6.5	4.0	-0.5	-1.0	7.2	10.6	-9.1	-10.6	4.2	1.8

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat*

• n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Belgium, Bulgaria, Cyprus, Czechia, Denmark, EU 27, Estonia, Euro area 20, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States

Table-specific notes:

- For further details on the methodologies, please see "Annex: Explanatory Note on data" or Eurostat Data

16. Total Dwelling Stock

Thousands units

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	4,562	4,608	4,656	4,707	4,758	4,821	4,913	4,988	5,057	5,122	5,176	5,225
BELGIUM	5,273	5,315	5,357	5,404	5,454	5,513	5,576	5,628	5,681	5,742	5,489	4,668
BULGARIA	3,928	3,935	3,944	3,951	3,959	3,971	3,985	4,002	4,283	4,304	4,324	4,074
CROATIA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2,388	2,405	2,422	2,438
CYPRUS	444	446	449	452	455	460	466	473	477	485	493	5,01
CZECHIA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5,094	5,132	5,162	5,195
DENMARK	2,827	2,844	2,861	2,878	2,901	2,919	2,941	2,749	2,780	2,806	2,827	2,852
ESTONIA	n/a	n/a	n/a	n/a	n/a	n/a	732	739	745	753	759	765
FINLAND	2,618	2,634	2,655	2,680	2,705	n/a	2,770	2,794	2,816	2,845	2,845	3,280
FRANCE	34,750	35,182	35,425	35,720	36,330	36,609	36,997	37,196	37,553	37,818	38,172	38,437
GERMANY	41,221	41,446	41,703	41,968	42,235	42,513	42,804	43,082	43,367	43,651	43,891	44,087
GREECE	6,518	6,529	6,537	6,544	6,552	6,563	6,575	6,597	6,616	6,639	6,669	6,700
HUNGARY	4,408	4,415	4,420	4,427	4,439	4,455	4,474	4,501	4,519	4,538	4,615	4,626
IRELAND	1,999	2,002	2,008	2,018	2,032	2,049	2,070	2,090	2,120	2,153	2,183	2,219
ITALY	n/a	n/a	n/a	n/a	n/a	35,213	31,200	31,280	31,350	31,420	31,480	31,540
LATVIA	n/a	n/a	n/a	n/a	n/a	n/a	1,072	1,075	1,078	1,081	1,085	1,089
LITHUANIA	1,403	1,413	1,428	1,445	1,451	1,501	1,510	1,518	1,527	1,536	1,544	1,556
LUXEMBOURG	n/a	n/a	n/a	n/a	n/a	n/a	258	262	266	270	273	2,76
MALTA	n/a	n/a	n/a	n/a	n/a	n/a	240	246	252	258	264	2,70
NETHERLANDS	7,535	7,588	7,641	7,741	7,815	7,892	7,964	8,034	8,109	8,180	8,249	8,318
POLAND	13,983	14,119	14,272	14,440	14,615	14,813	15,010	15,245	15,483	15,704	15,904	16,113
PORTUGAL	5,920	5,926	5,933	5,942	5,955	5,968	5,980	6,000	6,020	6,042	6,067	6,094
ROMANIA	8,841	8,882	8,929	8,977	9,031	9,093	9,150	9,220	9,293	9,364	9,425	9,484
SLOVAKIA	n/a	n/a	n/a	n/a	n/a	n/a	2,120	2,140	2,160	2,181	2,199	2,213
SLOVENIA	845	n/a	n/a	n/a	852	n/a	860	864	868	872	877	8,82
SPAIN	25,209	25,171	25,129	25,097	25,075	25,067	25,850	25,940	26,030	26,118	26,216	26,307
SWEDEN	4,669	4,717	4,796	4,859	4,925	4,978	5,020	5,085	5,139	5,189	5,239	5,272
ICELAND	132	134	135	138	140	144	146	151	159	162	159	1,64
NORWAY	2,456	2,485	2,516	2,548	2,582	2,610	2,638	2,667	2,694	2,721	2,744	2,749
SWITZERLAND	4,289	4,352	4,421	4,469	4,529	4,582	4,637	4,688	4,694	4,794	4,840	4,875
UNITED KINGDOM	27,331	27,532	27,754	28,005	28,262	28,539	28,815	29,059	29,322	25,396	29,810	30,045
AUSTRALIA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	10,879	11,135	11,294	11,450
BRAZIL	64,593	65,965	67,213	68,018	69,419	70,646	71,570	72,273	74,145	77,674	78,500	79,800
JAPAN	n/a	n/a	n/a	n/a	62,407	n/a	62,410	62,800	63,200	65,047	63,950	64,300
RUSSIA	62,900	64,000	64,900	65,900	66,900	67,500	69,000	70,200	71,200	72,300	73,300	74,400
SINGAPORE	309	327	348	364	370	374	376	382	391	411	418	1,442
SOUTH KOREA	18,742	16,367	16,692	17,123	17,633	18,127	18,526	18,812	19,416	19,830	20,261	20,603
TURKEY	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	27,900
USA	134,321	135,201	136,169	137,223	138,347	139,511	140,758	142,125	143,719	145,354	146,771	148,147

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, Japanese Ministry of Internal Affairs and Communications, US Bureau of Census*

Time series breaks:

- Denmark: 2007 (due to a change in methodology)
- Netherlands: 2012 (due to a change in methodology)
- Norway: 2006 (due to a change in methodology)

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Australia, Austria, Brazil, Bulgaria, Croatia, Cyprus, Czechia, Estonia, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"

17. Number of Transactions

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA		54,492	51,318	53,960	54,700	60,298	63,375	66,996	55,712	40,551	44,805	52,987
BELGIUM	135,180	103,514	119,064	123,851	130,326	149,667	122,501	143,327	150,625	127,880	128,942	151,731
BULGARIA	n/a	230,321	228,586	214,385	212,586	211,529	193,566	247,937	242,624	215,507	212 745	223,178
CROATIA	2,410	1,672	2,791	2,429	2,880	3,458	3,458	33,800	35,200	31,400	27,035	25,927
CYPRUS	4,527	4,952	7,063	8,734	9,242	10,366	7,968	10,347	13,409	15,567	15,847	19,525
DENMARK	52,490	63,186	63,679	69,818	68,602	70,851	82,263	88,448	60,740	62,886	67,147	78,182
ESTONIA	31,093	33,090	33,407	35,891	34,947	35,902	34,412	42,243	38,710	32,923	32,643	47,500
FINLAND	58,520	61,954	61,334	62,654	60,800	63,298	70,794	76,281	70,630	82,865	52,404	59,800
FRANCE	689,000	795,000	843,000	964,000	975,000	1,077,000	1,024,000	1,174,000	1,116,000	932,000	845,000	952,000
GERMANY	561,000	578,000	577,000	567,000	575,000	608,000	599,000	599,000	523,000	431,000	500,000	548,000
GREECE	43,443	54,631	60,540	69,826	79,532	96,662	74,769	104,746	112,283	122,123	152,000	168,000
HUNGARY	127,592	154,212	160,975	165,782	172,846	154,940	145,300	168,000	156,100	123,300	130,000	152,100
IRELAND	38,955	47,330	46,416	52,119	53,644	57,654	49,711	58,168	63,544	50,324	48,775	54,040
ITALY	417,524	444,636	516,574	542,700	578,647	603,541	557,926	748,523	784,486	709,591	719,578	766,757
LATVIA	49,973	48,397	52,152	52,640	49,093	49,890	50,839	56,502	52,752	46,997	47,732	41,200
LUXEMBOURG	6,477	6,269	6,333	7,404	7,545	7,295	6,835	6,836	5,872	3,251	4,845	8,450
MALTA	n/a	n/a	6,502	n/a	n/a	n/a	n/a	14,300	14,800	15,200	16,100	17,200
NETHERLANDS	153,511	178,293	214,793	241,860	221,603	221,012	236,841	226,087	193,103	18,240	206,460	238,695
POLAND	130,656	160,789	173,467	188,596	211,597	213,763	204,709	248,694	245,755	182,403	235,100	232,514
PORTUGAL	69,839	90,509	107,490	129,834	151,209	154,865	137,513	165,682	167,900	136,499	156,325	169,812
ROMANIA	454,001	483,699	521,805	587,017	603,592	622,260	589,748	712,313	702,731	637,833	641,144	645,954
SLOVENIA	10,364	12,030	14,018	15,246	13,902	14,071	11,612	13,927	12,869	10,300	8,124	11,974
SPAIN	365,621	401,713	457,738	532,261	582,888	569,993	487,354	674,249	717,734	638,591	715,429	752,098
SWEDEN	159,536	168,298	160,200	164,735	158,233	163,784	173,602	187,624	164,406	136,704	154,616	159,212
ICELAND	8,314	10,247	11,164	10,546	11,169	10,904	12,749	14,259	10,363	9,201	13,212	11,900
NORWAY	112,147	119,681	121,578	114,382	118,196	119,950	125,302	128,113	110,788	103,912	113,939	99,200
UNITED KINGDOM	1,208,310	999,460	1,235,020	1,220,060	1,191,510	1,176,860	1,045,130	1,476,040	1,258,220	1,019,220	1,102,010	1,213,340
AUSTRALIA	511,653	521,214	471,267	478,410	432,340	434,412	470,264	636,884	514,971	670,000	555,293	551,000
BRAZIL	991,933	894,125	785,160	653,291	769,200	762,332	840,028	1,222,656	109,771	993,433	117,703	433,681
JAPAN	155,900	154,200	158,100	147,500	159,867	191,800	147,300	159,800	147,400	158,533	381,000	395,000
RUSSIA	3,448,283	2,806,901	2,861,989	2,863,164	3,122,824	3,025,069	3,130,095	3,575,093	2,815,558	3,800,000	2,800,000	2,600,000
SINGAPORE	12,848	14,117	16,378	25,010	22,139	19,150	20,909	33,557	21,890	19,044	21,950	27,100
SOUTH KOREA								1,015,000	509,000	555,000	642,000	726,111
TURKEY	1,165,381	1,289,320	1,341,453	1,409,314	1,375,398	1,348,729	1,499,316	1,491,856	1,485,622	1,225,926	1,310,000	1,412,000
USA	5,377,000	5,751,000	6,011,000	6,123,000	5,957,000	6,830,000	6,462,000	6,891,000	5,670,000	4,760,000	4,746,000	4,580,000

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, US Bureau of Census*

Time series breaks:

- Estonia: 2006 (data from the Estonian Landboard)
- Ireland: 2011 (the source was changed from 2011 onwards)
- Germany: 2007 (the source was changed from 2007 onwards)
- Portugal: 2000

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Croatia, Greece, Japan, Malta, Poland, Turkey

Table-specific notes:

- For Ireland, please note that data prior to 2011 is an estimation based on mortgage approvals, and must thus be used with caution.
- In Poland, the data for 2012 concerns only the dwellings of the secondary market and excludes single family houses.
- In Croatia, the number refers to new dwellings only.
- In Cyprus, the number refers to properties sold and transferred
- In Denmark, the number excludes self-build dwellings but covers second homes.
- In Belgium, the number includes only transaction on second hand houses.
- In the Netherlands, the number includes commercial transactions also.
- In Romania, the number includes commercial transactions also.
- In Portugal, the number covers only urban areas including commercial transactions.
- In Japan, the number of second hand dwellings purchased between January and December of the indicated years.
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- For Finland 2000-2007 are estimates by the Federation of Finnish Financial Service.
- For Denmark 2000-2003 is an estimation.

18. Nominal House Price Indices

2015 = 100

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	95.3	100.0	106.7	112.1	118.8	126.0	135.5	151.0	168.5	163.7	157.0	167.3
BELGIUM	100.7	100.0	104.4	108.8	113.1	119.4	121.1	131.5	142.7	145.6	145.9	144.86
BULGARIA	97.3	100.0	107.0	116.3	122.7	128.5	129.7	135.6	156.2	186.7	217.5	249.2
CROATIA	103.0	100.0	100.9	104.8	111.1	121.1	130.4	145.0	170.1	186.2	198.5	226.46
CYPRUS	104.2	100.0	98.2	98.7	99.9	101.9	102.6	102.7	106.7	112.7	118.3	101.93
CZECHIA	96.1	100.0	111.0	120.3	132.1	143.9	156.8	197.3	211.0	208.7	222.3	245.36
DENMARK	93.8	100.0	103.7	108.4	112.8	116.0	121.2	135.6	136.7	133.6	143.0	149.30
ESTONIA	93.6	100.0	104.8	110.5	117.4	125.3	132.8	152.8	186.6	197.7	209.8	222.0
FINLAND	100.8	100.0	100.9	101.9	103.0	103.9	105.1	109.1	109.4	102.3	99.6	99.03
FRANCE	101.9	100.0	100.9	104.0	107.1	110.6	116.8	124.6	132.4	131.5	126.2	126.95
GERMANY	95.7	100.0	106.0	112.1	120.8	129.0	138.5	154.2	168.0	161.1	158.6	162.7
GREECE	105.3	100.0	97.5	96.6	98.3	105.4	110.1	118.5	132.7	151.1	164.2	178.33
HUNGARY	84.9	100.0	117.7	134.3	160.1	192.2	205.5	240.8	292.9	318.1	356.6	376.83
IRELAND	89.7	100.0	107.5	119.1	131.3	134.4	134.8	146.0	164.0	169.0	183.4	197.21
ITALY	104.0	100.0	105	114.0	125.0	133.0	144.0	165.6	187.6	182.2	110.7	116.2
LATVIA	93.8	100.0	107.8	116.2	129.2	139.9	146.0	161.9	184.3	191.3	199.6	214.28
LITHUANIA	96.5	100.0	105.4	114.8	123.2	131.6	141.2	163.8	195.0	214.2	235.0	258.11
LUXEMBOURG	94.9	100.0	106.0	112.0	119.9	132.0	151.1	172.2	188.6	171.5	162.5	165.11
MALTA	94.5	100.0	105.5	111.0	117.4	124.7	128.9	135.4	142.2	155.3	163.3	177.36
NETHERLANDS	97.2	100.0	105.0	112.9	123.1	131.6	141.9	163.4	186.8	183.3	198.1	193.3
POLAND	98.1	100.0	101.5	106.4	115.5	127.5	140.9	156.0	177.5	188.3	215.0	228.87
PORTUGAL	97.0	100.0	107.6	118.9	129.9	143.4	154.8	172.8	192.4	207.5	231.4	272.1
ROMANIA	97.2	100.0	106.0	112.4	118.6	122.7	128.4	134.1	146.8	152.3	158.4	168.99
SLOVAKIA	98.3	100.0	104.9	111.9	118.1	126.9	142.1	175.5	212.9	200.1	201.7	204.22
SLOVENIA	99.2	100.0	103.3	111.8	121.6	129.7	135.7	151.3	173.7	186.1	199.9	208.89
SPAIN	98.9	100.0	101.9	104.3	107.8	111.3	110.0	112.4	118.0	122.6	129.7	144.22
SWEDEN	90.4	100.0	108.4	117.4	117.4	120.5	128.6	150.3	156.8	141.3	141.9	144.4
EU 27 (simple average)	97.1	100.0	104.8	111.0	118.1	125.8	133.0	148.0	165.2	170.2	179.6	163.0
EURO AREA 19 (simple average)	98.0	100.0	104.0	109.4	115.7	119.9	126.0	138.8	158.5	163.4	169.7	156.0
ICELAND	92.4	100.0	109.8	131.2	142.0	148.3	157.8	177.6	214.8	231.6	183.4	368.1
NORWAY	94.8	100.0	111.9	110.3	114.1	116.3	126.4	134.4	137.0	138.2	146.4	154.57
SWITZERLAND	97.5	100.0	100.1	96.6	97.1	101.7	106.4	112.7	119.3	124.0	128.3	133.5
UNITED KINGDOM	94.4	100.0	107.0	111.9	115.4	116.5	119.9	129.6	141.8	142.3	143.3	146.77
AUSTRALIA	92.99	100.0	106.54	112.77	108.14	112.3	120.81	149.9	145.68	155.23	163.98	178.02
BRAZIL	101.6	100.0	97.2	96.1	97.5	102.3	111.5	118.4	120.4	126.2	135.0	214.5
CANADA							189.3	213.2	232.2	217.2	212.8	207.01
JAPAN	99.5	100.0	102.2	104.8	106.8	108.6	108.6	115.1	124.8	128.6	135.2	119.3
RUSSIA	99.6	100.0	97.3	96.4	99.2	105.0	112.7	135.0	165.8	178.8	203.5	217.2
SINGAPORE	104.0	100.0	96.9	95.8	104.3	107.1	109.5	121.1	131.5	140.5	146.0	162.9
SOUTH KOREA	96.6	100.0	100.7	102.2	103.3	103.0	108.5	119.2	113.7	109.6	109.8	143.7
TURKEY	86.6	100.0	112.2	122.4	127.8	140.6	183.3	292.8	784.3	1,376.7	1,721.5	2,268.52
UNITED STATES	94.9	100.0	105.9	112.4	118.7	125.2	139.2	163.8	177.4	189.0	190.7	233.9

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, OECD, Eurostat, Federal Housing Finance Agency (US), Ministry of Land, Infrastructure, Transport and Tourism (Japan), Federal Reserve Bank of St. Louis (FRED)*

Time series breaks:
- Croatia: 2022 (change of source)
- Czech Republic: 2008 (change in source)
- Iceland: 2005 (change of source)
- Portugal: 2005
- Australia: 2010
- US: 1980=100

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Australia

Table-specific notes:
- For Hypostat 2020 the base year has been postponed to 2015 to be in line with the dispositions followed by Eurostat in compliance with Regulation (EC) No 2015/2010)
- For further details on the methodologies, please see "Annex: Explanatory Note on Data"
- For Austria, the index covers new and used condominiums and for single-family houses.
- For Bulgaria, the index excludes new flats.
- For Croatia, the index covers the average price of new dwellings sold.
- For Cyprus, the index covers houses and flats and is calculated on year averages of valuation data
- For Czechia, the index covers second-hand flat prices in CZ and also new flat prices Prague.
- For Denmark, second homes and flats are included.
- For Estonia, both new and existing dwellings are included.
- For Finland, the index covers the change in the prices of single-family houses and single-family house plots.
- For France, the index covers the weighted average of existing homes and the price index for new housing.
- For Greece, the index covers only urban areas.
- For Poland, the index includes only transactions in the secondary market, covering the 7 biggest cities in Poland.
- For Sweden, the index covers one- and two-dwellings buildings.
- For the UK, the index covers only market prices, self-built dwellings are excluded
- For Australia, the index is a weighted average of the seven largest cities
- For Japan, the index covers monthly price indices for detached houses.
- For Brazil: Prices grew fast due to pent-up demand unleashed after 2006, when inflation and interest rates where controled.
- For USA: the index includes purchase-only transactions

19. Nominal House Price Index – cities

2015 = 100

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA												
Vienna	97.8	100.0	103.8	105.4	110.9	116.3	124.1	137.5	150.9	148.1	142.3	146.5
Rest of the country	95.1	100.0	109.0	114.4	124.1	127.4	137.0	154.5	171.3	169.9	167.5	167.3
BELGIUM												
Brussels	97.2	100.0	103.0	104.3	106.9	112.7	121.9	126.4	124.9	124.7	129.2	150.7
BULGARIA												
Sofia	92.9	100.0	111.0	123.1	131.3	141.8	133.6	140.3	163.5	210.0	248.0	284.8
Varna	91.9	100.0	107.6	119.0	124.2	133.1	120.0	126.3	142.7	182.1	218.2	247.1
Plovdiv	90.8	100.0	105.6	115.9	123.2	135.0	132.0	136.9	153.6	195.7	217.2	257.1
CROATIA												
Zagreb	102.2	100.0	100.7	105.1	116.4	131.8	142.5	158.3	193.9	201.0	218.8	249.92
Adriatic Coast	103.4	100.0	101.3	105.7	111.4	119.1	126.6	142.5	160.9	171.3	190.3	212.88
Rest of the country	102.8	100.0	99.2	99.7	100.3	104.1	114.5	124.4	146.2	162.5	182.9	226.46
CYPRUS												
Nicosia	105.6	100.0	97.6	98.5	99.9	101.5	102.7	102.2	105.2	109.9	112.6	113.0
Limassol	104.1	100.0	99.1	101.3	104.8	109.8	111.7	115.5	123.2	136.0	145.8	156.6
Larnaca	104.9	100.0	98.8	98.0	99.6	102.4	104.7	106.3	109.7	120.2	129.9	138.7
CZECHIA												
Prague	95.2	100.0	107.9	124.0	135.5	146.9	160.0	187.3	216.6	208.9	221.8	253.4
DENMARK												
Copenhagen	90.4	100.0	106.0	113.1	122.8	125.5	134.3	160.2	163.6	156.3	173.0	196.43
Aarhus	92.7	100.0	102.9	105.5	110.7	113.6	119.8	133.8	135.8	135.0	136.0	144.58
Odense	95.0	100.0	104.6	107.0	113.4	118.6	121.0	133.4	133.6	132.9	135.0	141.71
FINLAND												
Helsinki	99.7	100.0	102.8	106.3	122.8	126.9	132.5	140.7	139.9	128.8	111.8	106.8
Tampere	99.1	100.0	101.1	103.0	120.5	122.9	126.7	133.5	136.0	128.2	108.6	105.2
Turku	99.2	100.0	100.9	104.3	104.4	109.5	112.3	118.9	120.7	116.0	115.8	109.3
FRANCE												
Paris	101.6	100.0	103.1	110.5	117.8	125.4	134.3	134.3	132.8	126.7	119.3	120.48
Marseille	103.7	100.0	97.7	101.5	103.8	108.1	113.2	121.2	132.9	135.3	130.5	133.2
Lyon	100.4	100.0	102.8	110.0	119.7	132.4	146.2	153.1	153.8	145.0	133.9	133.03
GERMANY												
Aggregate seven largest Germany cities	92.1	100.0	109.8	122.4	132.2	137.4	144.1	158.2	170.7	161.1	160.0	165.2
GREECE												
Athens	105.6	100.0	98.1	97.1	99.8	110.4	119.0	130.5	148.7	169.4	183.2	195.90
Thessaloniki	105.7	100.0	96.6	95.2	96.3	103.0	108.1	116.2	131.0	152.6	169.7	186.82
HUNGARY												
Budapest	82.8	100.0	124.0	146.7	180.2	221.0	231.7	252.1	276.5	324.5	344.6	425.3
Debrecen	87.0	100.0	116.1	136.5	161.9	203.3	211.6	248.6	316.2	343.5	388.0	480.7
Szeged	90.4	100.0	114.7	147.3	174.3	224.2	235.4	278.8	368.8	390.7	426.8	528.9

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ITALY												
Rome	105.4	100.0	95.1	92.0	89.8	87.5	86.1	85.7	87.0	87.7	88.7	93.2
Milan	100.5	100.0	99.2	99.3	100.2	101.9	103.5	106.1	114.9	124.5	135.1	139.5
Naples	101.5	100.0	97.6	96.9	96.8	96.5	92.2	93.4	92.3	94.2	92.7	n/a
IRELAND												
Dublin	91.0	100.0	105.1	115.0	124.9	124.9	124.2	133.3	147.0	147.8	160.7	191.4
LITHUANIA												
Vilnius												238.18
Kaunas												332.34
Klaipeda												222.44
NETHERLANDS												
Amsterdam	91.1	100.0	113.6	129.5	146.0	154.3	162.1	180.3	200.2	190.2	206.6	219.4
The Hague	96.2	100.0	108.3	120.3	135.4	146.1	157.1	179.8	199.6	192.3	206.0	222
Rotterdam	95.8	100.0	107.1	121.0	138.6	149.9	162.6	185.5	208.3	202.5	215.4	231.1
POLAND												
Cracovia	98.8	100.0	101.2	104.9	113.2	124.9	137.3	151.4	170.8	182.7	217.0	250.09
Lodz	96.7	100.0	99.0	104.1	110.7	123.1	140.6	156.2	180.7	194.9	245.0	255.85
Warsaw	100.0	100.0	100.2	107.4	119.1	132.6	147.7	162.9	184.7	193.5	221.0	222.87
PORTUGAL												
Lisbon	96.4	100.0	103.3	114.8	126.6	132.8	144.7	n/a	n/a	n/a	n/a	n/a
ROMANIA												
Bucarest	96.7	100.0	107.5	116.4	121.6	125.6	126.6	138.0	142.4	137.1	143.6	156.58
SLOVAKIA												
Bratislava	97.4	100.0	105.7	112.0	116.5	124.1	137.8	166.9	198.2	184.9	188.4	n/a
Košice	97.2	100.0	98.5	107.3	113.3	109.3	140.1	190.1	246.8	222.2	222.3	n/a
Prešov	102.7	100.0	105.2	111.7	117.3	139.0	154.1	211.3	276.8	251.1	249.7	n/a
SLOVENIA												
Ljubljana	95.0	100.0	106.0	120.0	134.5	137.9	142.8	161.1	183.8	187.8	201.5	n/a
SPAIN												
Madrid	97.1	100.0	104.5	110.3	119.7	126.6	125.4	129.0	138.7	145.1	156.1	177.62
Barcelona	98.7	100.0	106.2	113.0	120.5	126.1	124.3	126.3	132.1	135.0	141.1	155.23
Valencia	99.5	100.0	102.6	101.7	105.2	110.3	109.9	114.7	121.3	128.8	140.4	160.98
SWEDEN												
Stockholm	87.7	100.0	108.7	114.9	108.7	109.3	116.2	137.8	142.7	127.0	127.0	129.8
Malmö	93.7	100.0	111.3	121.8	126.0	131.6	142.1	167.8	174.9	157.6	158.8	162.1
Göteborg	90.6	100.0	106.6	117.6	118.5	122.3	129.2	147.6	154.5	140.1	140.8	142.9
ICELAND												
Reykjavik	91.7	100.0	110.5	131.8	139.7	144.8	152.8	171.4	212.5	224.8	244.6	253.5
NORWAY												
Oslo	89.5	100.0	125.9	112.4	119.9	124.3	139.6	145.5	145.0	149.3	159.5	164.97
Bergen	98.0	100.0	102.8	101.5	103.1	105.5	113.4	119.3	122.7	123.5	139.6	153.41
Trondheim	96.4	100.0	106.9	106.9	107.4	107.8	115.3	123.9	127.8	125.8	129.2	131.23

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
UNITED KINGDOM												
London	90.8	100.0	110.0	113.0	112.4	110.8	113.8	117.6	124.2	122.6	122.3	123.2
AUSTRALIA												
Canberra	96.17	100	101.53	111.88	111.69	117.43	121.84	154.79	156.32	157.66	155.94	160.54
Sydney	92.44	100	106.68	119.16	116.87	121.79	122.67	143.94	133.39	132.69	131.63	138.31
Melbourne	88.71	100	111.83	126.44	122.05	126.15	123.5	133.09	110.46	107.72	107.32	116.08
BRAZIL												
São Paulo	102.0	104.5	103.3	102.2	103.4	106.9	122.3	143.4	168.2	186.7	207.3	217.8
Rio de Janeiro	101.8	101.3	98.8	94.9	92.4	92.0	95.1	103.9	121.3	134.3	143.3	150.2
Belo Horizonte	99.5	98.0	95.1	92.9	92.2	93.3	97.3	102.2	112.9	124.1	150.2	170.5
CANADA												
Ottawa	98.84	100	101.34	103.65	106.44	109.86	115.74	130.46	145.28	148.75	155.43	160.58
Toronto	97.64	100	106.78	118.42	121.75	122.31	129.58	153.47	170.15	165.92	173.61	177.84
Montreal	97.12	100	102.98	107.89	111.72	115.08	121.65	137.94	154.31	151.87	158.66	162.74
JAPAN												
Tokyo	96.0	100.0	103.6	106.8	108.8	110.2	110.0	118.7	130.5	136.5	141.3	n/a
Osaka	99.1	100.0	102.5	106.5	110.8	113.4	113.7	119.3	130.2	134.7	139.2	n/a
Aichi	97.6	100.0	101.9	105.8	107.2	111.2	109.4	114.9	118.6	134.7	122.0	n/a
RUSSIA												
Moscow	94.6	100.0	101.1	99.5	100.9	107.5	114.0	142.7	167.8	177.5	193.0	201.6
St. Petersburg	99.7	100.0	102.3	103.3	110.5	116.3	125.9	157.4	193.3	198.4	210.4	219.8
SOUTH KOREA												
Seul	95.6	100.0	101.3	103.7	107.1	107.6	114.6	129.3	120.9	116.6	118.2	119.0
Busan	96.7	100.0	103.2	105.6	104.0	102.7	108.7	120.5	115.0	107.3	105.0	105.7
TURKEY												
Ankara	88.7	100.0	109.1	116.7	118.5	130.5	169.9	264.7	721.8	1,387.7	2,319.6	2502.82
Istanbul	81.2	100.0	112.8	117.8	118.9	123.2	157.6	257.1	704.9	1,139.9	1,692.1	1894.11
Izmir	87.0	100.0	116.1	137.7	145.8	160.9	208.2	330.1	885.7	1,554.4	2,368.9	n/a
USA												
Washington - DC	97.9	100.0	103.8	107.8	112.0	117.5	129.0	143.0	151.7	160.1	158.5	146.5
New York	95.5	100.0	104.6	110.1	115.2	121.1	131.4	145.0	155.6	167.3	167.2	178.6
Los Angeles	92.8	100.0	108.5	117.3	123.9	130.0	143.3	166.1	177.1	186.7	186.0	184.1
SWITZERLAND												
Zurich region	n/a	100.0	100.8	99.1	101.4	107.1	114.0	122.3	131.7	136.9	141.7	149.6
Espace Mittelland	n/a	100.0	101.3	98.2	99.7	104.1	109.4	115.1	120.6	124.8	130.8	135.8
Lake Geneva region	n/a	100.0	98.1	94.3	95.1	99.9	105.2	111.4	117.8	122.3	126.1	131.7

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, Federal Housing Finance Agency (US), Ministry of Land, Infrastructure, Transport and Tourism (Japan), FPRE - Swiss Residential Property Price Index, OECD*

Time series breaks:
- Croatia: 2022 (change of source)

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Canberra, Melbourne, Prague, Sydney

Table-specific notes:
- For Hypostat 2020 the base year has been postponed to 2015 to be in line with the dispositions followed by Eurostat in compliance with Regulation (EC) No 2015/2010)
- Belgium: Data refers to apartments in Brussels which constitute 70% of the market.
- Bulgaria: Data referred to flats in the district centres only (newly built flats are excluded)
- Spain: the indexes refer to the regions around these cities
- Slovakia: the indexes refer to the regions around these cities, price per square metre
- Slovenia: the index comprises only apartments

20. Change in Nominal House Price

Annual % change

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	3.5	4.9	8.5	5.3	4.7	3.4	7.0	11.8	10.3	-2.8	-4.1	6.55
BELGIUM	1.5	-0.7	4.4	4.2	3.9	5.6	1.4	8.6	8.5	2.2	0.1	-0.73
BULGARIA	1.4	2.8	7.0	8.7	5.5	4.8	0.9	4.5	15.2	19.6	16.5	14.57
CROATIA	-1.6	-2.9	0.9	3.8	6.1	9.0	7.7	7.3	17.3	9.5	6.6	14.06
CYPRUS	-8.8	-4.3	-1.8	0.5	1.2	2.0	0.7	0.0	3.9	5.7	5.0	-13.84
CZECHIA	3.8	4.1	11.0	8.4	9.8	8.9	9.0	25.8	6.9	-1.1	6.5	10.38
DENMARK	1.5	6.7	3.7	4.5	4.1	2.8	4.3	11.7	1.0	-2.3	3.5	4.40
ESTONIA	13.7	6.9	4.8	5.4	6.2	-31.8	6.0	15.1	22.2	5.9	6.1	5.84
FINLAND	-0.6	-0.8	0.9	1.1	1.0	0.9	1.2	3.8	0.3	-6.5	-2.7	-2.3
FRANCE	-1.8	-1.9	0.9	3.0	3.0	3.2	5.6	6.7	6.3	-0.7	-4.0	0.59
GERMANY	3.1	4.6	6.0	5.8	7.7	6.8	7.4	11.3	9.0	-4.1	-1.6	2.65
GREECE	-7.5	-5.0	-2.5	-1.0	1.8	7.2	4.3	7.3	11.7	13.8	8.8	8.58
HUNGARY	3.3	18.1	17.3	13.4	18.5	18.4	9.1	11.9	21.5	8.0	12.1	5.68
IRELAND	16.5	11.6	7.3	10.9	10.2	2.4	0.4	8.2	12.3	7.4	8.5	7.55
ITALY	-4.7	-3.8	0.3	-1.1	-0.6	-0.1	1.9	2.6	3.8	1.3	3.1	4.97
LATVIA	-4.5	6.6	7.8	7.9	11.2	8.2	4.2	11.2	13.9	3.8	4.3	7.35
LITHUANIA	6.4	3.7	5.4	8.9	7.3	6.8	7.3	16.1	19.0	9.8	9.7	9.82
LUXEMBOURG	4.4	5.4	6.0	5.6	7.1	10.1	14.5	13.9	9.6	-9.1	-5.2	1.61
MALTA	2.6	5.8	5.5	5.3	5.8	6.1	0.4	3.7	6.7	9.2	5.2	8.60
NETHERLANDS	0.9	2.9	5.0	7.5	9.0	6.9	7.9	15.2	13.6	-1.9	8.7	-2.42
POLAND	1.8	1.1	0.7	6.6	8.9	10.6	11.7	9.6	10.4	6.1	14.2	6.45
PORTUGAL	4.2	3.1	7.6	10.5	9.3	10.4	8.0	11.6	11.3	7.8	9.1	17.58
ROMANIA	-2.1	2.9	6.0	6.0	5.6	3.4	4.3	7.5	7.2	3.7	4.0	6.71
SLOVAKIA	-0.8	0.9	4.9	6.7	5.5	7.5	11.9	23.7	21.3	-6.0	0.8	1.25
SLOVENIA	-6.6	0.8	3.3	8.3	8.7	6.7	4.6	11.5	14.8	7.2	7.4	4.49
SPAIN	-2.4	1.1	1.9	2.4	3.4	3.2	-1.1	2.1	5.0	3.9	5.8	11.18
SWEDEN	7.0	10.7	8.4	8.3	0.0	2.6	6.7	16.9	4.3	-9.9	0.4	0.25
EU 27 (simple average)	1.3	3.1	4.9	5.8	6.1	4.7	5.5	10.3	10.6	3.0	5.0	-9.24
EURO AREA 20 (simple average)	1.0	2.2	4.0	5.1	5.6	3.5	4.9	9.7	10.7	2.8	5.7	-8.09
ICELAND	8.4	8.2	9.8	19.5	8.2	4.4	6.4	12.5	21.0	7.8	-20.8	100.75
NORWAY	8.7	4.6	12.5	-1.1	2.8	2.6	5.7	5.1	1.8	0.9	5.9	5.58
SWITZERLAND	2.7	2.6	-1.5	3.6	2.5	2.2	5.3	9.1	6.4	3.9	3.5	4.05
UNITED KINGDOM	8.0	6.0	7.0	4.6	3.1	1.0	5.1	10.2	10.1	0.4	0.7	2.42
AUSTRALIA	6.6	8.8	5.1	4.5	-4.8	2.3	3.0	22.1	-3.2	-5.7	5.6	8.6
BRAZIL	5.0	-1.6	-2.6	-2.1	0.2	2.9	7.1	9.0	2.4	0.3	13.4	58.87
CANADA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12.7	8.9	-6.5	-2.0	-3.5
JAPAN	-0.3	0.5	1.1	0.6	0.9	-0.3	-0.5	5.2	6.3	3.1	5.1	-11.76
RUSSIA	5.9	0.4	-2.7	-1.0	3.0	5.9	7.3	21.6	22.8	7.8	9.2	6.74
SINGAPORE	-2.9	-3.9	-3.1	-1.1	8.9	2.7	2.2	10.6	8.6	6.8	2.3	11.57
SOUTH KOREA	1.7	3.5	0.7	1.5	1.1	-0.4	5.4	9.9	-4.7	-3.6	0.2	30.87
TURKEY	15.0	15.5	12.2	9.1	4.5	10.0	30.4	59.7	167.9	75.5	25.0	31.77
USA	5.2	5.5	5.6	6.2	6.2	5.1	7.9	16.8	13.9	6.1	0.9	22.62

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, National Statistics Offices, OECD*

Time series breaks:
- See Table 18

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Australia, Singapore, Slovakia, South Korea, Switzerland

Table-specific notes:
- See Table 18 for further notes.

21. Nominal House Price to Disposable Income of Households Ratio

2015 = 100

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	96.6	100.0	102.5	104.1	110.3	110.3	120.3	128.7	129.3	117.0	105.6	108.4
BELGIUM	102.2	100.0	101.4	101.7	103.9	103.9	103.3	106.9	107.6	100.7	97.4	91.56
BULGARIA	101.0	100.0	102.2	103.8	99.5	100.0	102.4	97.2	93.7	n/a	n/a	n/a
CROATIA	106.8	100.0	97.7	97.1	102.7	102.7	113.0	115.9	116.3	111.7	107.7	113.7
CYPRUS	104.5	100.0	92.7	87.5	78.6	78.6	79.7	73.4	71.1	72.3	75.9	55.8
CZECHIA	100.4	100.0	106.2	104.8	107.5	107.5	117.6	133.8	123.8	110.5	117.7	109.7
DENMARK	97.7	100.0	99.1	100.3	101.1	101.1	105.0	114.7	104.9	99.1	106.1	99.2
ESTONIA	98.7	100.0	99.6	97.0	92.9	92.9	98.5	104.6	115.4	109.8	116.5	107.8
FINLAND	102.5	100.0	99.0	97.6	93.3	93.3	93.4	93.7	90.1	80.4	78.3	75.5
FRANCE	103.1	100.0	99.1	99.6	99.4	99.4	103.7	106.2	107.3	99.2	95.3	89.2
GERMANY	98.3	100.0	1,024.6	104.8	113.1	113.1	119.7	129.3	131.5	118.6	116.7	99.8
GREECE	105.0	100.0	98.9	98.1	100.5	100.5	109.7	109.1	113.6	121.6	132.4	125.9
HUNGARY	87.8	100.0	112.3	116.2	142.6	142.6	160.1	168.1	186.8	163.9	184.8	171.0
IRELAND	93.5	100.0	102.5	106.9	108.4	108.4	101.7	103.0	112.5	111.6	116.2	100.2
ITALY	105.3	100.0	99.0	96.0	93.0	93.0	96.9	95.0	93.4	90.2	93.0	90.5
LATVIA	99.1	100.0	102.3	104.5	111.1	111.1	113.1	112.7	110.9	113.3	118.2	126.5
LITHUANIA	99.5	100.0	98.2	102.4	100.1	100.1	98.7	105.6	110.9	111.4	122.3	119.6
LUXEMBOURG	96.3	100.0	103.0	101.9	108.8	108.8	117.0	129.8	133.2	110.7	104.9	96.9
NETHERLANDS	99.0	100.0	102.1	107.3	113.2	113.2	117.5	128.0	134.1	119.8	129.5	115.5
POLAND	102.0	100.0	100.7	95.5	102.6	102.6	108.9	120.2	122.8	110.9	126.6	103.1
PORTUGAL	100.4	100.0	103.7	111.1	122.8	122.8	134.1	142.2	146.4	148.1	165.2	161.7
ROMANIA	104.3	100.0	96.6	90.1	82.1	82.1	84.0	83.0	88.0	77.2	80.3	63.0
SLOVAKIA	104.2	100.0	101.7	103.1	102.0	102.0	111.0	130.3	142.4	122.9	123.9	110.4
SLOVENIA	100.9	100.0	99.1	102.3	105.3	105.3	106.1	110.0	118.3	115.8	124.3	116.1
SPAIN	102.8	100.0	99.2	98.4	97.1	97.1	98.1	95.9	96.7	90.6	95.9	93.7
SWEDEN	91.3	100.0	105.0	111.2	115.1	115.1	120.8	128.9	131.9	122.5	123.0	107.0
NORWAY	96.1	100.0	114.2	108.5	111.8	111.8	128.4	120.4	102.2	111.8	148.7	138.4
SWITZERLAND	110.9	100.0	101.0	99.1	100.9	100.9	99.0	104.5	100.1	96.8	n/a	n/a
UNITED KINGDOM	112.7	100.0	118.9	132.2	127.6	127.6	133.4	134.3	137.0	129.7	118.7	117.6
JAPAN	105.3	100.0	90.7	97.1	94.5	94.5	90.7	105.0	115.7	132.1	145.0	n/a
UNITED STATES	94.8	100.0	102.6	106.3	105.9	105.9	111.5	127.8	120.0	119.9	115.0	n/a

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat, European Commission (AMECO Database)*

Time series breaks:

- For all countries: recalculated from 2015 (new base year)

- n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Bulgaria, Croatia, Japan, Norway, Switzerland, USA, United Kingdom

Table-specific notes:

- For Hypostat 2020 the base year has been postponed to 2015
- For further details on the methodologies, please see "Annex: Explanatory Note on data"
- See Tables 18 and 28 for further notes.

C — FUNDING OF THE MORTGAGE MARKET

22. Total Covered Bonds Outstanding

Backed by Mortgages, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	22,450	27,345	30,894	31,915	42,001	49,124	59,601	71,142	74,522	94,274	95,516	103,567
BELGIUM	10,575	15,105	16,700	15,250	20,092	23,637	41,062	41,462	46,162	54,707	55,727	60,327
CYPRUS	1,000	650	650	650	650	650	650	650	650	650	650	650
CZECHIA	11,106	11,656	13,060	15,522	13,757	14,168	18,185	22,548	17,908	13,213	14,953	14,155
DENMARK	369,978	377,903	389,200	393,447	396,246	402,432	419,031	433,812	440,428	441,008	435,825	450,075
ESTONIA	n/a	n/a	n/a	n/a	n/a	n/a	850	850	2,100	2,250	2,500	3,450
FINLAND	32,031	33,974	33,822	34,625	37,257	37,774	43,855	47,119	51,817	48,551	49,353	52,999
FRANCE	188,925	188,669	177,813	185,820	194,227	209,294	221,821	226,893	244,263	347,122	376,098	391,882
GERMANY	189,936	197,726	207,338	215,199	233,372	239,570	246,311	264,016	281,505	294,810	296,841	303,274
GREECE	14,546	4,961	4,485	10,100	13,840	13,190	10,890	10,840	10,140	9,840	9,840	9,693
HUNGARY	3,272	3,022	2,189	2,641	3,762	3,868	4,526	4,483	4,840	5,473	5,125	6,330
IRELAND	18,473	16,916	17,062	16,416	20,788	19,337	16,816	14,433	12,229	12,652	12,652	12,893
ITALY	122,464	122,135	138,977	139,937	163,311	172,728	171,102	168,099	162,848	157,793	160,875	160,435
LATVIA	0	0	0	0	0	0	0	0	0	0	0	0
LUXEMBOURG	0	0	0	0	0	0	0	0	0	0	0	0
NETHERLANDS	58,850	61,101	67,604	72,880	94,797	118,969	154,505	172,181	197,002	212,057	223,290	239,384
POLAND	882	1,230	2,216	3,959	4,925	6,111	5,776	5,000	4,467	4,248	3,804	4,912
PORTUGAL	33,711	34,461	32,970	35,530	35,795	36,600	38,350	38,150	35,900	39,020	39,531	43,231
ROMANIA	n/a	n/a	n/a	n/a	n/a	200	200	200	200	200	0	0
SLOVAKIA	3,939	4,198	4,197	5,118	4,858	6,658	7,337	8,851	11,382	15,027	14,955	17,345
SPAIN	282,568	252,383	232,456	216,498	213,253	220,767	231,143	216,808	188,958	191,825	185,676	183,902
SWEDEN	209,842	221,990	222,444	219,212	217,979	235,111	247,713	242,018	225,212	235,228	224,876	242,058
ICELAND	927	1,205	1,902	2,506	3,123	3,071	3,330	4,270	5,725	6,358	6,697	6,891
NORWAY	102,704	107,694	113,051	113,359	119,398	123,023	131,713	130,030	133,012	130,621	145,619	152,519
SWITZERLAND	100,436	111,542	117,564	111,632	119,422	128,248	140,617	152,825	174,458	201,085	189,781	206,569
UNITED KINGDOM (regulated)	114,654	106,674	97,127	89,509	93,530	108,857	96,012	88,710	85,801	95,376	95,929	106,084
UNITED KINGDOM (non regulated)	16,143	8,236	0	0	0	0	1,112	2,380	4,510	4,603	4,824	3,438
AUSTRALIA	64,741	69,312	70,796	64,001	65,855	64,630	62,592	57,864	70,180	79,777	80,234	75,649
BRAZIL	n/a	n/a	n/a	n/a	454	2,487	3,199	7,609	16,133	20,787	18,872	16,265
CANADA	64,836	85,759	100,830	93,095	107,496	113,016	168,195	138,436	168,393	192,353	205,903	182,661
JAPAN	n/a	n/a	n/a	n/a	1,000	3,585	5,322	6,174	5,788	6,505	5,600	5,100
SINGAPORE	n/a	919	1,963	5,576	8,466	8,990	8,815	11,087	12,423	13,683	19,011	21,075
SOUTH KOREA	1,349	1,954	2,490	2,619	2,771	6,183	7,928	9,966	11,622	14,591	15,457	14,474
TURKEY	n/a	128	628	1,923	2,334	1,967	1,755	895	280	6	0	0
USA	4,000	4,000	2,000	0	0	0	0	0	0	0	0	0

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, European Covered Bond Council (ECBC)*

• n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

• Finland, Romania, South Korea

Table-specific notes:

• Austrian and Icelandic figures are estimates
• Covered bonds include only bonds secured on property by mortgage lending institutions
• Bonds were not issued in the UK and Ireland before 2003. In other countries where data is missing, bonds may have been issued but the quality of the data is uncertain.
• In Sweden, the first covered bonds were issued in 2006, even though the Swedish covered bonds act applies from 2004. Prior to 2006 only mortgage bonds were issued in Sweden (outstanding volume at the end of 2005: EUR 92.8 bn) and, as they are not directly comparable to covered bonds, they are not included in the figures. A large part of the mortgage bond stock was also converted into covered bonds in 2006; the figures include both the converted bonds and the new bonds issued that year.
• French series: outstanding covered bonds + 50% of mixed assets
• For further details on the methodologies, please see "Annex: Explanatory Note on data"
• Please note that the conversion to euros was performed by the ECBC

23. Total Covered Bonds Issuances

Backed by Mortgages, EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	7,111	5,457	7,181	3,165	11,007	11,228	20,587	15,553	21,646	21,675	11,626	14,725
BELGIUM	2,387	4,530	2,345	1,050	5,842	5,000	19,250	2,500	7,700	11,295	5,520	12,750
CYPRUS	0	0	0	0	-	-	-	-	0	0	0	
CZECHIA	2,188	2,729	1,693	4,074	2,573	1,516	6,412	10,415	4,435	1,000	1,250	3,962
DENMARK	154,310	163,050	130,329	123,205	113,441	165,208	124,013	121,724	149,201	117,638	121,635	138,427
ESTONIA	n/a	n/a	n/a	n/a	n/a	n/a	850	0	1,250	250	250	1,750
FINLAND	6,469	7,425	4,679	5,550	5,650	6,650	11,199	8,587	11,420	10,400	10,350	9,800
FRANCE	17,558	33,903	19,482	28,347	27,108	37,050	39,770	29,865	46,390	134,899	53,531	49,859
GERMANY	29,145	40,369	35,070	36,841	43,142	41,973	40,248	45,812	67,317	51,509	57,258	46,773
GREECE	750	0	3,675	7,375	6,650	200	0	600	0	400	500	0
HUNGARY	91	888	625	1,166	2,004	487	1,555	541	911	1,185	1,064	1,607
IRELAND	2,535	5,225	3,542	3,250	5,575	0	2,000	0	0	2,250	2,250	3,000
ITALY	39,475	27,650	41,780	19,180	45,200	27,000	26,100	22,500	20,760	17,300	31,177	30,300
LATVIA	0	0	0	-	0	0	0	0	0	0	0	0
LUXEMBOURG	0	0	0	-	0	0	0	0	0	0	0	0
NETHERLANDS	3,910	7,908	9,908	11,925	28,714	28,388	44,013	36,705	37,956	20,125	26,840	32,775
POLAND	269	416	1,099	2,048	1,244	1,284	22	454	650	634	1,329	2,219
PORTUGAL	3,825	8,675	5,950	8,200	2,350	4,800	1,500	0	3,550	5,420	5,162	4,300
ROMANIA	n/a	n/a	n/a	n/a	n/a	200	0	0	0	0	0	
SLOVAKIA	654	1,159	751	1,316	800	2,250	1,500	2,000	3,250	4,125	1,500	4,805
SPAIN	23,038	31,375	31,393	30,000	19,935	19,435	14,560	12,720	22,350	22,550	16,750	32,250
SWEDEN	48,424	60,729	52,187	48,525	54,199	53,258	53,222	57,240	48,238	56,677	44,278	55,067
ICELAND	91	414	560	850	755	788	646	988	1,832	1,414	997	854
NORWAY	14,474	17,750	23,058	21,256	24,331	20,766	29,686	20,466	34,217	26,872	31,182	42,744
SWITZERLAND	19,193	15,840	16,106	12,922	13,725	15,360	20,508	19,297	25,490	27,136	21,894	
UNITED KINGDOM (regulated)	12,529	15,015	9,599	11,563	14,916	22,959	9,089	9,783	15,977	23,799	14,225	20,113
UNITED KINGDOM (non regulated)	0	0	0	-	-	-	1,112	1,190	2,255	0	0	
AUSTRALIA	13,253	10,004	11,382	7,351	11,075	9,511	4,594	6,825	24,509	19,442	9,462	17,471
BRAZIL	n/a	n/a	n/a	n/a	454	2,040	2,473	4,366	8,309	2,514	1,368	1,364
CANADA	19,275	29,287	28,148	12,441	24,384	23,647	79,834	31,820	70,170	61,479	28,449	23,969
JAPAN	n/a	n/a	n/a	n/a	1,000	2,585	1,850	750	0	1,750	0	500
SINGAPORE	n/a	919	1,014	3,753	3,762	914	1,000	3,702	3,910	2,927	6,361	7,308
SOUTH KOREA	-	919	949	417	587	3,369	2,921	2,847	2,092	3,704	4,400	2,972
TURKEY	n/a	128	500	1,334	766	256	0	16	0	0	0	0
USA	0	0	0	-	-	0	0	0	0	0	0	0

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, European Covered Bond Council (ECBC)*

• n/a : figure not available

Table-specific notes:

- For further details on the methodologies, please see “Annex : Explanatory Note on data”
- Please note that the conversion to euros was performed by the ECBC

24. Total Covered Bonds Outstanding

As % of GDP, Backed by Mortgages, %

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	6.7	7.9	8.6	8.6	10.9	12.4	15.7	17.7	16.7	19.8	19.8	20.1
BELGIUM	2.6	3.6	3.9	3.4	4.4	4.9	9.0	8.2	8.3	9.4	9.1	9.4
CYPRUS	5.7	3.6	3.4	3.2	3.0	2.8	3.0	2.8	2.3	2.2	1.9	1.8
CZECHIA	7.0	6.9	7.4	8.0	6.5	6.3	8.4	9.5	6.5	4.3	4.7	4.1
DENMARK	139.2	138.4	137.5	133.5	131.1	130.0	134.4	128.8	115.7	118.0	109.8	103.4
FINLAND	15.5	16.1	15.5	15.3	16.0	15.7	18.4	18.7	19.4	17.5	17.9	18.4
FRANCE	8.8	8.6	8.0	8.1	8.2	8.6	9.6	9.1	9.3	12.4	12.9	13.1
GERMANY	6.5	6.5	6.6	6.6	6.9	6.9	7.3	7.4	7.3	7.2	6.9	6.8
GREECE	8.2	2.8	2.6	5.7	7.7	7.2	6.6	5.9	4.9	4.5	4.1	3.9
HUNGARY	3.1	2.7	1.9	2.1	2.8	2.6	3.3	2.9	2.9	2.8	2.5	2.9
IRELAND	9.5	6.4	6.3	5.5	6.4	5.4	4.5	3.4	2.4	2.6	2.4	2.4
ITALY	7.5	7.4	8.2	8.1	9.2	9.6	10.3	9.5	8.3	7.6	7.3	7.3
LATVIA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LUXEMBOURG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NETHERLANDS	8.8	8.9	9.5	9.9	12.2	14.6	19.4	20.1	20.6	20.5	19.7	20.3
POLAND	0.2	0.3	0.5	0.8	1.0	1.1	1.1	0.9	0.7	0.6	0.4	0.5
PORTUGAL	19.5	19.2	17.7	18.1	17.4	17.1	19.2	18.1	14.8	14.7	13.9	14.1
ROMANIA	n/a	n/a	n/a	n/a	n/a	0.1	0.0	0.0	0.1	0.1	0.0	0.0
SLOVAKIA	5.2	5.3	5.2	6.1	5.4	7.1	8.0	9.1	10.4	12.2	11.4	12.7
SPAIN	35.2	29.4	25.1	21.6	19.8	17.7	20.6	18.0	14.0	13.1	11.7	10.9
SWEDEN	47.8	48.7	47.7	45.7	46.3	49.3	51.5	45.0	40.1	42.9	39.9	40.8
ICELAND	6.9	7.6	10.1	11.4	14.0	13.9	17.6	19.8	21.0	22.2	21.7	20.1
NORWAY	27.3	31.0	33.9	32.1	32.2	34.0	41.4	31.9	23.5	29.1	32.6	31.4
SWITZERLAND	18.1	17.6	18.7	17.9	19.2	19.6	21.3	22.2	22.4	24.6	21.9	23.8
UNITED KINGDOM (regulated)	4.9	4.0	3.9	3.7	3.8	4.2	4.0	3.3	0.0	0.0	0.0	n/a
UNITED KINGDOM (non regulated)	0.7	0.3	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	n/a
AUSTRALIA	5.9	5.7	6.5	5.4	5.4	5.2	5.4	4.4	4.3	5.1	4.8	4.9
BRAZIL	n/a	n/a	n/a	n/a	0.0	0.1	0.3	0.6	0.9	1.1	0.9	0.8
CANADA	4.8	6.1	7.3	6.4	7.4	7.3	11.7	8.2	8.3	9.9	9.5	8.9
JAPAN	n/a	n/a	n/a	n/a	0.0	0.1	0.1	0.1	0.1	0.2	0.1	0.1
SINGAPORE	n/a	0.3	0.7	1.8	2.7	2.7	2.9	3.3	2.7	3.0	3.6	4.3
SOUTH KOREA	0.1	0.1	0.2	0.2	0.2	0.4	0.6	0.7	0.0	0.0	0.0	0.9
TURKEY	n/a	0.0	0.1	0.3	0.4	0.3	0.3	0.1	0.0	0.0	0.0	0.0
USA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, European Covered Bond Council (ECBC), Eurostat*

• n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

• Romania, South Korea, Sweden, Switzerland, Turkey

Table-specific notes:

• - : no active covered bond market
• For a detailed defintion of covered bonds, please see the glossary
• For further details on the methodologies, please see "Annex : Explanatory Note on data"
• Please note that the conversion to euros was performed by the ECBC
• See Tables 22 and 27 for further notes

25. Total Residential Mortgage-Backed Securities (RMBS) Outstanding

EUR million

	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	1,142	1,142	n/a	1,850	1,620	1,410	1,280	1,150
BELGIUM	38,575	30,743	25,014	23,221	19,847	25,200	24,500	24,500
FINLAND	0	0	0	3,250	2,980	2,650	2,410	2,200
FRANCE	83,279	97,215	81,311	86,167	87,178	140,600	146,300	52,400
GERMANY	29,296	5,075	2,815	11,768	24,791	31,334	41,300	33,200
GREECE	1,093	385	321	284	247	211	200	2,850
IRELAND	26,961	21,987	23,181	28,813	27,357	19,500	30,700	29,600
ITALY	60,094	59,645	47,987	42,857	39,106	33,600	31,300	111,200
NETHERLANDS	167,214	159,005	150,368	132,188	95,364	82,100	77,600	168,400
PORTUGAL	16,755	12,168	12,634	11,481	6,702	5,500	3,700	15,900
SPAIN	112,336	104,652	113,477	108,858	92,480	81,100	74,400	84,100
SWEDEN	0	0	0	9,850	8,900	8,120	7,650	7,100
UNITED KINGDOM	152,819	175,973	144,370	139,783	132,962	131,800	137,200	178,500
RUSSIA	3,083	2,842	n/a	9,420	8,150	6,800	5,200	4,100

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Association for Financial Markets in Europe (AFME)*

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Austria, Finland, Russia, Sweden

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the conversion to euros was performed by AFME

26. Total RMBS Issuances

EUR million

	2018	2019	2020	2021	2022	2023	2024	2025
BELGIUM	0	6,960	59	1,420	2,850	1,980	2,150	2,480
FRANCE	13,640	21,810	12,150	12,352	25,583	64,200	28,640	18,650
GERMANY	0	0	0	9,000	13,059	6,560	10,000	33,120*
GREECE	0	0	0	0	0	0	0	0
IRELAND	13,568	5,010	5,485	15,314	6,130	1,813	20,170	5,940
ITALY	11,940	13,586	578	8,277	853	8,159	4,920	15,200
NETHERLANDS	30,415	10,328	7,997	7,499	3,603	13,500	6,200	11,850
PORTUGAL	2,266	0	1,647	1,100	850	620	780	910
SPAIN	683	2,884	20,336	9,033	15,194	14,930	7,070	8,100
SWEDEN	0	0	0	0	450	300	500	420
UNITED KINGDOM	39,277	39,816	0	36,751	39,650	33,498	43,030	39,200

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Association for Financial Markets in Europe (AFME)*

Time series breaks:
- All countries: 2007

- n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):
- Belgium, Portugal, Sweden

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the conversion to euros was performed by AFME

D — MACROECONOMIC INDICATORS

27. GDP at Current Market Prices

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	333,146	344,269	357,608	369,362	385,274	397,147	380,889	405,241	447,218	477,249	481,940	514,328.14
BELGIUM	403,003	416,701	430,085	445,050	460,051	478,676	460,535	508,061	554,214	584,699	613,983	642,015.30
BULGARIA	43,026	45,812	48,773	52,531	56,225	61,531	61,608	71,060	85,801	93,948	103,723	116,018.27
CROATIA	43,989	45,258	47,339	49,986	52,747	56,131	50,947	58,898	68,370	76,472	85,610	92,670.66
CYPRUS	17,483	17,944	19,014	20,312	21,674	23,178	22,087	24,928	27,777	29,807	33,568	36,483.50
CZECHIA	157,821	169,558	177,439	194,133	210,971	225,614	215,805	238,250	276,266	305,967	318,896	346,513.26
DENMARK	265,757	273,018	283,110	294,808	302,329	309,526	311,356	342,962	380,618	373,755	396,960	435,200
ESTONIA	20,048	20,631	21,748	23,834	25,932	27,951	27,430	31,169	36,011	37,682	39,510	41,620.83
FINLAND	206,897	211,385	217,518	226,301	233,462	239,858	238,038	250,664	267,687	277,625	276,172	288,400
FRANCE	2,149,765	2,198,432	2,234,129	2,297,242	2,363,306	2,437,635	2,317,832	2,502,118	2,639,092	2,803,100	2,921,412	2,991,055.90
GERMANY	2,927,430	3,026,180	3,134,740	3,267,160	3,365,450	3,474,110	3,403,730	3,617,450	3,876,810	4,121,160	4,305,260	4,469,910
GREECE	177,236	176,369	174,494	176,903	179,558	183,347	165,016	181,500	206,620	220,303	237,573	248,353.72
HUNGARY	106,264	112,791	116,256	127,025	136,055	146,555	137,920	153,980	168,550	196,391	206,209	218,833.80
IRELAND	195,085	262,976	270,205	297,763	326,631	356,357	375,250	434,070	506,282	504,620	533,444	532,800
ITALY	1,627,406	1,655,355	1,695,787	1,736,593	1,771,391	1,796,649	1,661,240	1,821,935	1,962,846	2,085,376	2,192,182	2,185,400
LATVIA	23,626	24,572	25,371	26,984	29,154	30,573	30,110	33,349	38,386	40,348	40,208	42,800
LITHUANIA	36,581	37,346	38,890	42,276	45,515	48,959	49,873	56,478	67,437	71,986	78,410	84,260
LUXEMBOURG	51,791	54,142	56,208	58,169	60,121	62,432	64,524	72,361	77,529	79,310	86,104	89,521.54
MALTA	8,751	9,997	10,541	11,937	12,977	14,297	13,352	15,324	17,432	19,382	22,471	22,100
NETHERLANDS	671,560	690,008	708,337	738,146	773,987	813,055	796,530	870,587	958,549	1,034,086	1,134,115	1,179,458
POLAND	406,413	429,835	424,735	465,773	499,004	532,505	526,147	576,383	656,153	750,801	845,652	922,865.53
PORTUGAL	173,054	179,713	186,490	195,947	205,184	214,375	200,519	216,053	242,341	265,503	285,189	306,765.49
ROMANIA	150,522	160,288	167,494	186,399	206,072	224,179	220,487	241,611	284,174	324,578	353,821	378,865.24
SLOVAKIA	76,355	80,126	81,265	84,670	89,875	94,430	93,450	100,245	109,762	122,813	130,985	136,754.31
SLOVENIA	37,634	38,853	40,443	43,011	45,876	48,582	47,045	52,279	57,038	63,090	66,968	70,486
SPAIN	1,032,608	1,078,092	1,114,420	1,162,492	1,203,859	1,245,513	1,119,010	1,222,290	1,346,377	1,461,889	1,591,627	1,685,783
SWEDEN	438,834	455,495	466,267	480,026	470,673	476,870	480,556	540,734	561,785	548,373	563,963	593,697.89
EURO AREA 19	10,169,459	10,523,092	10,817,294	11,224,153	11,599,278	11,987,123	11,466,457	12,416,101	13,439,408	14,300,026	15,070,627	15,620,000
EU 27	11,782,085	12,215,146	12,548,706	13,074,833	13,533,353	14,019,674	13,470,880	14,639,535	15,920,742	16,969,695	17,941,888	18,796,030
ICELAND	13,473	15,795	18,804	21,918	22,238	22,043	18,948	21,819	27,297	28,693	30,919	34,259.23
NORWAY	378,456	349,757	335,397	356,289	372,658	365,131	322,824	425,446	565,022	448,904	446,991	485,600
SWITZERLAND	548,015	625,533	621,765	615,776	614,304	644,443	650,743	687,568	777,805	818,183	865,620	868,401
UNITED KINGDOM	2,311,080	2,644,717	2,434,119	2,359,790	2,420,897	2,526,615	2,371,130	2,641,049	2,921,382	2,274,050	3,507,396	3,285,000
AUSTRALIA	1,200,586	1,133,945	1,199,008	1,152,849	1,239,387	1,235,717	1,112,298	1,463,711	1,617,217	1,576,364	1,686,585	1,532,995
BRAZIL	2,022,943	1,653,390	1,704,413	1,720,603	1,674,178	1,667,515	1,202,911	1,475,057	1,829,973	1,967,123	2,097,807	2,114,500
CANADA	1,487,317	1,429,694	1,449,574	1,375,191	1,506,812	1,552,185	1,349,267	1,772,446	2,026,517	1,936,729	2,157,333	2,053,000
JAPAN	4,033,436	4,082,788	4,746,872	4,111,429	4,402,516	4,555,808	4,119,947	4,445,189	3,990,634	3,812,619	3,875,456	3,840,000
RUSSIAN FEDERATION	1,687,535	1,246,169	1,214,921	1,313,383	1,443,673	1,509,457	1,212,710	1,627,345	2,130,379	1,807,267	2,092,440	2,080,000
SINGAPORE	259,339	282,905	302,679	286,214	329,164	335,501	284,808	383,287	467,350	453,781	526,891	492,000
KOREA, REPUBLIC OF	1,222,707	1,346,596	1,422,410	1,353,351	1,506,876	1,470,022	1,340,295	1,605,538	1,569,395	1,550,039	1,755,000	1,620,000
TÜRKIYE, REPUBLIC OF	773,010	793,672	824,666	716,194	681,389	676,981	586,879	722,530	849,279	1,003,125	1,273,708	1,406,200
UNITED STATES	14,503,027	16,804,446	17,839,769	16,352,956	18,040,633	19,157,379	17,376,681	20,831,759	24,136,602	24,758,213	28,092,107	26,850,000

Sources: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat, World Bank, IMF*

Time series breaks:
- For all counties: 2003 and onwards

- n/a : figure not available

Table-specific notes:
- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the GDP at current prices has been taken in euros directly from Eurostat.
- Please note that for the non European countries GDP figures have been downloaded from the World Bank and the year-average USD/EUR exchange rate (Table 30) has been applied.

28. Gross Disposable Income of Households

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	202,900	205,600	214,000	221,400	228,700	234,800	231,700	241,300	267,900	287,600	309,674	317,295
BELGIUM	237,600	241,200	248,300	257,900	266,100	277,100	282,900	296,700	319,800	349,400	369,313	381,622
BULGARIA	26,400	27,400	28,700	30,700	33,797	35,215	34,711	38,203	45,682	n/a	n/a	n/a
CROATIA	26,900	27,900	28,800	30,100	31,800	32,560	32,379	36,745	41,476	46,507	51,427	55,560
CYPRUS	12,187	12,213	12,881	13,598	14,611	16,013	16,091	16,897	18,024	19,387	21,016	22,327
CZECHIA	87,427	90,939	955,222	106,060	116,918	124,427	126,199	142,931	169,312	189,843	189,714	203,403
DENMARK	136,520	141,117	146,222	150,006	150,893	155,783	171,606	181,432	187,233	196,405	205,266	212,484
ESTONIA	10,879	11,625	12,177	13,096	14,760	15,708	15,928	17,290	19,553	21,321	22,958	23,937
FINLAND	122,000	124,000	126,400	129,500	133,800	138,000	139,024	143,346	149,643	157,276	161,362	162,733
FRANCE	1,361,600	1,381,847	1,405,484	1,441,245	1,481,989	1,531,596	1,548,030	1,623,645	1,712,510	1,848,658	1,937,425	1,967,102
GERMANY	1,834,100	1,884,800	1,949,000	2,014,700	2,098,400	2,148,600	2,180,200	2,246,300	2,408,400	2,881,846	2,976,064	3,071,825
GREECE	118,200	117,900	116,300	116,100	117,200	123,700	119,815	132,168	1,369,878	151,710	158,570	167,029
HUNGARY	60,500	62,700	65,700	72,500	78,600	86,177	82,240	91,881	100,918	121,620	130,673	138,144
IRELAND	88,800	92,700	97,200	103,300	108,000	120,893	126,110	132,624	143,000	159,481	174,191	182,453
ITALY	1,106,900	1,133,189	1,147,840	1,172,404	1,189,997	1,198,314	1,170,934	1,228,953	1,310,123	1,383,025	1,422,450	1,454,720
LATVIA	14,300	15,100	15,900	16,800	18,000	17,953	18,272	19,463	21,646	22,563	24,140	25,587
LITHUANIA	22,500	23,200	24,900	26,000	27,600	28,896	31,502	34,990	39,473	43,425	46,276	50,065
LUXEMBOURG	19,900	20,200	20,800	22,200	23,210	24,523	26,383	26,967	28,744	31,003	32,641	34,434
NETHERLANDS	342,700	348,900	358,700	367,300	382,893	402,734	420,634	446,176	483,871	525,804	553,852	584,052
POLAND	249,800	257,500	259,600	286,900	302,400	330,025	344,358	344,231	385,672	450,390	522,091	571,780
PORTUGAL	122,400	126,600	131,400	135,500	140,744	147,049	145,795	154,003	167,695	183,001	201,589	213,020
ROMANIA	77,900	83,600	91,700	104,200	114,103	131,615	133,786	142,507	162,026	184,054	209,872	224,077
SLOVAKIA	44,400	46,700	48,200	50,700	55,400	57,731	60,453	63,965	70,316	76,506	82,192	86,379
SLOVENIA	23,300	23,700	24,700	25,900	26,966	28,738	30,050	32,252	35,519	38,460	40,087	42,626
SPAIN	664,625	692,003	710,143	731,802	752,946	790,574	772,992	811,179	854,559	940,660	1,010,947	1,065,013
SWEDEN	225,200	227,400	234,700	240,795	235,800	238,504	241,974	266,679	275,212	269,270	280,337	302,266
EURO AREA 19	627,526	642,101	657,410	676,776	698,526	720,391	720,999	754,438	811,119	871,462	912,595	941,132
EU 27	722,750	738,380	758,230	783,490	810,180	838,040	843,750	894,930	968,156	1,044,284	1,099,799	1,140,999
ICELAND	6,224	7,339	8,812	10,536	10,672	10,593	10,104	11,380	13,294	14,521	159,799	n/a
NORWAY	168,600	169,400	166,000	172,200	173,200	169,587	166,087	172,289	173,237	176,361	166,801	189,218
SWITZERLAND	344,100	391,700	388,300	381,800	373,700	394,800	420,900	422,600	466,800	501,872	n/a	n/a
UNITED KINGDOM	1,547,800	1,823,600	1,641,200	1,542,900	1,592,500	1,665,900	1,768,193	1,892,449	2,000,814	2,000,720	2,200,720	2,276,420
AUSTRALIA												
JAPAN	2,306,400	2,439,400	2,748,700	2,632,708	2,581,104	2,789,884	2,918,167	2,687,985	2,601,611	2,375,195	2,274,453	n/a
TURKEY	488,600	535,800	538,700	519,100	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
UNITED STATES	10,067,100	12,530,980	12,939,170	13,311,300	13,448,830	14,832,670	15,710,250	16,439,830	18,646,480	19,743,360	20,786,430	n/a

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, European Commission (AMECO Database), Eurostat, National Statistical Offices, ELSTAT (Greece)*

• n/a : figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year's file):

- Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, EU 27, Estonia, Euro Area 20, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, USA, United Kingdom

Table-specific notes:

- For further details on the methodologies, please see "Annex : Explanatory Note on data"
- Please note that the disposable income of households at current prices has been taken in euros directly from AMECO, except for Greece which was taken from ELSTAT
- Figures from Malta not available.

29. Total Population

Millions

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
AUSTRIA	8,507,786	8,584,926	8,700,471	8,772,865	8,822,267	8,858,775	8,901,064	8,932,664	8,978,929	9,104,772	9,158,750	9,208,163
BELGIUM	11,180,840	11,237,274	11,311,117	11,351,727	11,398,589	11,455,519	11,522,440	11,554,767	11,617,623	11,742,796	11,817,096	11,941,781
BULGARIA	7,245,677	7,202,198	7,153,784	7,101,859	7,050,034	7,000,039	6,951,482	6,916,548	6,838,937	6,447,710	6,445,481	6,420,000
CROATIA	4,246,809	4,225,316	4,190,669	4,154,213	4,105,493	4,076,246	4,058,165	4,036,355	3,862,305	3,850,894	3,861,967	3,870,000
CYPRUS	858,000	847,008	848,319	854,802	864,236	875,899	888,005	896,007	904,705	920,701	966,365	990,070
CZECHIA	10,512,419	10,538,275	10,553,843	10,578,820	10,610,055	10,649,800	10,693,939	10,494,836	10,516,707	10,827,529	10,900,555	10,891,162
DENMARK	5,627,235	5,659,715	5,707,251	5,748,769	5,781,190	5,806,081	5,822,763	5,840,045	5,873,420	5,932,654	5,961,249	6,030,000
ESTONIA	1,315,819	1,314,870	1,315,944	1,315,635	1,319,133	1,324,820	1,328,976	1,330,068	1,331,796	1,365,884	1,374,687	1,365,370
FINLAND	5,451,270	5,471,753	5,487,308	5,503,297	5,513,130	5,517,919	5,525,292	5,533,793	5,548,241	5,563,970	5,603,851	5,653,000
FRANCE	66,165,980	66,458,153	66,638,391	66,809,816	67,026,224	67,290,471	67,485,531	67,656,682	67,957,053	68,172,977	68,467,362	68,720,337
GERMANY	80,767,463	81,197,537	82,175,684	82,521,653	82,792,351	83,019,213	83,166,711	83,155,031	83,237,124	84,358,845	83,456,045	83,491,249
GREECE	10,926,807	10,858,018	10,783,748	10,768,193	10,741,165	10,724,599	10,718,565	10,678,632	10,459,782	10,413,982	10,400,720	10,413,960
HUNGARY	9,877,365	9,855,571	9,830,485	9,797,561	9,778,371	9,772,756	9,769,526	9,730,772	9,689,010	9,599,744	9,584,627	9,539,502
IRELAND	4,637,852	4,677,627	4,726,286	4,784,383	4,830,392	4,904,240	4,964,440	5,006,324	5,060,004	5,271,395	5,351,681	5,484,370
ITALY	60,782,668	60,795,612	60,665,551	60,589,445	60,483,973	59,816,673	59,641,488	59,236,213	59,030,133	58,997,201	58,971,230	58,915,660
LATVIA	2,001,468	1,986,096	1,968,957	1,950,116	1,934,379	1,919,968	1,907,675	1,893,223	1,875,757	1,883,008	1,871,882	1,845,000
LITHUANIA	2,943,472	2,921,262	2,888,558	2,847,904	2,808,901	2,794,184	2,794,090	2,795,680	2,805,998	2,857,279	2,885,891	2,888,770
LUXEMBOURG	549,680	562,958	576,249	590,667	602,005	613,894	626,108	634,730	645,397	660,809	672,050	686,970
MALTA	429,424	439,691	450,415	460,297	475,701	493,559	514,564	516,100	520,971	542,051	563,443	579,700
NETHERLANDS	16,829,289	16,900,726	16,979,120	17,081,507	17,181,084	17,282,163	17,407,585	17,475,415	17,590,672	17,811,291	17,942,942	18,044,027
POLAND	38,017,856	38,005,614	37,967,209	37,972,964	37,976,687	37,972,812	37,958,138	37,840,001	37,654,247	36,753,736	36,620,970	37,330,000
PORTUGAL	10,427,301	10,374,822	10,341,330	10,309,573	10,291,027	10,276,617	10,295,909	10,298,252	10,352,042	10,467,366	10,639,726	10,804,870
ROMANIA	19,947,311	19,870,647	19,760,585	19,643,949	19,533,481	19,414,458	19,328,838	19,201,662	19,042,455	19,054,548	19,067,576	19,020,270
SLOVAKIA	5,415,949	5,421,349	5,426,252	5,435,343	5,443,120	5,450,421	5,457,873	5,459,781	5,434,712	5,428,792	5,424,687	5,414,429
SLOVENIA	2,061,085	2,062,874	2,064,188	2,065,895	2,066,880	2,080,908	2,095,861	2,108,977	2,107,180	2,116,972	2,123,949	2,130,000
SPAIN	46,512,199	46,449,565	46,440,099	46,528,024	46,658,447	46,937,060	47,332,614	47,398,695	47,432,893	48,085,361	48,619,695	49,355,140
SWEDEN	9,644,864	9,747,355	9,851,017	9,995,153	10,120,242	10,230,185	10,327,589	10,379,295	10,452,326	10,521,556	10,551,707	10,605,529
EURO AREA 19	342,011,161	342,787,437	343,978,656	344,695,355	345,358,497	345,713,148	346,632,956	346,670,757	346,753,317	349,616,346	350,174,019	358,664,360
EU 27	442,883,888	443,666,812	444,802,830	445,534,430	446,208,557	446,559,279	447,485,231	447,000,548	446,820,419	448,753,823	449,306,184	451,127,410
ICELAND	325,671	329,100	332,529	338,349	348,450	356,991	364,134	368,792	376,248	387,758	383,567	392,400
NORWAY	5,107,970	5,166,493	5,210,721	5,258,317	5,295,619	5,328,212	5,367,580	5,391,369	5,425,270	5,488,984	5,550,217	5,620,000
SWITZERLAND	8,139,631	8,237,666	8,327,126	8,419,550	8,484,130	8,544,527	8,606,033	8,670,300	8,738,791	8,815,385	8,962,258	9,127,100
UNITED KINGDOM	64,351,203	64,853,393	65,379,044	65,844,142	66,273,576	66,647,112	67,025,542	67,026,292	66,971,395	67,736,802	69,226,000	69,487,000
AUSTRALIA	23,475,686	23,815,995	24,190,907	24,592,588	24,963,258	25,334,826	25,649,248	25,685,412	26,005,540	26,439,111	27,204,809	27,801,023
BRAZIL	203,459,650	205,188,205	206,859,578	208,504,960	210,166,592	211,782,878	213,196,304	214,326,223	215,313,498	216,422,446	211,998,573	212,682,000
CANADA	35,437,435	35,702,908	36,109,487	36,545,236	37,065,084	37,601,230	38,007,166	38,226,498	38,929,902	40,769,890	41,288,599	41,700,000
JAPAN	127,276,000	127,141,000	127,076,000	126,972,000	126,811,000	126,633,000	126,261,000	125,681,593	125,124,989	126,070,518	123,975,371	123,366,730
RUSSIA	143,819,667	144,096,870	144,342,397	144,496,739	144,477,859	144,406,261	144,073,139	144,130,482	144,236,933	144,444,359	143,533,851	143,513,330
SINGAPORE	5,469,724	5,535,002	5,607,283	5,612,253	5,638,676	5,703,569	5,685,807	5,453,566	5,637,022	6,299,187	6,036,860	6,111,180
SOUTH KOREA	50,746,659	51,014,947	51,217,803	51,361,911	51,585,058	51,764,822	51,836,239	51,744,876	51,628,117	51,784,059	51,751,065	51,650,000
TÜRKIYE	76,667,864	77,695,904	78,741,053	79,814,871	80,810,525	82,003,882	83,154,997	83,614,362	84,680,273	85,279,553	85,372,377	85,878,556
USA	318,386,329	320,738,994	323,071,755	325,122,128	326,838,199	328,329,953	331,511,512	332,031,554	333,287,557	334,233,854	341,145,670	341,784,860

***Sources :** European Mortgage Federation National Experts, European Central Bank, National Central Banks, Eurostat, World Bank, National data providers*

• n/a: figure not available

30. Bilateral Nominal Exchange Rate with the Euro

END-OF-YEAR	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EU 27												
Bulgarian lev	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
Croatian kuna***	7.658	7.638	7.560	7.440	7.413	7.440	7.552	7.516	7.537	***	***	***
Czech koruna	27.735	27.023	27.021	25.535	25.724	25.408	26.242	24.858	24.116	24.724	25.185	24.237
Danish krone	7.445	7.463	7.434	7.445	7.467	7.472	7.441	7.436	7.437	7.453	7.458	7.469
Hungarian forint	315.540	315.980	309.830	310.330	320.980	330.530	363.890	369.190	400.870	382.800	411.350	385.150
Polish zloty	4.273	4.264	4.410	4.177	4.301	4.257	4.560	4.597	4.681	4.340	4.275	4.221
Romanian leu	4.483	4.524	4.539	4.659	4.653	4.783	4.868	4.949	4.950	4.976	4.974	5.097
Swedish krona	9.393	9.190	9.553	9.844	10.255	10.447	10.034	10.250	11.122	11.096	11.459	10.822
NON-EU												
Australian dollar	1.483	1.490	1.460	1.535	1.622	1.600	1.590	1.562	1.569	1.626	1.677	1.758
Brazilian real	3.221	4.312	3.431	3.973	4.444	4.516	6.374	6.310	5.639	5.362	6.425	6.436
Canadian dollar	1.406	1.512	1.419	1.504	1.561	1.460	1.563	1.439	1.444	1.464	1.495	1.609
Icelandic krona	154.310	141.380	119.150	124.209	133.206	135.850	156.100	147.600	151.500	150.500	143.900	147.200
Japanese yen	145.230	131.070	123.400	135.010	125.850	121.940	126.490	130.380	140.660	156.330	163.060	184.090
Norwegian krone	9.042	9.603	9.086	9.840	9.948	9.864	10.470	9.989	10.514	11.241	11.795	11.843
Russian rouble**	72.337	80.674	64.300	69.392	79.715	69.956	91.467	85.300	79.226	100.22	106.103	92.094
Singapore dollar	1.682	1.526	1.528	1.559	1.559	1.511	1.622	1.528	1.430	1.459	1.416	1.511
South Korean won	1,324.800	1,280.780	1,269.340	1,279.610	1,277.930	1,296.280	1,336.000	1,346.380	1,344.090	1,433.660	1,532.150	1,696.940
Swiss franc	1.202	1.084	1.074	1.170	1.127	1.085	1.080	1.033	0.985	0.926	0.941	0.931
Turkish lira	2.832	3.177	3.707	4.546	6.059	6.684	9.113	15.234	19.965	32.653	36.737	50.484
UK pound sterling	0.779	0.734	0.856	0.887	0.895	0.851	0.899	0.840	0.887	0.869	0.829	0.873
“US dollar	1.214	1.089	1.054	1.199	1.145	1.123	1.227	1.133	1.067	1.105	1.039	1.175

YEARLY AVERAGE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EU 27												
Bulgarian lev	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
Croatian kuna***	7.634	7.614	7.533	7.4637	7.418	7.418	7.538	7.528	7.535	***	***	***
Czech koruna	27.536	27.279	27.034	26.326	25.647	25.670	26.455	25.640	24.566	24.004	25.175	24.648
Danish krone	7.455	7.459	7.445	7.445	7.453	7.466	7.454	7.437	7.440	7.451	7.457	7.465
Hungarian forint	308.710	310.000	311.440	309.190	318.890	325.300	351.250	358.520	391.290	381.850	399.648	394.390
Polish zloty	4.184	4.184	4.363	4.257	4.262	4.298	4.443	4.565	4.686	4.542	4.294	4.229
Romanian leu	4.444	4.445	4.490	4.569	4.654	4.745	4.838	4.922	4.931	4.947	4.975	5.058
Swedish krona	9.099	9.354	9.469	9.635	10.258	10.589	10.485	10.147	10.630	11.479	11.349	10.968
NON-EU												
Australian dollar	1.472	1.478	1.488	1.473	1.580	1.611	1.655	1.575	1.517	1.629	1.640	1.752
Brazilian real	3.121	3.700	3.856	3.605	4.309	4.413	5.894	6.378	5.440	5.401	5.828	6.307
Canadian dollar	1.466	1.419	1.466	1.465	1.529	1.486	1.530	1.483	1.370	1.460	1.482	1.579
Icelandic krona	154.850	144.390	131.010	120.540	127.890	137.280	154.590	150.150	142.240	149.130	149.310	144.660
Japanese yen	140.310	134.310	120.200	126.710	130.400	122.010	121.850	129.880	138.030	151.990	163.850	169.040
Norwegian krone	8.354	8.950	9.291	9.327	9.598	9.851	10.723	10.163	10.103	11.425	11.629	11.717
Russian rouble**	50.952	68.072	74.145	65.938	74.042	72.455	82.725	87.153	74.125	92.45	100.280	94.052
Singapore dollar	1.682	1.526	1.528	1.559	1.593	1.527	1.574	1.589	1.451	1.452	1.446	1.476
South Korean won	1,398.140	1,256.540	1,284.180	1,276.740	1,299.070	1,305.320	1,345.580	1,354.060	1,358.070	1,412.880	1,475.400	1,605.450
Swiss franc	1.215	1.068	1.090	1.112	1.155	1.112	1.071	1.081	1.005	0.972	0.953	0.937
Turkish lira	2.907	3.026	3.343	4.121	5.708	6.358	8.055	10.512	17.409	25.760	35.573	44.816
UK pound sterling	0.806	0.726	0.819	0.877	0.885	0.878	0.890	0.860	0.853	0.870	0.842	0.859
US dollar	1.329	1.110	1.107	1.130	1.181	1.120	1.142	1.183	1.053	1.081	1.082	1.130

Source: *European Mortgage Federation National Experts, European Central Bank, National Central Banks, Bloomberg*

• n/a: figure not available

Time series revisions (2026 update - pre-2025 data revised vs. last year’s file):

- Australian dollar, Brazilian real, Bulgarian lev, Canadian dollar, Croatian kuna***, Czech koruna, Danish krone, Hungarian forint, Icelandic krona , Japanese yen, Norwegian krone, Polish zloty, Romanian leu, Russian rouble**, Singapore dollar, South Korean won, Swedish krona, Swiss franc, Turkish lira, UK pound sterling, US dollar

Table-specific notes:

- For further details on the methodologies, please see “Annex: Explanatory Note on data”

** Data for 2023 is retreived via Bloomberg

***Croatia joined Eurozone 01/01/2023

Updated to reflect the sources, time series breaks and table-specific notes standardised across the 2026 Working Document.

A. THE MORTGAGE MARKET

1. TOTAL OUTSTANDING RESIDENTIAL LOANS TOTAL AMOUNT, END OF THE YEAR, EUR MILLION

Total residential loans on the lender's books at the end of the period. The definition of residential loans can vary somewhat across EU27 countries, depending on the collateral system and the purpose of the loans. Some countries only integrate secured residential loans, while others include both secured and non-secured loans. In some countries, this collateral is generally the property, whilst in some others favour a system of personal guarantees.

Regarding the purpose, a few countries exclude residential loans whose purpose is all commercial (such as purchasing a building to let). In addition, there are some methodological differences across EU27 countries regarding the statistical treatment of loans made for renovations of existing dwellings: under some assumptions, some of these loans can be considered as consumption loans.

As a methodological note, the data for the Outstanding amounts is considered as Non-Adjusted Loans.

The conversion to EUR is based on the bilateral exchange rate at the end of the period (provided by the European Central Bank and, for non-euro-area currencies not covered by the ECB, Bloomberg).

Cyprus: Time series break in 2004 due to a reclassification of loans.

Ireland: This series includes all housing loans until 2009. From 2010, this series represents only housing loans for owner-occupied dwellings (time series break in 2010).

Italy: Time series break in 2010 due to a change of methodology.

Japan: The outstanding balance of commercial loans is of major and regional banks and credit unions, which covers only rental houses that are constructed by individuals. The data are available only from FY2009. No other statistics are available for this category. The Japanese Fiscal Year starts from April to March.

Luxembourg: Time series break in 2003 due to a change in the statistical source.

Malta: This series does not include non-resident lending. Time series break in 2005 due to a change in the statistical source; before 1999, aggregate data covers both residential and commercial loans.

Netherlands: Time series break in 2006 due to a change of methodology.

Norway: Time series break in 2009 due to a change in methodology.

Poland: Time series break in 2007 due to a change of methodology.

Romania: Time series break in 2007 due to a change of methodology.

Slovakia: Time series break in 2006 due to a change of methodology.

Spain: The series from 1999 has been updated and refers to total residential mortgage loans (only those backed by a mortgage); time series break in 1999 due to a change in methodology.

Sweden: Time series break in 2004 due to a change in the statistical source.

Turkey: The entire series has been updated.

United States: All mortgage credit lending series has been discontinued by the source (Federal Reserve) as of 2019.

2. CHANGE IN OUTSTANDING RESIDENTIAL LOANS END OF PERIOD, EUR MILLION

Year-on-year changes shown in this table. It also corresponds to new residential loans advanced during the period minus repayments.

See Table 1 for time series breaks. Please note that the conversion to euros is based on the bilateral exchange rate at the end of the period (provided by the European Central Bank and Bloomberg); changes observed for countries not belonging to the euro area may therefore be partly due to exchange rate fluctuations. To obtain values in national currency, please refer to the exchange rates used in Table 30 of this publication.

3. GROSS RESIDENTIAL LOANS TOTAL AMOUNT, EUR MILLION

The total amount of residential loans advanced during the period. Gross lending includes new mortgage loans and external remortgaging (i.e., remortgaging with another bank) in most countries. Internal remortgaging (i.e., remortgaging with the same bank) is not included, unless it is otherwise stated.

The conversion to EUR is based on the average bilateral exchange rate over the given year (provided by the European Central Bank).

Austria: The figure includes only new loans.

Belgium: The figure also includes external remortgaging.

Denmark: The figure does not include second homes.

Italy: Includes the total value of residential loans during the period, including new lending and remortgaging/refinancing of existing loans on the same property. Internal remortgaging is included, together with Slovakia (see below).

Luxembourg: Time series break in 2023 due to a change of source.

Netherlands: Time series break in 2003 (change of source) and in 2004-2007 (change of methodology).

Poland: The estimated value of newly granted loans was based on increases in the volume of loans to households adjusted for loan amortization and flows between the foreign currency loan portfolio and the zloty loan portfolio; the entire banking system was taken into account, including credit unions.

Slovakia: Internal remortgaging is included in this series (together with Italy; see above).

Spain: Total amount of loans and credits to households.

Sweden: The figures cover only gross lending by mortgage institutions. New mortgage lending from banks is not included.

Turkey: The figure includes only new loans.

United States: The credit mortgage lending series has been discontinued by the source as of 2019. Time series break in 2006. Sources: Federal Reserve, Inside Mortgage Finance, FRED.

Note: The European Central Bank (rather than National Experts) is the data source for Austria, Croatia, France, Lithuania and Italy.

4. REPRESENTATIVE INTEREST RATES ON NEW MORTGAGE LOANS, PERCENT

This series aims to provide the most representative figures on interest rates on mortgage loans in the EU27 countries and beyond. For most of these countries, the source of the data is the European Central Bank (ECB), which in turn collects data from the respective national central bank. The ECB's definition of the interest rate reported is the following:

"Dataset name: MFI Interest Rate Statistics; BS reference sector breakdown: Credit and other institutions (MFI except MMFs and central banks); Balance sheet item: Lending for house purchase excluding revolving loans and overdrafts, convenience and extended credit card debt; MFI interest rate data type: Annualised agreed rate (AAR) / Narrowly defined effective rate (NDER); BS counterpart sector: Households and non-profit institutions serving households; Currency of transaction: Euro; IR business coverage: New business"

The datasets from the ECB are named: "Bank business volumes - loans to households for house purchase (new business) - Euro area (changing composition), Monthly", and with the variation of the dataset depending on the IRF period.

The data provided normally refers to weighted averages. Below is a list of countries for which the above does not apply (at least in part):

Bulgaria: Weighted average of interest rates on loans for house purchase, excluding revolving loans and overdrafts, convenience and extended credit card debt, BGN (the monthly data is based on the average of observations through the period); Source: Bulgarian National Bank (BNB).

Croatia: Weighted average interest rate on HRK housing credits indexed to foreign currency (to households); time series break in 2012 due to a new series introduced from that year onwards, reflecting revised methodology; Source: Croatian National Bank.

Czechia: Weighted average mortgage rate on loans to households for house purchase; Source: Hypoindex until 2012, Czech National Bank from 2013 (time series break in 2013 as the source changed).

Denmark: Data reflects interest rates fixed up to 12 months on mortgage loans from mortgage banks.

Germany: Initial fixed period interest rate between 5 and 10 years on loans for house purchase, excluding revolving loans and overdrafts, convenience and extended credit card debt, EUR (the monthly data is based on the average of observations through the period); Source: Deutsche Bundesbank.

Greece: Initial fixed period interest rate up to 1 year on loans for house purchase, excluding revolving loans and overdrafts, convenience and extended credit card debt, EUR (the monthly data is based on the average of observations through the period); Source: National Bank of Greece.

Hungary: Weighted average rate of housing purpose residential loans with different interest rate periods. The data is the average rate over the year. Source: National Bank of Hungary.

Iceland: Average of the lowest mortgage interest rates provided by lending institutions for indexed housing loans; these mortgage interest rates are real mortgage interest rates (nominal mortgage interest rates adjusted for CPI inflation).

Japan: Since the Japanese Fiscal Year 2003 (time series break), the statistics depicted are the average rates of the monthly lowest interest rates of Flat 35, of which the maturity is 21-35 years. Flat35 is a long-term fixed-rate mortgage that is provided by the securitization business of the Japan Housing Finance Agency.

Lithuania: Total initial rate fixation on loans for house purchase; Source: Bank of Lithuania.

Luxembourg: Initial fixed period interest rate up to 1 year on loans for house purchase; Source: Central Bank of Luxembourg.

Malta: Weighted average of interest rates on loans for house purchase to households and NPISH; Source: Central Bank of Malta.

Poland: Weighted average interest rate on housing loans; Source: National Bank of Poland.

Romania: Mortgage loans granted in EUR with a maturity of 10 years or more with a charged rate fixed for 1 year; time series break in 2014 reflecting a change in the methodology of the National Bank of Romania (NBR) to account for changes in how mortgages are granted by currency; Source: National Bank of Romania.

Russia: Weighted average interest rates of total new housing mortgage lending in RUB; Source: Central Bank of Russia.

Slovakia: Before 2009, the reference currency for the interest rate was SKK (time series break in 2009).

Slovenia: Before 2007, the reference currency for the interest rate was SIT (time series break in 2007).

Spain: Initial fixed period interest rate up to 1 year on loans for house purchase, excluding revolving loans and overdrafts, convenience and extended credit card debt, EUR (the monthly data is based on the average of observations through the period); Source: European Central Bank.

Sweden: Housing credit institutions' lending rates on new agreements with variable interest rates, to Swedish households (incl. NPISH) and non-financial corporations. Variable interest rates are defined as interest rates up to 3 months of fixed interest rates. Before 2005, the average was calculated with quarterly data (time series break).

Turkey: Weighted average interest rates for banks' loans in TRY; Source: Central Bank of the Republic of Turkey.

United Kingdom: Weighted average interest rate on loans secured on dwellings, GBP; Source: Bank of England.

United States: Contract interest rate on 30-year, fixed-rate conventional home mortgage commitments. Source: Federal Reserve.

**Type: The type of new residential loan related to the published representative interest rate is provided in the column "type". There are 6 main types: (1) Weighted average interest rate on loans to households for house purchase; (2) Initial fixed period interest rate up to 1 year on loans for house purchase; (3) Initial fixed period interest rate over 1 and up to 5 years on loans for house purchase; (4) Initial fixed period interest rate over 5 and up to 10 years on loans for house purchase; (5) Initial fixed period interest rate of over 10 years on loans for house purchase; (6) Other.*

5. AMOUNT OF GROSS LENDING WITH A VARIABLE INTEREST RATE (FIXATION PERIOD OF UP TO 1 YEAR), PERCENT

This series, based on a dataset already collected for the EMF Quarterly Review, aims to look at the size of gross lending with a variable interest rate.

The ECB collects this data and publishes it as: "Share of variable rate loans in total loans for house purchase - Euro area, Euro area (changing composition), Monthly". The data has been validated against this ECB dataset.

Luxembourg: Source: ECB Statistical Data Warehouse, dataset RAI.M.LU.SVLHPHH.EUR.MIR.Z (https://data.ecb.europa.eu/data/datasets/RAI/RAI.M.LU.SVLHPHH.EUR.MIR.Z).

Canada: Sources: Canada Mortgage and Housing Corporation (CMHC), Residential Mortgage Industry Report – Spring 2026, Figure 6; Statistics Canada, Table 10-10-0006-01; Bank of Canada.

6. AVERAGE AMOUNT OF MORTGAGE LOAN, IN EUR

This series aims to provide an average figure of the amount of mortgage loans a prospective homeowner is granted in the various countries.

Denmark: The statistics capture values of owner occupation from mortgage banks.

Germany: The statistics capture the average amount of a mortgage for the purchase of a second-hand single-family house.

Iceland: The downsizing of 2015 figures can be explained by the partial remortgaging due to government-financed prepayment on selected loans, which spurred a large number of small mortgages at the beginning of that year.

Japan: Flat35 data for detached houses. Flat35 is a long-term fixed-rate mortgage that is provided by the securitisation business of the Japan Housing Finance Agency. The data is available only from the Japanese Fiscal Year 2004. The entire market data is not available.

Slovakia: The statistics have been constructed by dividing the total volume of gross residential loans of a given year by the total number of concluded contracts and are based on data from the Central Bank.

United Kingdom: This figure represents the median advance made to homeowners for house purchase activity. It excludes loans made for the purpose of buy-to-let, although the figures are not that different from one another.

7. TOTAL OUTSTANDING NON-RESIDENTIAL MORTGAGE LOANS TOTAL AMOUNT, END OF THE YEAR, EUR MILLION

Total non-residential loans on the lender's books at the end of the period. Typically, these loans are mortgage loans whose main purpose is not residential. The sum of "Total Outstanding Residential Loans" and "Total Outstanding Non-Residential Mortgage Loans" gives the total outstanding housing loans.

Latvia: Time series break in 2003 due to a change in the statistical source.

United States: The credit mortgage lending series has been discontinued by the source (Federal Reserve) as of 2019.

8. TOTAL OUTSTANDING RESIDENTIAL LOANS TO GDP RATIO, PERCENT

Total Outstanding Residential Loans is provided by the European Mortgage Federation (Table 1). GDP at current prices is provided by Eurostat, the World Bank and the IMF (Table 27); the GDP figure used is taken directly in euros from Eurostat where available. All Eurostat-sourced GDP data have been updated from the 2019 vintage onwards.

See Tables 1 and 27 for further information on the data used, and Table 1 for time series breaks.

9. TOTAL OUTSTANDING RESIDENTIAL LOANS TO DISPOSABLE INCOME OF HOUSEHOLDS RATIO, PERCENT

Total Outstanding Residential Loans is provided by the European Mortgage Federation (Table 1). Data on Disposable Income of Households at current prices is provided by the European Commission (AMECO Database) and National Statistical Offices (Table 28), except for Greece, for which data is taken from ELSTAT. See Table 1 for time series breaks.

10. TOTAL OUTSTANDING RESIDENTIAL LOANS PER CAPITA – TOTAL POPULATION, EUR

Total Outstanding Residential Loans is provided by the European Mortgage Federation (Table 1). Data on population is provided by Eurostat and the US Bureau of Census, and concerns the total resident population (Table 29). This series was revised to use Total Population as the denominator (superseding an earlier adults-only definition). Canada has been added to this series.

B. HOUSING MARKET

11. OWNER OCCUPATION RATE, PERCENT

Distribution of population by tenure status – owner. Source: Eurostat [ilc_lvho02]. For non-EU27 countries, data is sourced from National Statistics Offices.

12. BUILDING PERMITS, NUMBER ISSUED

A building permit is an authorisation to start work on a building project. As such, a permit is the final stage of planning and building authorisations from public authorities, prior to the start of work. In Hypostat, the building permit concerns only dwellings.

Austria: Time series break in 2005 as the source changed from that year onwards.

Denmark: Time series break in 2012 as the source changed from that year onwards.

Ireland: A new data series takes into account the number of dwelling units.

Italy: The 2017 figure takes into account the first 9 months only.

13. HOUSING STARTS, NUMBER OF PROJECTS STARTED PER YEAR

The number of new residential construction projects that have begun during a given period. Housing Starts are usually considered to be a critical indicator of economic strength (since it has an effect on related industries, such as banking, the mortgage sector, raw materials, employment, construction, manufacturing, and real estate).

Denmark: Time series break in 2012 as the source changed from that year onwards.

Russia: Added as a time series.

14. HOUSING COMPLETIONS, NUMBER OF PROJECTS COMPLETED PER YEAR

The number of new residential construction projects that have been completed during a given period. Housing Completions are directly integrated into the dwelling stocks and, as such, is a determinant of the housing supply.

Austria: Data break in 1995.

Denmark: Time series break in 2012 as the source changed from that year onwards.

Netherlands: Time series break in 2012 due to a change in methodology.

15. REAL GROSS FIXED INVESTMENT IN HOUSING, ANNUAL % CHANGE

Real Gross fixed capital investment in housing is measured by the total value of producers' acquisitions, less disposals, of new dwellings during the accounting period; Source: Eurostat, OECD.

16. TOTAL DWELLING STOCK, THOUSAND UNITS

According to the "1993 SNA" (System of National Account), dwellings are buildings that are used entirely or primarily as residences, including any associated structures, such as garages, and all permanent fixtures customarily installed in residences; movable structures, such as caravans, used as principal residences of households are included.

For many countries, the yearly change in total dwelling stock is above the number of yearly completions because these two variables have been created with different methodologies.

Sources: National Statistics Offices, Japanese Ministry of Internal Affairs and Communications, US Bureau of Census.

Denmark: Time series break in 2007 due to a change in methodology.

Netherlands: Time series break in 2012 due to a change in methodology.

Norway: Time series break in 2006 due to a change in methodology.

17. NUMBER OF TRANSACTIONS

Total number of new or second-hand dwellings purchased or transferred in the period, including those occupied for the first time.

The national methodologies used to calculate this index are the following:

EU27

Belgium: Transactions on second-hand houses only.

Croatia: Number of new dwellings purchased.

Cyprus: The number refers to properties sold and transferred.

Denmark: Excludes self-build. For 2000-2003, figures are an estimation.

Estonia: Time series break in 2006; data from the Estonian Landboard.

Finland: 2000-2007 are estimates of the Federation of Finnish Financial Services (FFI), calculated by utilising the average housing completions of the years 2008-2014.

France: New apartments as principal and secondary residence or rental.

Germany: Time series break in 2007 as the source changed from that year onwards.

Ireland: Estimate based on mortgage approvals until 2011 (time series break in 2011 as the source changed).

Japan: The number is of second-hand dwellings purchased between January and December of the indicated years.

Latvia: New or second-hand real estate purchased or transferred, including those occupied for the first time.

Netherlands: Includes commercial transactions.

Poland: Data for 2012 concerns only dwellings of the secondary market and excludes single-family houses.

Portugal: Time series break in 2000; the number covers only urban areas, including commercial transactions.

Romania: Includes commercial transactions.

Sweden: From the year 2000, not only one-family homes are included in the transaction figures but also apartment transactions.

NON EU27

USA: Number of New Home Sales (US Bureau of Census) + Number of Existing Home Sales (National Association of Realtors).

18. NOMINAL HOUSE PRICES INDICES, 2015=100

Indices were computed to reflect the changes in house prices observed over the period. For Hypostat 2020, the base year has been postponed to 2015 to be in line with the dispositions followed by Eurostat in compliance with Regulation (EC) No 2015/2010. Eurostat data is used for a number of countries.

The data description is as follows:

Eurostat: House Price Indices (HPIs) measure inflation in the residential property market. The HPI captures price changes of all kinds of residential property purchased by households (flats, detached houses, terraced houses, etc.), both new and existing. Only market prices are considered; self-built dwellings are therefore excluded. The land component of the residential property is included. These indices are the result of the work that National Statistical Institutes (NSIs) have been doing mostly within the framework of the Owner-Occupied Housing (OOH) pilot project coordinated by Eurostat.

For the countries for which Eurostat data is not employed, the following national methodologies are used to calculate the published indices:

EU27

Austria: The RPPI for Vienna and for Austria, excluding Vienna (regional breakdown), is a so-called "dummy index." It is calculated on the basis of the euro price per square meter for new and used condominiums and for single-family houses. The dummy index is calculated by the Vienna University of Technology on the basis of data provided by the Internet platform Ametanet of the Austrian real estate software company EDI-Real. The calculation uses a hedonic regression model with a fixed structure over time. This approach may produce biased estimates if the effects of the variables change over time. Source: OeNB.

Bulgaria: Annual average market price index of dwellings, flats in the district centres (new flats are excluded); Source: National Statistical Institute.

Croatia: Time series break in 2022 due to a change of source. The average prices per m2 of new dwellings sold.

Cyprus: The indices are based on property valuation data collected since 2006 by the contracted banks, which receive the relevant information from independent property surveyors in connection with mortgage transactions, such as housing loans, mortgage refinancing, and mortgage collateral. The data, which are representative of the Cyprus property market, cover all the areas under the effective control of the Republic of Cyprus (Nicosia, Limassol, Larnaca, Paphos, and Famagusta) and refer to residential properties (houses and apartments). Source: Central Bank of Cyprus.

Czechia: Time series break in 2008 due to a change of source. Index of realised new and second-hand flat prices. New flats are published for Prague only. Source: Czech Statistical Office.

Denmark: The House Price Statistics are based on statements of properties offered for sale on the internet and registered as sold in the public Sales and Valuation Register, SVUR, or the joint municipal property register, ESR.

Estonia: New and existing dwellings, whole country; Source: Estonian Statistics Database.

Finland: The statistics on prices of dwellings in housing companies are compiled from the Finnish Tax Administration's asset transfer tax data. The preliminary data on monthly statistics include around two-fifths of all housing transactions and quarterly statistics around two-thirds, though coverage varies by area. For transactions of old dwellings in housing companies the coverage of the annual statistics is almost complete. These statistics describe the levels of the prices and changes in the prices of single-family houses and single-family house plots quarterly and annually. Source: Statistics Finland.

France: The index of housing prices (IPL) is a quarterly index, average annual base 100 in 2010. The IPL is a transaction price index measuring, between two consecutive quarters, the pure evolution of prices of homes sold. For a given quarter, the index is obtained as the weighted average of two indices: (1) the Notaries - INSEE index of existing homes; and (2) the price index for new housing. Source: National Institute of Statistics and Economic Studies (INSEE).

Germany: VDP Price Index for Owner Occupied Housing, calculated by vdpResearch.

Greece: Urban areas only.

Hungary: The house price changes observed over the period are based on the data of the FHB house price index. The index is based on real transactions and comprises new-built and existing (used) residential properties (flats, detached houses, terraced houses). The methodology for the calculations is the hedonic regression model, which is also used by European institutions (Eurostat, ECB). The index shows the annual average change compared to the base year of 2006. All dwellings, FHB house price Index.

Iceland: Time series break in 2005 due to a change of source.

Italy: Source: Bank of Italy, Istat, Revenue Agency Property Market Observatory (Osservatorio del mercato immobiliare), Consulente Immobiliare and Tecnoborsa.

Poland: The data contains average transaction prices on the secondary market - the 7 biggest cities in Poland, weighted with the market housing stock of the city. Analysed cities: Gdańsk, Gdynia, Kraków, Łódź, Poznań, Warszawa, Wrocław.

Portugal: Time series break in 2005. Annual average based on bank evaluation data. Source: Statistics Portugal.

Romania: Source: National Institute of Statistics.

Slovenia: Existing dwellings; y-o-y variation in the last quarter of each year; Source: Statistical Office of the Republic of Slovenia.

Spain: All dwellings; Source: Ministerio de Fomento.

Sweden: One and two-dwelling buildings annual average.

NON EU27

Australia: Time series break in 2010. Residential Property Price Index, average of the eight largest cities. Source: Australian Bureau of Statistics.

Japan: The indices are based on monthly prices for detached houses. Source: Ministry of Land, Infrastructure, Transport and Tourism.

Russia: Y-o-y variation in the last quarter of each year.

Turkey: Data on house prices, in percentage change over the previous period. Source: OECD.

United Kingdom: All dwellings. Source: Office for National Statistics.

United States: Time series break: base year 1980=100. Federal Housing Finance Agency (FHFA) purchase-only House Price Index. Source: Federal Reserve Bank of St. Louis (FRED).

19. NOMINAL HOUSE PRICE INDEX – CITIES (2015=100)

Indices are computed to reflect the changes in house prices observed over the period in the capital cities and in the largest cities of a given country. The provided statistics are based on heterogeneous data sources, methodologies, and areas (considering either the city as such or also the surrounding region). The indices provided in this section have to be compared with caution. The following national methodologies (if explanation available) have been applied for the calculation:

EU 27

Austria: Residential Property price index for overall dwellings in Vienna.

Belgium: The Index for Brussels has been calculated on the basis of the Notary Barometer and refers to apartments in Brussels, which constitute 70% of the market.

Bulgaria: Annual average market price index of dwellings, flats in the district centres (new flats are excluded); Source: National Statistical Institute.

Croatia: Time series break in 2022 due to a change of source. The average prices per m2 of new dwellings sold. Source: Croatian Bureau of Statistics.

Cyprus: The indices are based on property valuation data collected since 2006 by the contracted banks, which receive the relevant information from independent property surveyors in connection with mortgage transactions, such as housing loans, mortgage refinancing, and mortgage collateral. The data is available at the district level for Nicosia, Limassol, Larnaca, Paphos, and Famagusta and refers to residential properties (houses and apartments). Source: Central Bank of Cyprus.

Denmark: The House Price Statistics are based on statements of properties offered for sale on the internet and registered as sold in the public Sales and Valuation Register, SVUR, or the joint municipal property register, ESR. Data is available at the postal code level. Source: Association of Danish Mortgage Banks.

Finland: The statistics on prices of dwellings in housing companies are compiled from the Finnish Tax Administration's asset transfer tax data. The preliminary data on monthly statistics include around two-fifths of all housing transactions, and quarterly statistics around two-thirds, though coverage varies by area. For transactions of old dwellings in housing companies, the coverage of the annual statistics is almost complete. These statistics describe the levels of the prices and changes in the prices of single-family houses and single-family house plots quarterly and annually. Source: Statistics Finland.

France: The statistics consider only apartments. Source: National Institute of Statistics and Economic Studies.

Germany: VDP Price Index for Owner Occupied Housing, calculated by vdpResearch.

Hungary: The house price changes observed over the period are based on the data of the FHB house price index. The index is based on real transactions and comprises newly built and existing (used) residential properties (flats, detached houses, terraced houses). The methodology for the calculations is the hedonic regression model, which is also used by European institutions (Eurostat, ECB). The index shows the annual average change compared to the base year of 2006. All dwellings, FHB house price Index.

Ireland: All residential properties. Source: Central Statistical Office.

Poland: Average transaction prices on the secondary market.

Portugal: Yearly average on the Banking sector's valuations, monthly data, Statistics Portugal.

Slovakia: Prices in Euros per square metre. Source: Central Bank of Slovakia.

Slovenia: Captures only existing flats in Ljubljana. Source: Statistical Office of the Republic of Slovenia.

Spain: The indices refer to the regions around these cities, calculated with valuation prices. Source: Ministerio de Fomento.

Sweden: One- or two-dwelling buildings for permanent living. Source: Statistics Sweden.

NON EU 27

Australia: Residential Property Price Index. Source: Australian Bureau of Statistics.

Brazil: The Financed Housing Collateral Value Index – IVG-R measures the long-term trend of the household's houses in Brazil. The index is calculated using the evaluation data of housing loans that are granted to natural persons and collateralized by financed real estate. The IVG-R is constructed using information from eleven Brazilian metropolitan regions: Belém, Belo Horizonte, Brasília, Curitiba, Fortaleza, Goiânia, Porto Alegre, Recife, Rio de Janeiro, Salvador and São Paulo.

Iceland: Total residential property. Source: Statistics Iceland.

Japan: The indices are based on monthly prices for detached houses. The sources are the Associations of Real Estate Appraisers of Tokyo, Osaka, and Aichi.

Norway: Source: Real Estate Norway.

Turkey: Source: Central Bank of the Republic of Turkey.

United Kingdom: All dwellings. Source: Office for National Statistics.

United States: Source: Federal Housing Finance Agency.

20.CHANGE IN NOMINAL HOUSE PRICES, ANNUAL % CHANGE

The annual percentage change is computed using the house price indices found in Table 18.

21. NOMINAL HOUSE PRICE TO DISPOSABLE INCOME OF HOUSEHOLDS RATIO, 2015=100

This indicator is a measure of housing affordability. The nominal house price to disposable income ratio is also used by the OECD to provide a measure of housing affordability. However, this index is partially biased since it does not integrate financing costs: mortgage interest rate, taxes, notary costs, etc.

Nominal House Price Indices are provided by Table 18 and Gross Disposable Income of Households by Table 28. All series were rebased/recalculated from 2015 in line with the Table 18 base-year change (see Table 18 for further notes on the base year change to 2015).

C. FUNDING OF THE MORTGAGE MARKET

22. TOTAL COVERED BONDS OUTSTANDING, BACKED BY MORTGAGES, EUR MILLION

Covered bonds are dual-recourse debt instruments issued by credit institutions and secured by a cover pool of financial assets, typically composed of mortgage loans, public-sector debt or ship mortgages. Three different models of covered bonds co-exist in Europe:

- Direct/on-balance issuance (German model): The originator issues the covered bonds, and the assets are ring-fenced on the balance sheet of the originator.
- Specialist issuer (French model): an originator establishes a credit institution subsidiary that issues the covered bonds and holds the collateral.
- Direct issuance with guarantee (UK model): the originator issues the covered bonds, which are guaranteed by a special purpose entity of the originator, which holds the cover pool assets.

Please note that the conversion to euros was performed by the European Covered Bond Council (ECBC).

Austria: Figures are estimates.

France: The French series is calculated as outstanding covered bonds plus 50% of mixed assets.

Iceland: Figures are estimates.

Ireland: Bonds were not issued before 2003.

Sweden: The first covered bonds, under the Swedish covered bonds act (applicable from 2004), were issued in 2006. Prior to 2006, only mortgage bonds were issued in Sweden (outstanding volume at the end of 2005: EUR 92.8 bn); as these are not directly comparable to covered bonds, they are not included in the figures. A large part of the mortgage bond stock was also converted into covered bonds in 2006, so the figures for that year include both the converted bonds and the new bonds issued.

United Kingdom: Bonds were not issued before 2003.

In other countries where data is missing, bonds may have been issued but the quality of the data is uncertain.

23. TOTAL COVERED BONDS ISSUANCE, BACKED BY MORTGAGES, EUR MILLION

See point 22.

24. TOTAL COVERED BONDS OUTSTANDING, BACKED BY MORTGAGES, TO GDP RATIO

Total Covered Bonds Outstanding (backed by mortgages) is provided by the European Covered Bond Council (Table 22). GDP at current prices is provided by Eurostat and the World Bank (Table 27).

Note: "-" indicates no active covered bond market in that country. See Tables 22 and 27 for further notes.

25. TOTAL RESIDENTIAL MORTGAGE-BACKED SECURITIES (RMBS) OUTSTANDING, EUR MILLION

An RMBS is a derivative whose value is derived from home equity loans and residential mortgages. In line with the other mortgage-backed securities, the owner is entitled to a claim on the principal and interest payments on the residential loans underpinning the security.

Please note that the conversion to euros was performed by the Association for Financial Markets in Europe (AFME).

26. TOTAL RESIDENTIAL MORTGAGE-BACKED SECURITIES (RMBS) ISSUANCE, EUR MILLION

See point 25. Time series break: for all countries, 2007. Source: Association for Financial Markets in Europe (AFME).

D. MACROECONOMIC INDICATORS

27. GDP AT CURRENT MARKET PRICES, EUR MILLION

Within the approach of GDP at current prices, the fundamental principle is that output and intermediate consumption are valued at the prices current at the time the production takes place. This implies that goods withdrawn from inventories by producers must be valued at the prices prevailing at the times the goods are withdrawn, and consumption of fixed capital in the system is calculated on the basis of the estimated opportunity costs of using the assets at the time they are used, as distinct from the prices at which the assets were acquired.

The data was retrieved from Eurostat, the World Bank, and the IMF. For non-European countries, GDP figures have been downloaded from the World Bank and the year-average USD/EUR exchange rate (Table 30) has been applied. Time series break: for all countries, 2003 and onwards.

28. GROSS DISPOSABLE INCOME OF HOUSEHOLDS, EUR MILLION

According to the "1993 SNA", Gross Disposable Income of Households is the sum of household final consumption expenditures and savings (minus the change in net equity of households in pension funds). It also corresponds to the sum of wages and salaries, mixed income, net property income, net current transfers, and social benefits other than social transfers in kind, less taxes on income and wealth, and social security contributions paid by employees, the self-employed, and the unemployed.

The indicator for the household sector includes the disposable income of non-profit institutions serving households (NPISH).

Source: European Commission (AMECO Database) and National Statistical Offices, except for Greece, where data is sourced from ELSTAT. Data for Malta is not available.

29. TOTAL POPULATION

This statistic takes into account the total number of residents of a given country.

The sources used are Eurostat, the World Bank and, for non-EU27 countries, National Statistics Offices. Canada has been added to this series.

30. BILATERAL NOMINAL EXCHANGE RATE WITH THE EURO

For the outstanding residential and non-residential loans, the End-of-Year Exchange rate has been taken into account, while for the gross lending figures and for the average amount of mortgage, the average Exchange rate was used.

The source is the Statistics Data Warehouse of the European Central Bank. Bloomberg has been used for the Exchange Rate with the Icelandic krona, and for a number of other currencies for 2023 data.

Croatia joined the Eurozone on 1 January 2023 and is therefore no longer included in this table from that date onwards.

HYPOSTAT
2026

A REVIEW OF EUROPE'S MORTGAGE AND HOUSING MARKETS

September 2026

EMF
FUNDING THE REAL ECONOMY