

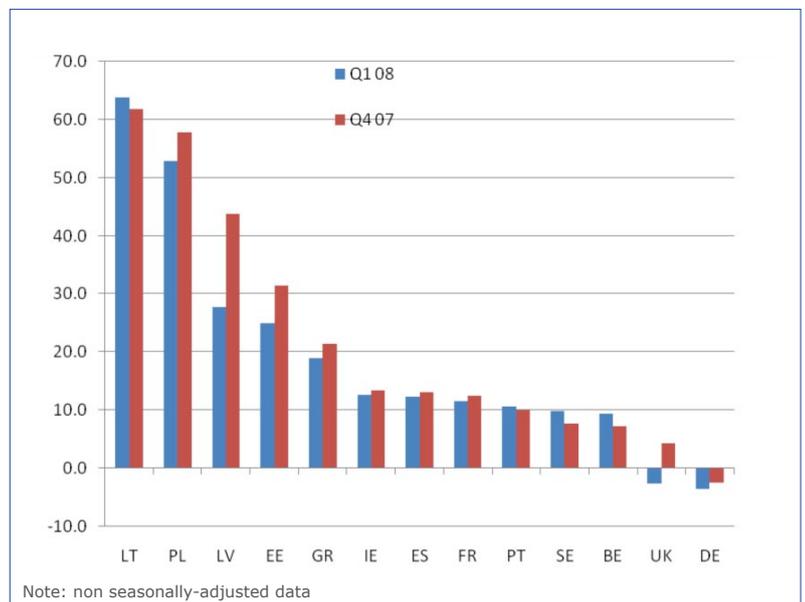
- > Total outstanding residential lending still kept growing at sustained rates on a year-on-year basis in most of the EU countries, although at a generally slower pace than in Q4 2007
- > New lending continued recording negative growth rates, as in Q4 2007
- > In Sweden and in some Eastern European Countries new residential lending activity kept on performing buoyantly, confirming a positive dynamics of mortgage and housing markets
- > Nominal house prices remained relatively stable in absolute levels in most of the EU countries observed, while house price growth rates continued their decline almost everywhere but still remained positive for many EU markets

Q1 2008 REVEALS CONTINUED DECELERATION BUT NO SIGNIFICANT WORSENING

The second half of 2007 experienced a turnaround in the housing boom cycle of recent years leading to clear signs of decline in a number of major EU residential mortgage markets. Q1 2008 figures which we are publishing now reveal that the deceleration in mortgage activity has continued, but that the pace of the slowdown has not significantly worsened.

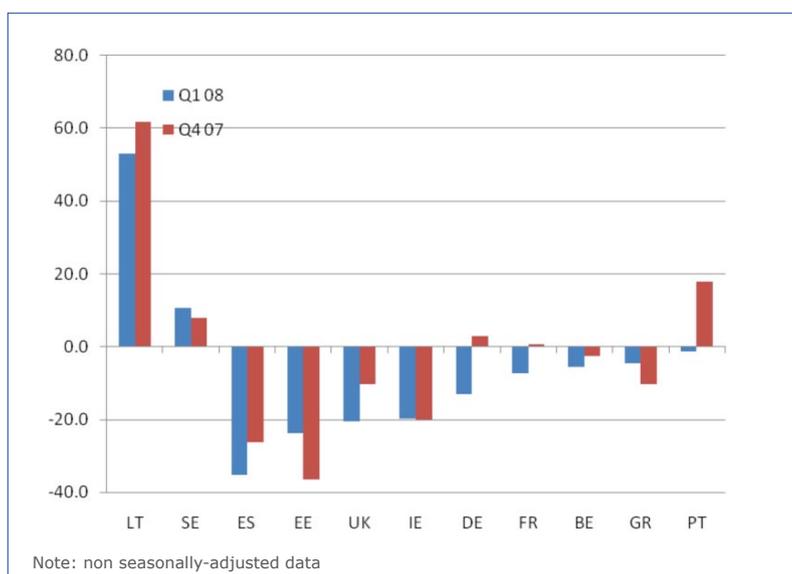
EU mortgage markets in the first quarter of 2008 continued to evolve in a mixed environment with regard to the growth of house prices, alongside increasing interest rates and credit contraction. This being said, the impact of the above factors on the EU's mortgage and housing markets did not dramatically worsen compared to what emerged from Q4 2007 figures.

CHART 1 > TOTAL OUTSTANDING RESIDENTIAL LENDING, YEAR-ON-YEAR GROWTH RATES



Source: European Mortgage Federation

CHART 2 > GROSS RESIDENTIAL LENDING, YEAR-ON-YEAR GROWTH RATES



Source: European Mortgage Federation

Generally speaking, reports on Q1 2008 numbers suggest that the key impact of the credit crunch that has spread from the international financial crisis onto mortgage markets has been in terms of a restricted access of consumers to credit. However, the evolution of mortgage interest rates has not worsened. In fact, in a number of the EU countries for which we have data, representative rates on mortgages actually fell compared to the previous quarter (Table 1A). Also, the slowdown in housing demand, which is reflected in the evolution of house prices (Chart 3), could be explained by the more mature state of housing markets after years of sustained growth, and perhaps to a lesser extent by the perceived rather than actual rise in interest rates.

Total outstanding residential lending still kept growing at sustained rates on a year-on-year basis in most of the EU countries for which we have data, although at a generally slower pace than in Q4 2007 (Table 2). As regards gross residential lending figures, some countries which experienced negative growth rates in the previous quarter - when the fall in the volumes of new loans had occurred almost everywhere in the EU - recorded more pronounced negative growth rates in Q1 2008 (Table 3). Generally, and, as was already the case in the previous quarter, the overall EU picture is quite mixed and many country-specific situations can be highlighted.

Specifically, in the UK and Spain negative growth in gross residential lending figures accelerated (by -20.6% and -35.4% respectively) since the previous quarter. In Q4 2007, the volume of new loans in the UK fell by 10.3%, while in Spain in the same quarter new loans fell by 26.3%. In Greece, the decline in gross mortgage lending which started in Q1 2007 continued, recording negative growth, as in the previous quarter but by less so: -4.7% in Q1 2008 compared to -10.4% experienced in Q4

2007. Ireland also continued to experience a negative growth rate in gross mortgage lending, recording a fall of 19.9%, as in the previous quarter.

In France, gross residential lending in Q1 08 also fell on a year-on-year basis (by 7.4%), after two quarters in a row when growth had been slightly positive. This decrease was experienced parallel to a fall in the number of transactions, in large part due to a 'wait and see' attitude from potential buyers and also as a result of a hardening of the rules for granting mortgage loans. Although to a lesser extent, gross residential lending growth rates in Q1 2008 were also negative in Belgium, Estonia and Portugal, after performing positively throughout 2007.

In Germany, while outstanding residential lending stabilised, gross lending decreased by 12.9% on a year-on-year basis, after two successive quarters of positive growth. Despite housing supply indicators showing some signs of cooling off, both in terms of gross fixed investment in residential construction and housing starts, the positive housing cycle seems to be continuing there.

A quite different picture can still be observed in some Eastern European

Countries. In Lithuania, new residential lending activity kept on performing buoyantly (it grew by 52.9% on the same quarter of the previous year). As for Poland, figures on gross residential loans were not available for Q1 2008 but other indicators confirmed the positive dynamics of mortgage and housing markets that have been observed since the second half of 2007. Outstanding residential mortgage lending grew by 63.8% on a year-on-year basis.

Countercyclical evidence, in comparison to the average EU picture, can also be found as regards Sweden, where mortgage lending kept on performing quite positively in Q1 2008 (10.6%), as well as it did in previous quarter. There is still no indication that mortgage lending is slowing down in Sweden.

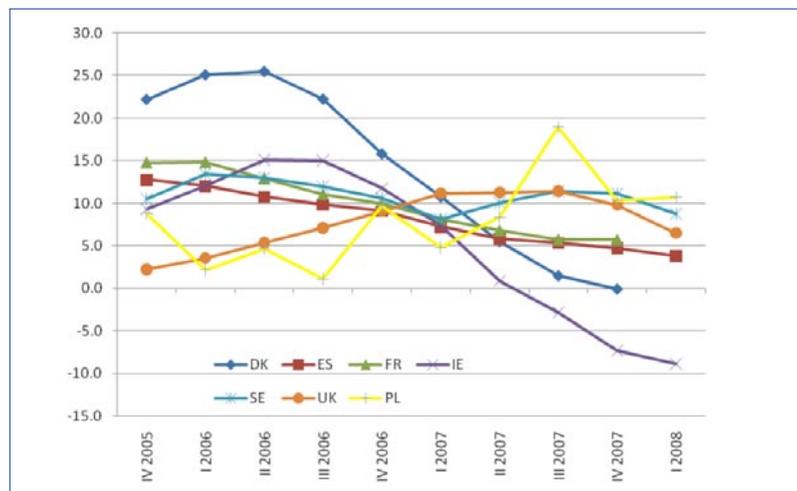
CONTINUED DECELERATION IN HOUSE PRICE GROWTH, WITH FEW FALLS IN PRICES

In Q1 2008, nominal house prices remained relatively stable in absolute levels in most of the EU countries observed (Chart 4), while house price growth rates continued their decline almost everywhere but still remained positive for many EU markets (Chart 3). The only exception continued to be Ireland, whose decline in house prices further deepened, by 8.9% year-on-year, compared to a fall of 7.3% in Q4 2007.

In UK and Sweden nominal house price growth was still above inflation, so that real growth remained positive. In Spain, deceleration in house price growth led to negative real house price growth, although nominal absolute values did not decrease compared to Q4 2007 levels.

One reason offered to explain the relative stability of house prices in several parts of the EU is in terms of the level of interest rates. First, there is evidence that in Q1 2008 the level of mortgage interest rates did not substantially increase on the previous quarter in most countries.

CHART 3> NOMINAL HOUSE PRICE YEAR-ON-YEAR GROWTH RATES (Q4 2005-Q1 2008)



Source: European Mortgage Federation

What is even more important is that both nominal and real interest rates in the EU are still at relatively low levels in comparison with the past (real short-term interest rates in the Euro zone were at 1.75% at the end of 2007 and further decreased at the end of Q1 2008 to 0.88%, though this is due in part to a higher inflation rate). This has no doubt contributed to offsetting the decrease in demand, thereby softening negative pressures on house price dynamics.

Thus, the correction from record levels of house prices has been much less severe so far in the EU in comparison to the US. This is in spite of the fact that between 1996 and 2006, the EU experienced an overheating of its housing markets with the so-called European 'housing boom countries' such as the UK, Spain and Ireland having experienced growth in real house prices that largely outpaced that of the US (total growth in real terms in house prices over that period was 154.1% in Ireland compared with 60.1% in the US).

However, it could be argued that lower real interest rates in the Euro area compared to the US in the period preceding the crisis (the ECB base rate was 2.25% in December 2005 and 3.75% in March 2007, compared with

a Fed base rate of 4.25% in December 2005 and 5.25% in March 2007), combined with small and gradual increases in the ECB's base rate since 2005 have contributed some stability to EU housing and mortgage markets.

THE PERSISTENT CREDIT CRISIS AND ITS EFFECTS ON MORTGAGE MARKETS

Our relative optimism expressed on the state of the EU's mortgage and housing markets in the last EMF Quarterly Bulletin has been somewhat substantiated by the most recent available market figures reported on in this issue, which clearly reveal no significant deterioration to date across most of the EU's markets.

Since then, the widely shared belief that the ECB would more likely tighten, rather than loosen, monetary policy has been realised with an increase earlier this month of 25 basis points by the Bank on its benchmark interest rate, to 4.25%, in response to escalating Euro zone inflation.

In spite of this latest ECB increase, rates on prime mortgage loans can still be considered relatively affordable, as we highlight above. Besides which, some lenders are even reporting that they are continuing to absorb some

of the increases rather than passing them on fully to new customers. This, in addition to corrections in house prices will certainly be welcome by potential first time buyers.

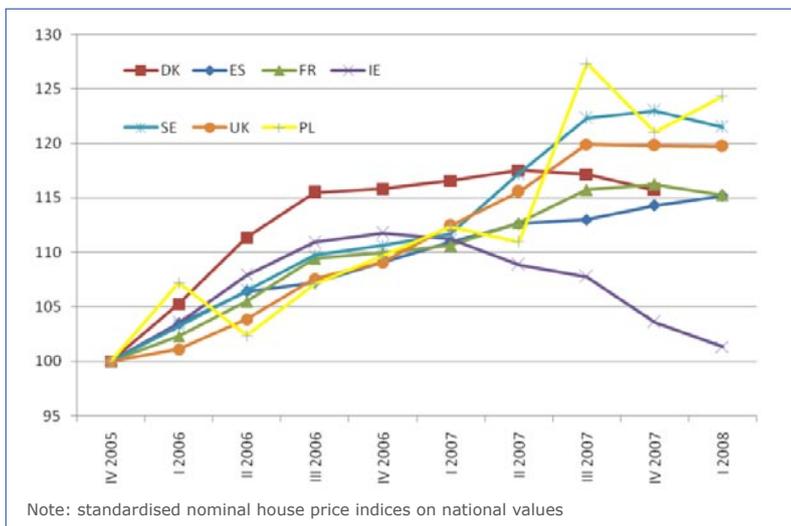
The question is whether this will be enough to spur them on.

Clearly, they will need some reassurance that costs in everyday goods will not continue to increase before they have the confidence of taking on a mortgage loan, and this is not yet forthcoming. Added to which, falling housing prices are also sometimes having a perverse incentive, leading some potential house buyers to adopt a wait and see attitude, in the hope of further decreases.

And the financial crisis still bites. One example of that in the mortgage markets are reports of yet other lenders that are having to increase their mortgage rates in some instances by even more than the raise in the ECB base rate, as a direct result of continuously increasing funding costs. Developments in short-term bank funding costs reflect this well, for instance if we look at the Euribor, which so far this year has already experienced some 30 basis point increase in its 3 month rate, leading to a current spread over the base rate of an astounding 71 basis points. The rising costs and lack of availability of funding have also led lenders to continue tightening lending criteria across many parts of Europe.

Naturally, these effects have combined to negatively affect volumes of mortgage loans. And yet, as we point out above, the overall impact on the EU's mortgage markets have not been anywhere near quite as dramatic as in the US, and lenders in some countries are already talking about expectations of improvements, or at least no worsening conditions, in the non-too distant future. While events on the funding side and developments in the global economy do not yet give any positive signs that would evidently lead to such a conclusion, let's hope that their optimism is not misguided.

CHART 4 > NOMINAL HOUSE PRICE INDEX (Q4 2005=100)



Source: European Mortgage Federation

> COUNTRY INSIGHT: FRANCE

by Jean-Marie Gambrelle, Union-Sociale pour l'Habitat

After 10 years of continued growth, 2007 was a year of general stabilisation at very high level for housing and mortgage indicators: it was true for housing starts, for housing sales, for property prices and for mortgage loans new production. In 2007, with 450,000 housing starts the building of new dwellings stabilised (+0.3%), but it reached its highest level since 1980.

Different factors contributed to such building production. Firstly, the demand for housing benefited still from an abundant supply of credit: total amount of outstanding housing loan remained almost steady at 147 billions euros (149 billions in 2006). Secondly, the rise in interest rates was by 0.70% at the end of the year 2007, but the government decided measures to deduct interests paid on main residence loan from income tax (the "TEPA" Law of the 22 August 2007)¹ On the whole the financial disturbances had few effects on the distribution of loans to the homebuyers². The slight decrease observed at the end of 2007 seems to be due to the saturation of the property market in some cities and to the high level of the prices of all local markets; others factors can be invoked like the 30% drop in the variable rate mortgages market.

Throughout the second half of 2007, the subprime crisis has affected the French interbank rate and the variable rate mortgages, whose interest rate grew very quickly but less than 1%.

However, growing prices and growing rates reduced the solvability of households, because the inflation had no impact on the salaries. With the rise in interest rates and with house prices starting to drop, households' mortgage intentions are falling quickly. The lenders too are becoming more careful because the cost of the refinancing isn't stabilised and they are not so sure about the future. The sales of new properties are going down (-28% in the first quarter of 2008), and the sales of ancient properties are slowing.

During the 1st quarter 2008, the production of new mortgage loans has decreased by 14.2% compared to the 4th quarter 2007 and by 7.4% compared to the same period of the previous year. The fall of production usually observed at this period of the year has been much more pronounced in Q1 2008. The repercussions from the subprimes crisis have led to losses for the banks, the cost of the funding has increased and moreover the banks have lost self confidence in their capacity to raise money. The nominal rate (without insurance) for mortgage loans has increased during the year by about 70 cents and stabilised on average around 4.70% for the 1st quarter 2008.

In the 1st quarter 2008 the building of new dwellings in terms of housing starts has dropped, reaching 92,000 units (that is a -10% growth rate in comparison with the first quarter of 2006). The trend for building permits has been even worse, having performed a negative growth rate of -16%.

The sales of new properties have decreased by a -28%: 26,700 against the 40,200 units reached in 1st quarter 2007. It was a very sharp fall, but the growth rate should be read in the light of the fact that sales had reached a high peak in the beginning of 2007. The sales decrease has concerned both houses and apartments. The number of residential properties for sale has also decreased, notably for the apartments (-29%) but it has outstripped the number of actual sales, then the stocks of unsold new properties has reached 106,000 units: the result is that the average time to sale the stocks is now one year for the houses and 11 months for the apartments. In terms of annual average, the price per square metre of new apartments (3,270 euros) rose only due to inflation rate by 3.5% (it was 6.0% in Q4 2007) and the price of new houses dropped by 1.8% (244,000 euros of average price).

Moreover, between the fourth quarter 2007 and the first quarter 2008, the resale prices decreased by 0.8%, according to the temporary index "inse-ntaires" (-0.6% for the apartments and -1% for the houses), and according to the FNAIM (National federation for real estate) the prices also appeared in slight downturn by -1.0%. At the end of March 2008, as an annual average, the prices of resale properties has grown at a rate of 1.0%, still below inflation (+2.5%). Some prices decreases can be seen on markets where the recent building of residential properties was too large.

Due to the rates rise, the loans duration has stopped increasing. The contraction of the mortgage new production has impacted the second-hand market as well as the new properties market, since it has reduced the rental investment sales and also the home-buying sales.

BASIC FACTS 2007

Population (million inhab.)	63.6
Nominal GDP per capita (€)	29,800
GDP per capita at PPS (Purchasing Parity Standards)	98.1 (EU15=100)
Real GDP growth rate (%)	2.2
Mortgage loans outstanding (billion €)	651,100

¹ The deduction is 25% of the interests with a maximum. The households who do not pay income tax have return of money.

² Bulletin de la Banque de France n°169, January 2008, « Evolutions récentes du crédit aux ménages en France »



STATISTICS

Please note that mortgage rates cannot be directly compared at the European level because of the different characteristics of mortgage markets and mortgage products. Table 1A shows the rates charged on a typical mortgage in each country

where available. Descriptions of the respective products are set out in Table 1C. To aid some comparison, Table 1B shows the typical rates split according to the variability of the interest rate charged.

TABLE 1A > REPRESENTATIVE MORTGAGE RATES

	IV 2005	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008
BE	3.89	3.94	4.04	4.37	4.36	4.41	4.46	4.88	4.93	4.88
DK	2.95	3.26	3.46	3.63	4.18	4.18	4.41	4.50	4.53	n/a
DE	4.19	4.39	4.66	4.71	4.60	4.78	5.01	5.12	5.03	n/a
EE	3.50	3.80	4.10	4.50	4.80	5.10	5.30	5.70	5.80	5.40
GR	3.86	3.92	4.22	4.50	4.36	4.00	4.90	4.93	4.75	4.77
FR	3.50	3.60	3.70	3.90	3.90	4.00	4.10	4.40	4.60	4.70
ES	3.53	3.86	4.17	4.46	4.74	4.97	5.21	5.63	5.76	5.67
IE	3.68	3.85	3.99	4.40	4.57	4.78	4.98	4.99	5.07	5.00
IT	4.10	4.30	4.90	5.05	4.56	4.79	4.90	4.94	5.20	n/a
LV	4.10	4.10	4.40	4.84	5.28	5.53	5.81	6.05	6.29	6.12
LT	3.36	3.40	3.87	4.28	4.58	4.84	5.12	5.53	5.71	5.56
HU	5.89	5.85	5.88	5.57	5.83	5.60	5.75	6.32	6.48	n/a
PL	6.00	5.60	5.80	5.80	5.70	5.70	5.70	6.00	6.20	6.51
SE	2.36	2.83	3.00	3.31	3.63	3.92	4.11	4.43	4.75	5.10
UK	4.99	5.01	5.01	5.13	5.25	5.42	5.61	5.90	6.08	5.89

Short-term initial fixed period rate, from 1 to 5 years maturity										
	IV 2005	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008
BE	3.80	3.89	4.00	4.34	4.44	4.69	4.86	5.07	5.18	4.87
DE	4.25	4.37	4.61	4.80	4.86	4.99	5.22	5.34	5.33	4.89
GR	4.92	4.60	4.37	4.42	4.37	4.33	4.32	4.46	4.21	4.19
ES	3.53	3.86	4.17	4.46	4.74	4.97	5.21	5.63	5.33	n/a
IE	3.95	4.09	4.51	4.62	4.76	4.99	5.18	5.23	5.39	n/a
LV	5.26	5.41	5.60	5.86	6.16	6.02	6.17	6.52	6.46	6.16
LT	3.68	3.77	4.69	4.90	4.89	5.11	5.48	5.68	5.55	5.22
PT	n.a.	3.62	3.86	4.10	4.40	4.40	4.60	4.90	5.20	5.10
SE	3.68	3.76	4.00	4.32	4.30	4.50	4.88	4.99	5.16	
UK	4.95	4.99	5.20	5.39	5.47	5.83	6.06	6.42	6.45	6.51

Variable rate and initial fixed period rate up to 1 year										
	IV 2005	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008
BE	3.18	3.61	3.88	4.20	4.47	4.69	4.87	5.13	5.26	5.16
DK	2.95	3.26	3.46	3.63	4.18	4.18	4.41	4.50	4.53	n/a
DE	4.44	4.71	4.91	5.10	5.23	5.46	5.64	5.86	5.97	5.73
GR	3.86	3.92	4.22	4.50	4.36	4.00	4.90	4.93	n/a	n/a
ES	3.20	3.55	3.86	4.20	4.49	4.76	4.93	5.20	5.37	5.34
IE	3.68	3.85	3.99	4.40	4.57	4.78	4.98	4.99	5.07	5.00
LV	4.09	4.42	4.40	4.84	5.28	5.53	5.81	6.05	6.29	6.12
LT	3.36	3.40	3.87	4.28	4.58	4.84	5.12	5.53	5.71	5.56
AT	3.52	3.90	4.08	4.36	4.64	4.94	5.11	5.37	n/a	n/a
SE	2.36	2.83	3.00	3.31	3.63	3.92	4.11	4.43	4.75	5.10
UK	4.79	4.81	4.83	4.92	5.22	5.55	5.84	n/a	n/a	n/a

TABLE 1B > MORTGAGE INTEREST RATES										
Long-term initial fixed period rate, 10-year or more maturity										
	IV 2005	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008
BE	3.89	3.94	4.04	4.37	4.36	4.41	4.46	4.88	4.93	4.88
DE	4.24	4.39	4.65	4.70	4.58	4.77	5.02	5.10	5.02	n/a
GR	4.26	4.56	4.58	4.79	4.52	4.65	4.53	4.57	4.48	4.66
IE	4.40	4.58	4.66	5.10	5.12	5.35	5.73	n/a	n/a	n/a
LV	4.69	4.92	5.37	5.29	5.09	5.39	5.68	6.02	6.29	n/a
Medium-term initial fixed period rate, form 5 to 10 years maturity										
BE	3.86	3.90	4.01	4.35	4.44	4.54	4.69	5.01	5.23	5.02
DE	4.11	4.19	4.39	4.66	4.71	4.60	4.78	5.01	5.12	n/a
GR	5.61	5.80	5.37	5.22	5.16	4.81	4.56	4.92	n/a	n/a
IE	3.95	4.09	4.51	4.62	4.76	4.99	5.18	5.23	5.39	5.13
LV	5.26	5.41	5.60	5.86	6.16	6.02	6.17	6.52	6.46	n/a

TABLE 1C > DESCRIPTION OF RATES

The representative mortgage interest rates are an average or specific mortgage rates for 1st ranking mortgages, involving no prior savings, with no discounts included, gross of tax relief, net of other bank costs. Other specifications are given below:

BE	Long term initial fixed period rate, 10 years or more maturity. Market share approx. 95% in 2007.
DK ⁱ	Adjustable mortgage rate - Market share = 50% in 2005.
DK ⁱⁱ	Fixed interest rate based on 30 year callable bonds. Market share = 50% in 2005.
DE	Renegotiable rate with a fixed period of 5 to 10 years. Market share = 42% in 2005.
EE	It is the weighted average of the annual interest rate on new EUR denominated housing loans granted to individuals.
GR	Reviewable rate after a fixed term of 1 year. Market share for 1 st Quarter 2005=86%.
ES	Variable rate - Market share 2005= 93.2%.Effective average interest rate not including costs. The interest rate usually floats every 6 or 12 months, according to an official reference rate for mortgage loans secured on residential property (non-subsidized housing).
FR	Fixed rate - The rate is fixed for the total maturity of the loan. The rate communicated is the fixed average rate of secured loans "PAS" with a maturity between 12 and 15 years. Market share= varies between 70% and 80% depending on the yield curve.
IE	Variable rate (≤ 1).
IT	Until the 3 rd quarter of 2006, the fixed rate was used - Market share 2005 = between 20% and 30%. From the 4 th quarter of 2006 onwards, the variable interest rate on a loan of EUR 100.000 with a maturity of 20 years has been used.
LV	Variable rate (≤ 1).The average interest rate on new EUR denominated loans.
LT	Variable rate (≤ 1). The average interest rate on new EUR denominated loans.- Market share October 2005-September 2006=51.34%
HU	The APRC of the most typical loan in Hungary (currently the most typical loan for residential purposes at a variable interest rate and denominated in CHF).
AT	Variable rate(≤ 1).
PL	The indicator is a weighted average of variable mortgage rates denominated in PLN for all residential credits on outstanding amounts.
PT	Variable interest rate up to 1 year indexed to Euribor (≤ 1)- Market share 2005=98.9%
FI	Variable interest rate (≤ 1)
SE	Variable interest rate up to 1 year (≤ 1) – Market share 2006=54%
UK	The average mortgage rate charged on all regulated mortgage contracts except lifetime mortgages newly advanced in the period (Source: Council of Mortgage Lenders, Regulated Mortgage Survey).

i 2 year discounted rate; ii 2 year fixed rate (Source: Bank of England)

TABLE 2 > TOTAL OUTSTANDING RESIDENTIAL MORTGAGE LENDING (MILLION EUR)

	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008	latest y-o-y change (Q1 08)	previous y-o-y change (Q4 07)
BE	111,004	114,105	113,496	116,506	119,754	122,444	124,720	9.9	7.3
DK	190,743	194,970	199,075	203,746	208,165	211,381	n.a.	n.a.	8.4
DE	1,183,752	1,183,834	1,179,992	1,161,101	1,160,187	1,155,742	1,149,512	-2.6	-2.4
EE	3,783	4,278	4,654	5,068	5,375	5,625	5,817	25.0	31.5
GR	53,660	57,145	60,255	63,274	66,116	69,363	71,661	18.9	21.4
FR	560,000	578,600	594,600	614,700	633,600	651,100	667,600	12.3	12.5
ES	545,990	571,803	594,486	618,792	634,393	646,676	657,516	10.6	13.1
IE	117,143	123,288	127,555	131,845	135,963	139,842	142,403	11.6	13.4
IT	269,646	276,102	282,658	289,861	299,798	304,223	n.a.	n.a.	10.2
LV	3,982	4,675	5,449	6,069	6,427	6,726	6,964	27.8	43.9
LT	2,706	2,997	3,371	3,870	4,412	4,849	5,156	52.9	61.8
HU	9,536	10,373	10,912	11,463	11,902	12,407	n.a.	n.a.	19.6
PL	20,245	22,795	24,927	28,211	31,987	35,966	40,834	63.8	57.8
PT	90,384	91,895	94,394	97,239	99,391	101,094	103,308	9.4	10.0
SE	169,922	175,767	178,185	181,459	185,040	189,426	200,855	12.7	7.8
UK	1,543,491	1,602,558	1,642,476	1,665,205	1,713,154	1,671,079	1,584,174	-3.5	4.3

TABLE 3 > GROSS RESIDENTIAL MORTGAGE LENDING (MILLION (EUR))

	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008	latest y-o-y change (Q1 08)	previous y-o-y change (Q4 07)
BE	6,275	6,528	5,911	5,609	5,342	6,115	5,907	5,471	5,046	-5.5	-2.5
DK	11,887	12,314	11,395	14,388	9,147	10,559	11,707	11,852	n.a.	n.a.	-17.6
DE	18,396	18,282	18,315	20,903	18,069	19,457	22,360	21,519	15,730	-12.9	2.9
EE	460	562	617	700	576	616	499	445	439	-23.8	-36.4
GR	3,642	3,645	3,880	4,278	3,858	3,942	3,474	3,833	3,677	-4.7	-10.4
FR	35,000	38,700	39,200	36,300	33,800	37,000	39,500	36,500	31,300	-7.4	0.6
ES	40,262	42,293	34,761	39,092	38,479	37,737	30,853	28,811	24,868	-35.4	-26.3
IE	8,437	10,130	10,962	10,343	7,809	8,733	8,984	8,282	6,266	-19.8	-19.9
IT	20,346	20,198	20,060	25,053	21,171	24,552	21,025	26,994	n.a.	n.a.	7.7
LT	615	694	784	868	976	1,122	1,278	1,404	1,493	52.9	61.8
HU	438	650	704	810	584	782	822	842	n.a.	n.a.	3.9
PT	6,609	4,564	4,506	4,550	4,144	4,765	5,354	5,369	4,090	-1.3	18.0
SE	9,722	10,835	9,241	11,510	10,191	12,474	10,567	12,409	11,273	10.6	7.8
UK	107,780	124,988	136,743	137,264	125,172	138,164	144,823	123,069	99,373	-20.6	-10.3

TABLE 4 > NET RESIDENTIAL MORTGAGE LENDING

	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008	latest y-o-y change (Q1 08)	previous y-o-y change (Q4 07)
BE	2,475	2,964	2,523	3,004	2,172	3,010	2,845	n/a	n/a	n/a	n/a
DK	4,597	4,731	4,806	3,691	4,084	4,260	4,201	3,243	n/a	n/a	-12.1
DE	-1,904	702	4,361	63	-3,822	-2,971	-94	-2,867	-6,245	63.4	-4650.8
EE	318	403	444	495	376	414	308	250	193	-48.7	-49.4
GR	2,617	2,813	2,809	3,485	3,110	3,019	2,812	3,248	2,297	-26.1	-6.8
FR	16,600	19,800	20,000	18,600	16,000	20,100	18,900	17,500	n/a	n/a	-5.9
ES	24,416	26,069	19,934	25,813	22,683	24,305	15,601	12,283	10,840	-52.2	-52.4
IE	5,635	6,209	6,343	6,145	4,267	4,290	4,118	3,879	2,561	-40.0	-36.9
IT	8,799	9,086	8,143	6,452	6,556	7,203	9,937	4,425	n/a	n/a	-31.4
LV	388	468	615	699	810	591	359	310	209	-74.1	-55.6
LT	253	272	310	291	374	496	544	438	307	-18.0	50.2
HU	327	598	364	281	213	375	599	556	n/a	n/a	97.9
PL	1,246	2,245	1,892	1,993	2,358	2,721	3,698	2,843	3,961	68.0	42.7
PT	1,484	3,009	1,314	1,511	2,499	2,845	2,152	1,703	2,214	-11.4	12.7
SE	2,778	3,912	3,251	4,070	3,458	4,582	3,711	4,905	n.a.	n.a.	20.5
UK	32,071	41,426	44,880	43,648	38,351	41,847	45,445	32,637	22,799	-40.6	-25.2

TABLE 5 > HOUSE PRICE INDICES (NOMINAL YEAR-ON-YEAR GROWTH RATES)

	IV 2005	I 2006	II 2006	III 2006	IV 2006	I 2007	II 2007	III 2007	IV 2007	I 2008
BE	15.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
DK	22.2	25.1	25.5	22.3	15.8	10.7	5.5	1.5	-0.1	n/a
EE	41.7	82.0	65.5	73.2	21.2	9.1	15.4	7.4	7.1	-12.5
ES	12.8	12.0	10.8	9.8	9.1	7.2	5.8	5.3	4.7	3.8
FR	14.8	14.8	12.9	11.1	9.9	8.1	6.8	5.7	5.7	4.2
IE	9.3	12.1	15.1	15.0	11.8	7.4	0.9	-2.8	-7.3	-8.9
PL	8.8	2.2	4.7	1.1	9.7	4.8	8.4	18.9	10.3	10.7
PT	2.3	2.2	-0.4	-1.3	0.6	1.1	1.6	0.6	-1.2	-1.5
SE	10.5	13.5	13.0	12.0	10.6	8.1	10.1	11.4	11.2	8.8
UK	2.2	3.5	5.4	7.1	9.1	11.2	11.3	11.5	9.8	6.5

Contributing National Experts

BE: Frans MEEL (Union Professionnelle du Crédit) > **DK:** Lars BLUME-JENSEN (Association of Danish Mortgage Banks)
> **DE:** Thomas HOFER (Verband Deutscher Pfandbriefbanken) > **GR:** Dimitrios FRANGOPOULOS (National Bank of Greece)
> **ES:** Lorena MULLOR (Asociacion Hipotecaria Española) > **FR:** Jean-Marie GAMBRELLE (Union Nationale pour l'Habitat)
> **IE:** Tom O'CONNOR (Irish Bankers Federation, Irish Mortgage Council) > **IT:** Angelo PEPPETTI (Associazione Bancaria Italiana) > **LT, LV, EE:** Diana DVINSKA (AmCredit Lithuania) > **PL:** Agnieszka NIERODKA (Mortgage Credit Foundation)
> **PT:** Jose Jesus MARTINS (Caixa Economica Montepio Geral) > **SE:** Christian NILSSON (Swedish Bankers' Association)
> **UK:** James TATCH (Council of Mortgage Lenders)