



Bucharest, 9 October 2008

The renaissance of the 'bauspar' system

The safe way of housing finance

Bucharest – On the Annual Meeting 2008 of the European Federation of Building Societies (EFBS) in Bucharest **Mag. Herbert Pfeiffer**, President of the EFBS, draw the attention to the growing interest in the 'bauspar' system. "Especially, in the Eastern European Member-States the Bausparkassen continue their way of success. Since the entry of the Bausparkassen on the Romanian finance market in 2004 figures are consistently rising which shows that the conscientious way of saving - like the 'bauspar' system - is becoming popular again."

The Bausparkassen are presently managing more than 60 million 'bauspar'-contracts in Europe. This reflects the increasing demand for long-term fixed rate contracts with certainty and planning reliability. Now, in the light of the crisis on the US American mortgage credit market and the global financial breakdown consumers value again safe ways of housing finance.

Currently, the European Commission intends to regulate the European mortgage credit market. In this context, the EFBS calls for a policy which does not wipe away proven and well established housing finance schemes. Rather existing product diversity on the national markets should be maintained. "Actually, consumers should be protected from risky and reckless housing finance systems", said **A. J. Zehnder** (EFBS Managing Director).

Andreas J. Zehnder has been Managing Director of the EFBS since 1993.

The EFBS, the oldest European association in the credit sector, was founded in 1962 with the goal of promoting and supporting the financing of private home ownership. The EFBS currently represents 57 members from the EU Member-States, the Mediterranean countries and the signatory states to the European Economic Area.