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## **The European Bausparkassen welcome the result of the vote on the Mortgage Credit Directive**

The European Bausparkassen welcome the result of the vote on the Mortgage Credit Directive this morning. The leading Economic and Monetary Affairs Committee (ECON) of the European Parliament refrained from harmful overregulation of the EU mortgage markets. „National special features of the mortgage markets that have proven well within the financial crisis, have been respected“, praises **Andreas J. Zehnder**, Managing Director of the European Federation of Building Societies.

We welcome that former ideas to create 27 national registers for mortgages have been given up. In combination with the proposed right to cancel the credit contract and switch to a competitor, this would have led to a wide take-over of loan portfolios. Especially, smaller regional markets would get into a precarious situation.

Long term mortgage credit agreements with low fixed interest rate conditions can still be offered after the voting of today without modification. “By this vote the Members of the European Parliament support the consumer’s request for a stable and reliable basis of calculation, explained **Mr. Zehnder**. The Committee has at the same time introduced by its vote provisions increasing consumer protection in the area of foreign currency lending and variable interest rate loans, which was absolutely necessary.

„With this vote the Parliament found a well balanced approach between stability requirements and consumer protection,“ explains **Zehnder**. The Members of the European Parliament also found a convincing answer to some of the housing finance problems occurring in some EU Member States.