

EMF-ECBC: CELEBRATING 50 YEARS OF FUNDING THE REAL ECONOMY

BENEFITS OF MORTGAGE & HOUSING MARKETS



HOUSEHOLDS

Most people cannot afford to buy their home outright for cash, so mortgages are a very important financial product providing **EU citizens with affordable and sustainable access to home ownership.**



COMMUNITY

By providing access to home-ownership, mortgage markets can help to deliver **important community gains.**



GROWTH & REAL ECONOMY

Mortgage and housing markets are **main drivers of the EU economy and contribute to job creation.**



SUSTAINABILITY

Mortgage markets can help to deliver investment needed to meet **EU energy savings targets.**



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FUNDING THE REAL ECONOMY

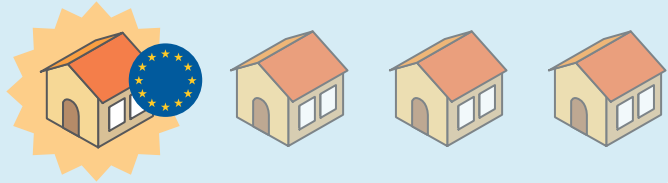




HOUSEHOLDS

- Mortgage & housing markets can improve **households' social conditions** and bring stability for them.
- Mortgage loans can also help households to **accumulate wealth** over the lifetime of the loan because they give households a default mechanism for saving.
- By improving their properties' **energy efficiency** by way of an energy efficient mortgage, households can lower energy bills, increase the value of their properties, and protect them against a 'brown discount'.

On average, around **1 in 4 European households** currently has a mortgage loan – however, in some countries, such as Denmark, the Netherlands or Sweden, more than half of the population (not only home-owners) are mortgage holders.



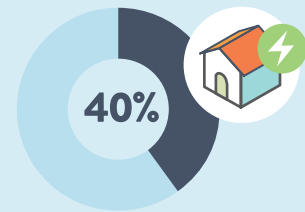
GROWTH & REAL ECONOMY

- The value of lending for house purchase in the EU is **equal to about 50 % of the EU's GDP.**
- Mortgage market activity fosters job creation in multiple sectors - according to the World Bank, **for every home built, 5 jobs are created.**
- Energy Efficient Mortgages can in turn stimulate additional activity for those SMEs specialised in energy efficiency retrofit, resulting in further job creation.



SUSTAINABILITY

- In the EU, buildings are responsible for **40% of total energy consumption and 36% of CO₂ emissions.**
- By improving the energy efficiency of buildings, energy consumption could be reduced by 5 - 6% and CO₂ emissions by 5%.
- **€100 billion/year** of investment is required to meet the EU's energy savings targets.
- Mortgage lenders can play a **game-changing role by incentivising homeowners to improve the energy efficiency of their properties by way of an Energy Efficient Mortgage.**



COMMUNITY

Mortgage markets can :

- Provide access to **better quality homes** and neighbourhoods.
- Help to **improve communities** as a result of a stronger sense of belonging and therefore **investment by households.**
- Deliver better outcomes for children in education as a result of **the greater household stability.**
- Stimulate more civic engagement e.g. joining local clubs & voting in elections.