



Mr Eric Ducoulombier
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Brussels, 21 December 2005

Dear Mr Ducoulombier,

Green Paper on Mortgage Credit

I write to express the support of the European property industry for Commission intervention to promote the emergence of a European mortgage credit market.

The European Property Federation represents all aspects of property ownership and investment: residential landlords, housing companies, commercial property investment and development companies, shopping centres and the property interests of the institutional investors (banks, insurance companies, pension funds). Members own and manage property assets valued at €800 billion.

We do not consider that cross-border activity stuck at 1% of European mortgage lending can be justified by consumer safety concerns that would supposedly require the business to be essentially local. That argument is not relevant today to a growing proportion of sophisticated consumers and it takes no account of increasing European mobility, both in work and concerning the boom in secondary residence purchase. Furthermore, as EU political and economic integration progresses, we see the eventual emergence of pan-European housing finance institutions that will be supportive of all categories of citizens.

EU intervention to deal with current obstacles can have a positive effect on the refinancing of mortgages, expanding the refinancing markets and developing new kinds of securities for financing housing in Europe. EU mortgage credit would also encourage housing finance product development and customers would benefit from a wider variety of housing finance products.

EUROPEAN PROPERTY FEDERATION
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In its Green Paper, the Commission has correctly identified priority areas for action: common European standards for property valuation (to which we would add European harmonisation of property-relevant accounting standards) and enhanced content of / increased access to land registers. We hope that the Commission will promote these energetically.

Yours sincerely,

Michael MacBrien
Director General

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