

# HOUSING MARKETS IN THE EU

**House prices** are rebalancing at a good pace across most of the EU. In a majority of Member States, house prices are expected to rise in real terms, recovering from undervalued levels. Recovering asset prices are good news for economic activity because they tend to have a positive effect on lending, construction and investment. However, in some countries, prices are expected to rise from already high levels and in others, prices look set to fall from already low levels. Prices are also correcting from overly high levels in a number of countries. House price trends can have important implications for economic stability and the European Commission monitors them closely.

