



Press release

Statistics Netherlands

PR99-112
6 May 1999
9.30 hrs

Strong rise in number of mortgages

In the first quarter of 1999 the total number of home mortgages was 137 thousand, over 25% more than in the same period last year. According to Statistics Netherlands figures over half of all new mortgages are renegotiated or second mortgages. The low mortgages interest rates are an important impulse for the continuing increase of the number of mortgages. In March 1999 the mortgage interest rate fell to under 5%, the lowest in 35 years.

Mortgage debt up to half a trillion guilders

The 137 thousand home mortgages that registered in the first quarter of 1999 have a total value of 32 billion Guilders, 40% more than in the same period last year. This brings the total outstanding debt of home mortgages on balance to half a trillion guilders.

Mortgage interest continues to fall

The growth in the number of mortgages is closely connected with decreasing interest rates. Mortgage rates have been decreasing continuously since February 1998 from 5.9%, which was already very low, to below 5% at the end of March 1999. The last time that the mortgage interest was lower than 5% was in December 1963.

More re-mortgages and second mortgages

According to Statistical Netherlands figures, the low interest rates, have prompted more home-owners to renegotiate their mortgages or take out a second mortgage. The share of re-mortgages and second mortgages thus increased to 57% of the total number of newly registered mortgages. In the first quarter of 1998 this share was still 47%, already very high.

House sales up by 8%

In the first quarter 59 thousand houses changed hands, 8% more than in the same quarter last year. The average price of existing houses was 286 thousand guilders, an increase of 9% compared with the first quarter of 1998. The increase in average house prices in the province of Zuid-Holland, which was 7%, lagged a bit behind the national average.

For further information, please contact W. Vissers, tel. +31 70 337 45 76; e-mail: wvss@cbs.nl.

Statistics Netherlands
Press Office

P.O. Box 4000
2270 JM Voorburg
The Netherlands
tel. +31 70 337 58 16
fax +31 70 337 59 71
e-mail:
persdienst@cbs.nl

Statistics Netherlands
is a department of
the Ministry of
Economic Affairs