

# DANMARKS NATIONALBANK

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BANKING AND MORTGAGE LENDING, BALANCES, NOVEMBER 2017

## Mortgage lending growth in 78 municipalities

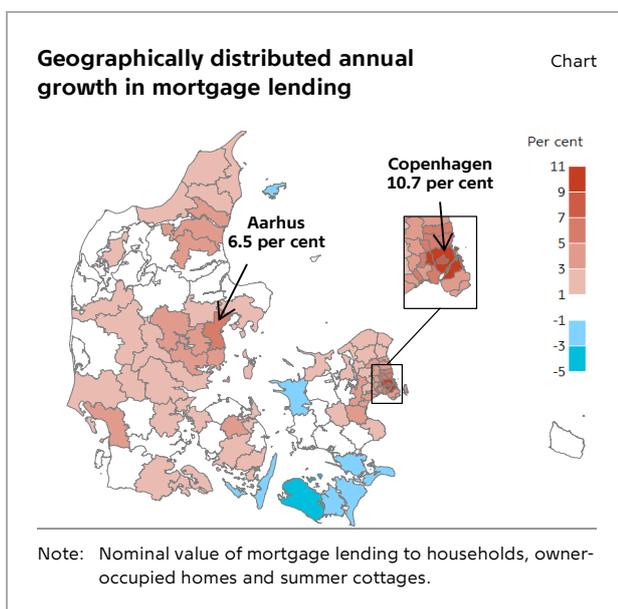
Over the last 12 months, households' mortgage loans have increased in 78 of Denmark's 98 municipalities. The biggest increase – both in relative and absolute terms – has not surprisingly taken place in Copenhagen. Here, mortgage loans have increased by 10.7 per cent, corresponding to approximately kr. 12 billion.

Copenhagen is closely followed by the municipalities of Rødovre and Frederiksberg where loans have increased by 10.1 per cent and 8.3 per cent, respectively. At the other end of the spectre, in the municipality of Lolland, mortgages over the same period are reduced by almost kr. 0.2 billion (-3.5 per cent).

The growth in mortgages within each of the municipalities is the result of new loans and instalments. The higher the instalments are the higher the loan activity must be, before the overall mortgage loans will increase. The extent of instalments is thus one decisive factor as to whether some municipalities experience limited or even negative mortgage growth, rather than positive growth.

Excluding instalments, there has been positive lending activity in all municipalities during the last year – except in the municipality of Lolland. The amount of instalments reflects the current characteristics of the underlying loans, where lending activities are determined, among other things, by the extent of new housing, regional migration patterns, and price developments of the existing housing stock.

At the end of November, the nominal value of mortgage lending to households with collateral in owner-occupied houses and summer cottages was almost kr. 1,560 billion. Accordingly, mortgage lending has grown by around 3.5 per cent over the past year.



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