

DANMARKS NATIONALBANK

25 AUGUST 2022

BANKING AND MORTGAGE LENDING, BALANCES, 2ND QUARTER 2022

Even more conversions in the 2nd quarter

53,100 homeowners with fixed-rate mortgage loans converted their loan in the 2nd quarter of 2022 with a total value of DKK 63 billion. Hence, they have used the options for conversion created by the rising interest rate level. That is 13,700 more homeowners than in the 1st quarter where 39,400 homeowners converted their loan, corresponding to repayments of DKK 49 billion.

Almost every other conversion is to a variable rate
22,900 homeowners have converted their fixed-rate mortgage loan to a variable-rate mortgage loan in the 2nd quarter. These conversions account for 43 per cent of the conversions. In the 1st quarter they accounted for 35 per cent. The new variable-rate

loans have a lower interest rate compared to new fixed-rate loans. When converting to a variable rate, the homeowners obtain a lower interest rate now at the expense of a larger risk of increases in the variable rate in the future.

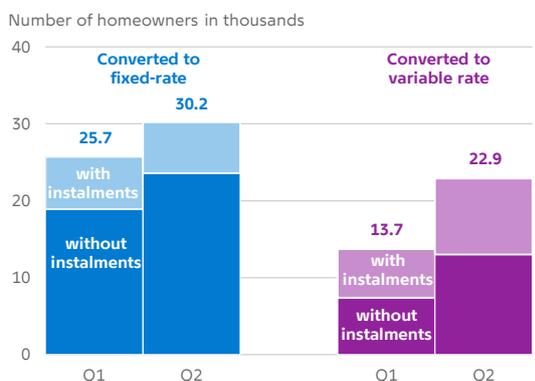
The remaining 30,200 homeowners that converted in the 2nd quarter have converted to a new fixed-rate mortgage loan with a higher interest rate to cut off debt¹. That is 4,500 more homeowners compared to the 1st quarter of the year.

Less homeowners choose loans without installments
36,600 of homeowners who converted their loans chose to convert to a loan with installments. As a result, 900 fewer homeowners pay installments on the loan after the conversion. These homeowners continuously reduce their debt. This makes them more robust to changes in interest rates or declining house prices in the future. 26.300 of the homeowners' conversions in the 1st quarter were to loans with instalments, where 3,100 fewer homeowners paid installments on their debt after the conversion.

9.3 per cent converted in the first half of 2022

Approx. 9.3 per cent of all homeowners with fixed-rate mortgage loans converted their loan during the first half of 2022, corresponding to 92,400 homeowners. Loans with an interest rate up to 3.5 per cent have been converted in the 2nd quarter. At the end of the 2nd quarter 967,000 homeowners had a fixed-rate convertible mortgage loan with a coupon of up to 3.5 per cent, amounting to DKK 838 billion.

Homeowners' conversions of fixed-rate mortgage loans in 1st and 2nd quarter of 2022



Note.: Borrowers with mortgage debt, in thousands. The homeowners have redeemed a fixed-rate mortgage loan in the duration of 1st or 2nd quarter 2022 and taken a new loan with the same collateral. Instalment and interest rate are based on the borrower's largest loan. Rounding off can result in small deviations in sums and totals. Find data chart here ([link](#)).

[MORE INFORMATION ABOUT THE STATISTICS HERE](#)

¹ Size of debt and bond price at repayment not taken into account.