



PRESS RELEASE

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Publication by the Banco de España of the Mortgage Loan Access Guide

The Banco de España is today publishing its Mortgage Loan Access Guide, a compendium of all the information consumers need to obtain this type of credit to purchase a dwelling. The aim of the Guide is to provide consumers with the keys to understanding and properly assessing the different facets of what will in all likelihood be a most important decision for their personal economy.

Located on the Banco de España website, the Guide will also be available free of charge at the branch offices and on the websites of the financial institutions that offer mortgage loans. Customers may thus consult it before taking a decision.

The Guide describes what mortgage loans and credit are, together with their characteristics, and it stresses the responsibilities customers assume on taking them out and the potential consequences if the obligations assumed on signing a mortgage are not met. It sets out in painstaking detail the basic components of these products – amount, valuation, terms, repayments, fees and habitual expenses – and it explains the Annual Percentage Rate (APR), the real cost of the loan.

The Guide also focuses on one of the essential aspects of mortgage loans, namely interest rates, discussing the restrictions on their variability, hedging instruments in floating interest rate agreements and agreements denominated in currencies other than the euro.

Further, the Guide recalls what information customers should receive both before taking out the mortgage and upon signing it, the content of the agreements, the role of the notary public and inscription in the Property Register. Finally, it addresses bank-customer relationships subsequent to the execution of the agreement, and matters pertaining to instalments, the revision of interest rates and early repayment.

The Mortgage Loan Access Guide is part of the measures to promote transparency in bank-consumer relationships, further to Ministerial Order EHA/2899/2011 on the transparency and protection of bank customers and to Banco de España Circular 5/2012.

The Mortgage Loan Access Guide is available on the Banco de España website (http://www.bde.es/bde/en/secciones/informes/Folletos/guia_de_acceso_a) and in its Bank Customer Portal (http://www.bde.es/f/webbde/Secciones/Publicaciones/Folletos/Fic/Guia_hipotecaria_2013.pdf)

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