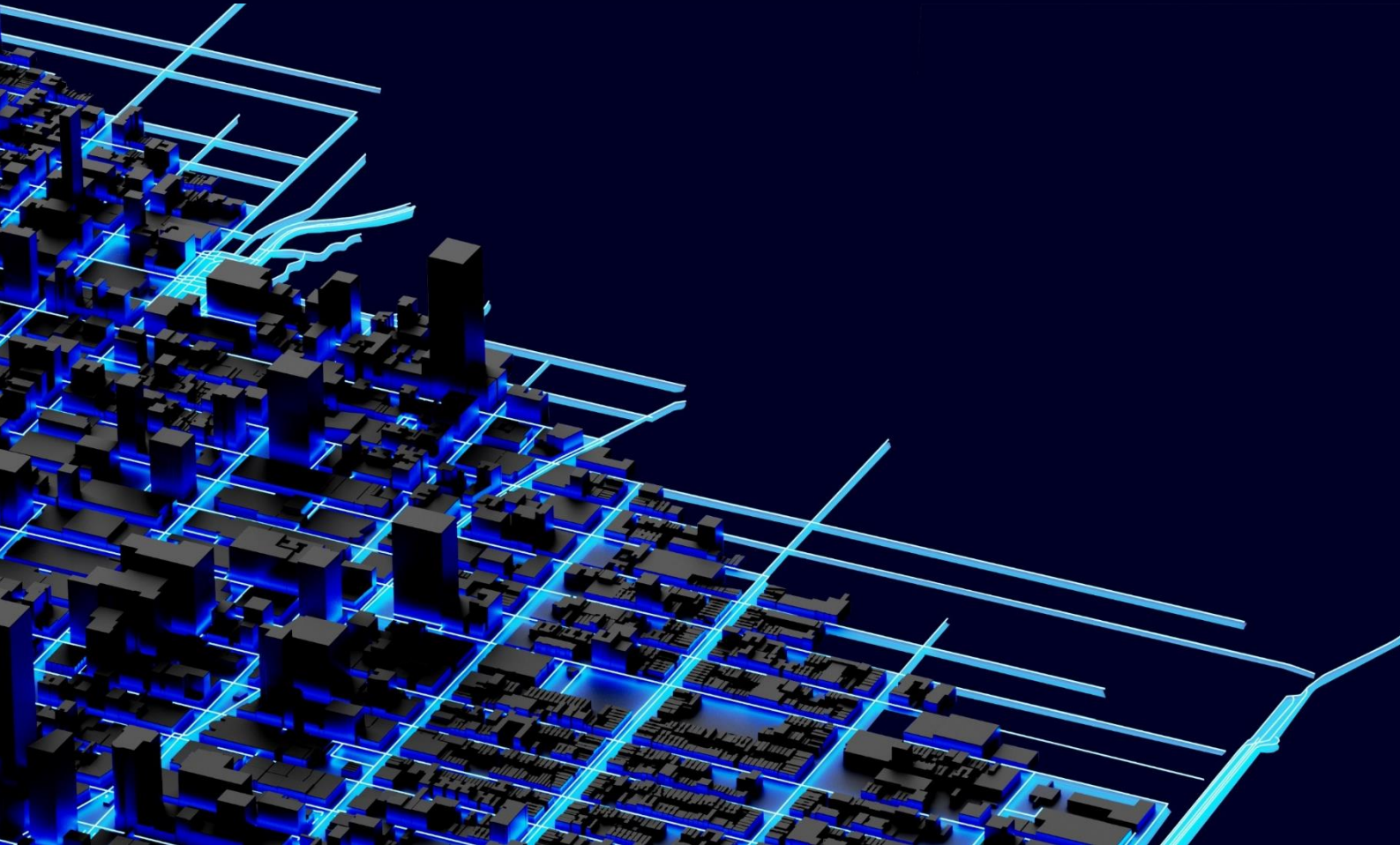




F O R T R U M  
CONSULTANCY, RISK & DUE DILIGENCE

# Dutch Mortgage Dashboard

| August 2021 | Label public



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This mortgage dashboard presents a detailed overview of the Dutch mortgage market. It seeks to compile data from various sources to present readers with insightful information about the market in the most concise manner possible. The dashboard is updated every month and is available on Fortrum's official website. The following sections summarize the key insights from the latest edition of the dashboard.

## Housing

### *Consumer Confidence & Housing Shortage*

In accordance with the Eigen Huis Market Indicator, consumer confidence in the housing market has remained relatively neutral over the last 3 years. However, the current condition of the market is best reflected in the NVM Shortage Indicator. The metric shows that the average (house) buyer in The Netherlands only has 1.4 options available (compared to 15 in 2014). Only 18,241 houses (existing and newly built) are available for sale. Some factors that drive this crisis are as follows:

- Lack of building permits over the past few years
- Increasing cost of acquiring land and materials
- Shortage of construction workers.

Despite the aforementioned crisis, there has been a notable increase in the issuance of building permits over the last 12 months (from 60,826 in May 2020 to 72,854 in May 2021). The production rate meanwhile, has remained stable.

### *Surge in prices*

The average price for a house has increased approximately 10% over the last 12 months. An improved macroeconomic outlook and partial abolition of stamping duty are likely to push prices even further. While all types of houses experienced a price hike of more than 10%, detached houses were the most affected, with prices increasing approximately 16%. Furthermore, houses in the mid-Netherlands region were subjected to the highest increase in price (12% over the last 12 months).

## Mortgages

The aforementioned housing bubble also has implications for the Dutch mortgage market. Weekly applications have declined by 16% since the beginning of the year (despite an upward trend until June). The average mortgage amount has also risen from EUR 256,586 in August 2020 to EUR 271,741 in July 2021. Approximately 23,22% of all applications are with NHG.

Annuity remains the most common repayment type (60.39%), followed by interest-only (36.20%), and linear (3.07%). Furthermore, 20 years is the most common fixed rate period (55%). Despite the previously mentioned fall in the number of weekly applications, newly registered mortgages have increased by 8%. The vast majority of these mortgages (56%) were procured by existing buyers (25% by first-time buyers & 19% for refinancing or increasing mortgage).

The mortgage process currently has an average lead time of 34 days. The LTI and LTV ratios of new applications meanwhile, have remained relatively stable over the last 2 years (3.52 and 64% respectively in July 2021). Banks remain the leading mortgage providers in The Netherlands, with ABN Amro, ING, and Rabobank accounting for 49% of the market share. These are followed by regiepartijen (17.3%), insurers (13.7%), foreign providers (7.3%), and others (3.4%).

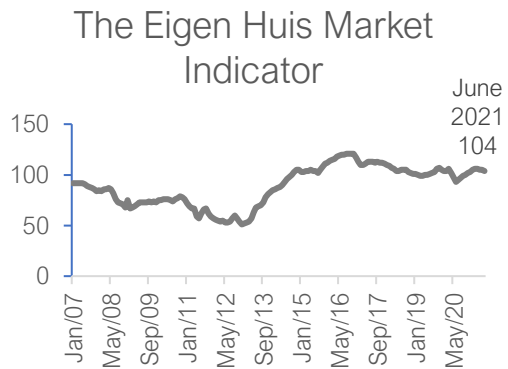
Finally, the number of foreclosures has remained relatively stable since the beginning of the year (27 in June 2021). This was preceded by a sharp rise in foreclosures at the end of 2020 (90 in December 2021).



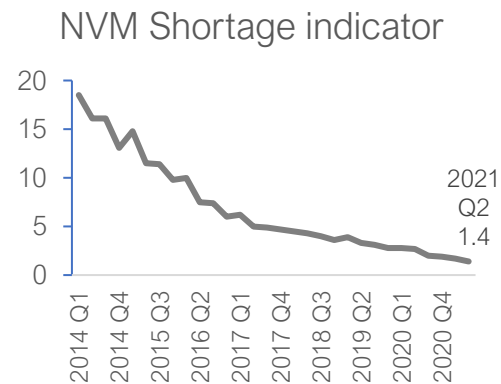
# Housing stock, sale and confidence

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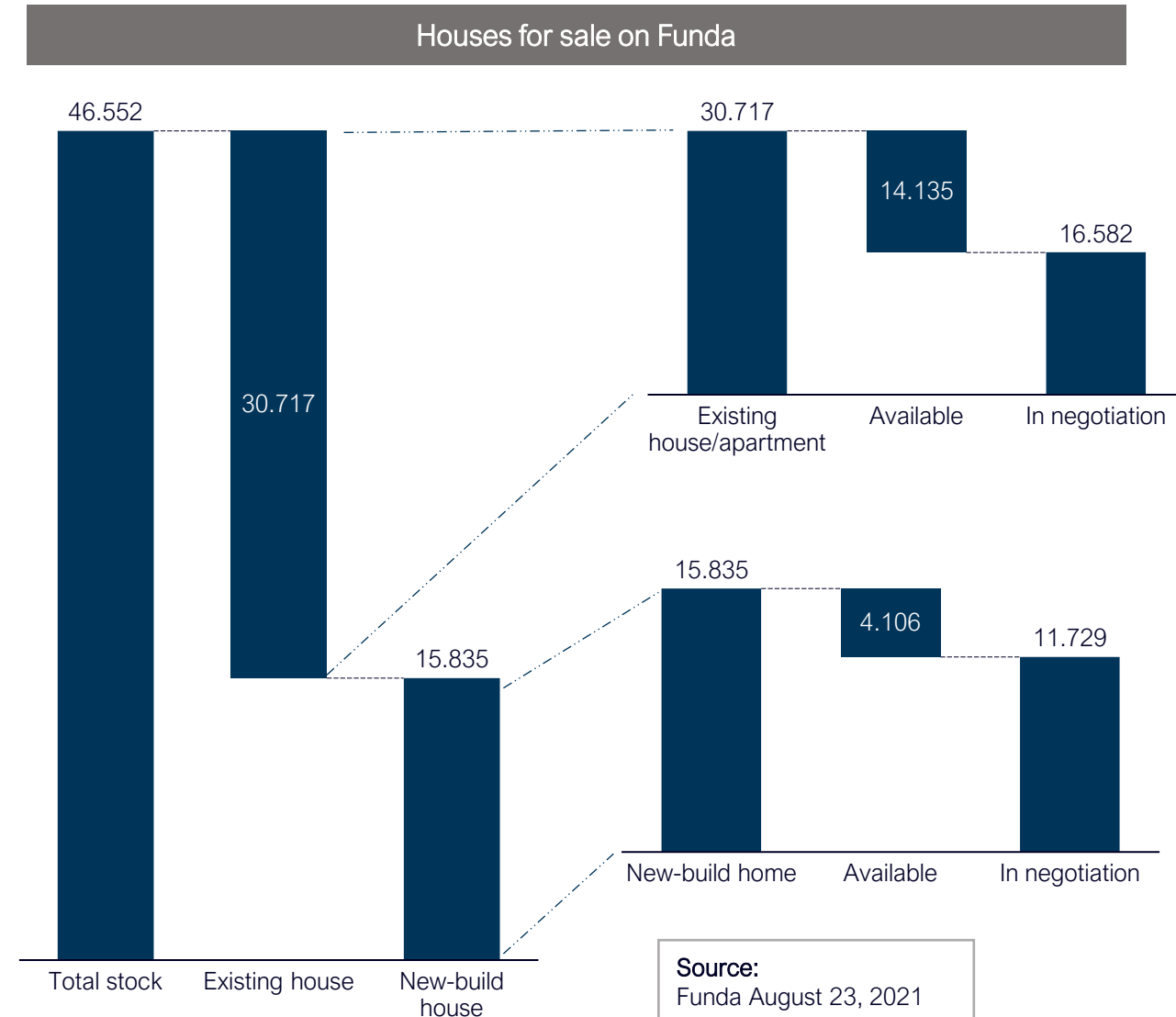
<b>Houses in NL</b> (Owner occupied)	<b>Need to build</b> (2020 - 2030)	<b>Current shortage</b> (Rijksoverheid)
4,48 mln	845.000	331.000
<b>Eigen Huis Market Indicator</b>	<b>Selling time</b> (NVM)	<b>Shortage indicator</b> (NVM)
June 2021 - 104 ↓ (May 2021 - 105)	Q2 24 days ↑ (Q1 30 days)	Q2 1,4 ↓ (Q1 1,7)



The Eigen Huis Market Indicator measures consumer confidence in the housing market every month. This indicator has a value between 0 and 200, where the value 100 represents a 'neutral mood' value. Source: Vereniging Eigen Huis



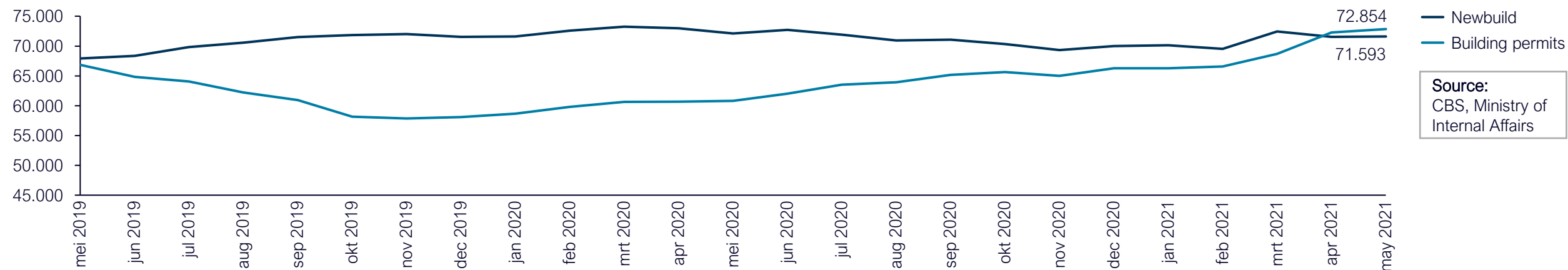
The NVM Shortage indicator gives an approximation for the number of options that a potential buyer has on the housing market. The number is calculated as the offer at the beginning of the month, divided by the number of transactions in that months.



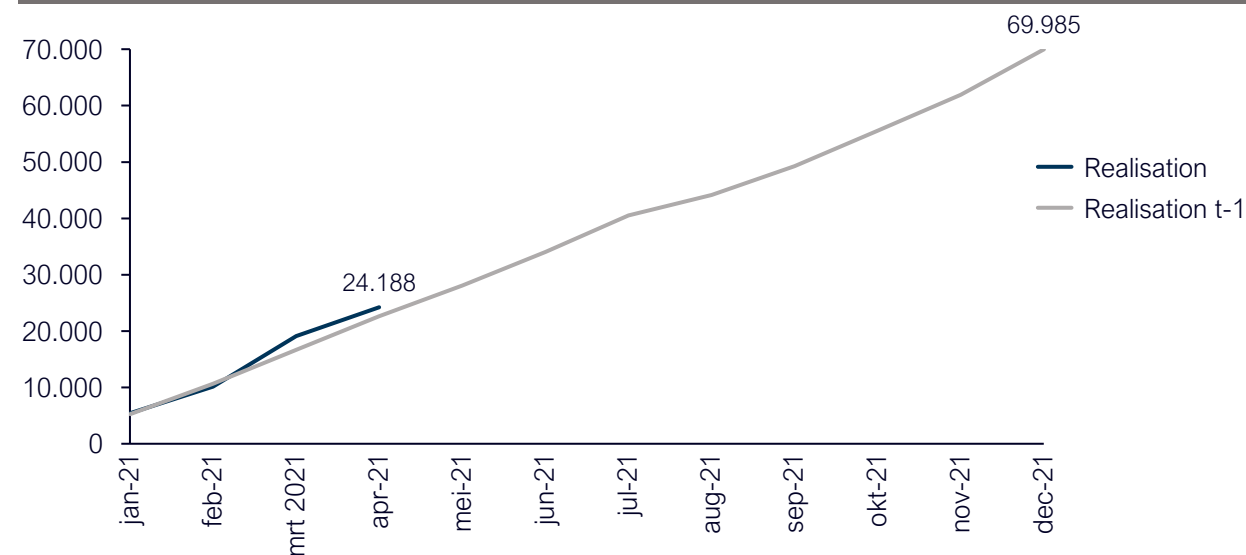
Source:  
Funda August 23, 2021



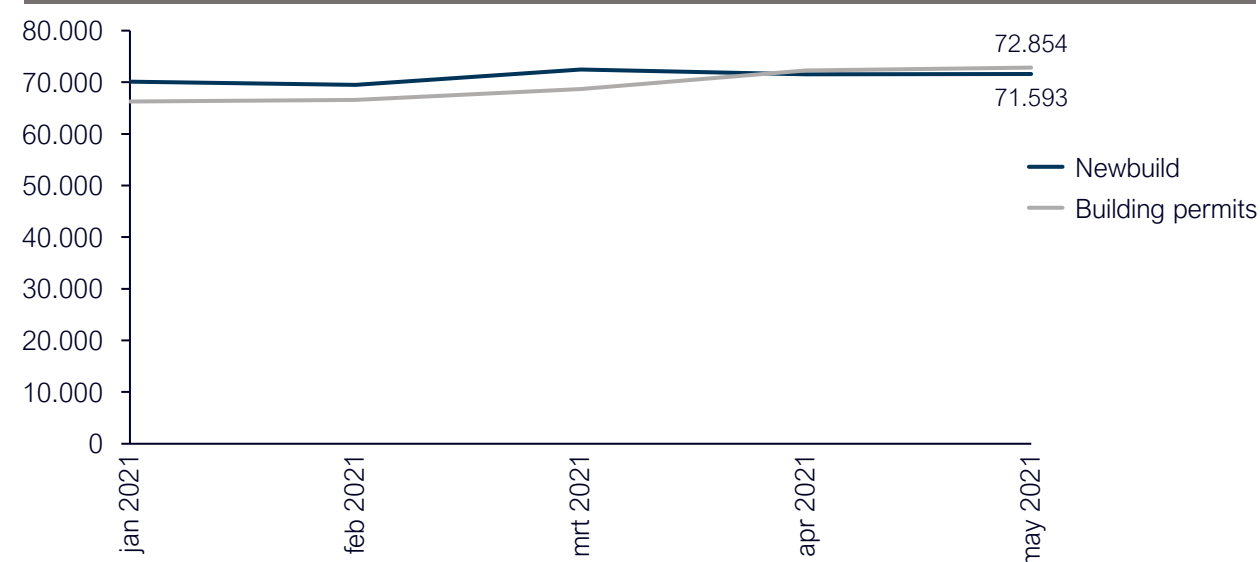
Housing production in the Netherlands, 12-month rolling sum



Developments in construction production, current year

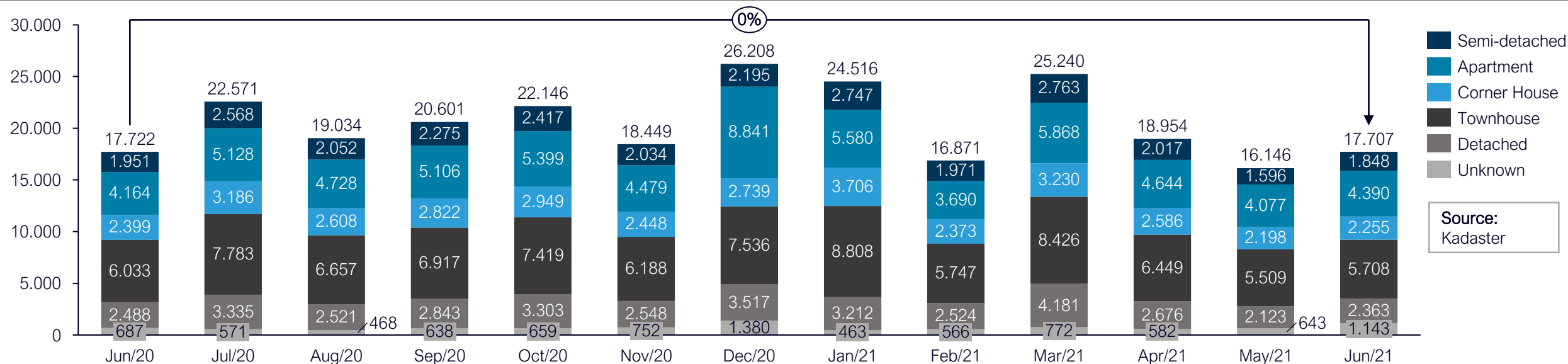


Developments building permits, current year

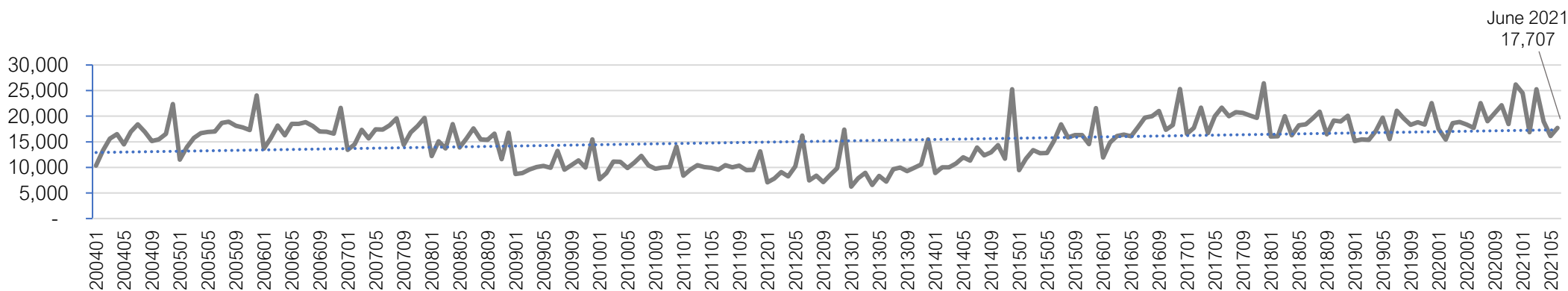




Number of sold houses of the past 12 months, divided by type

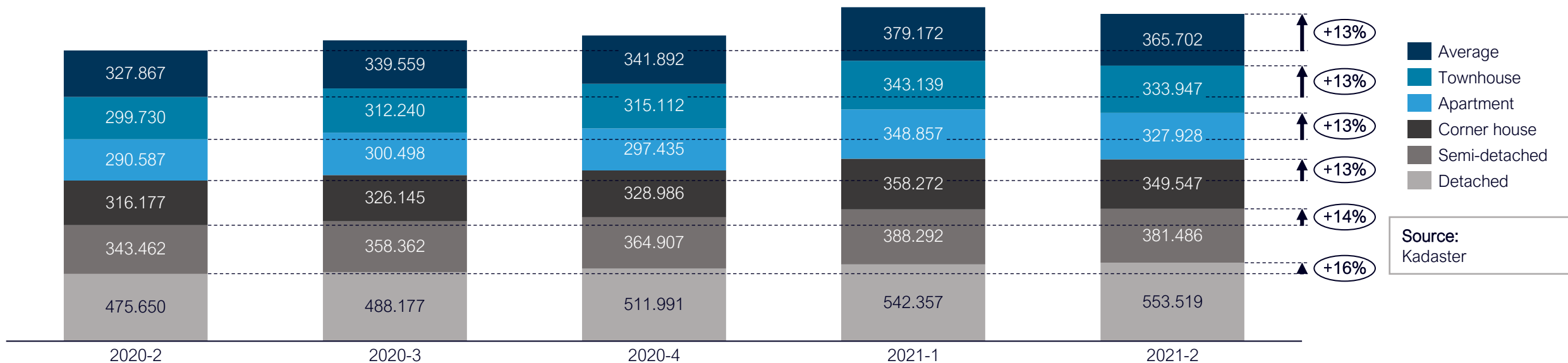


Historic overview (since 2004)

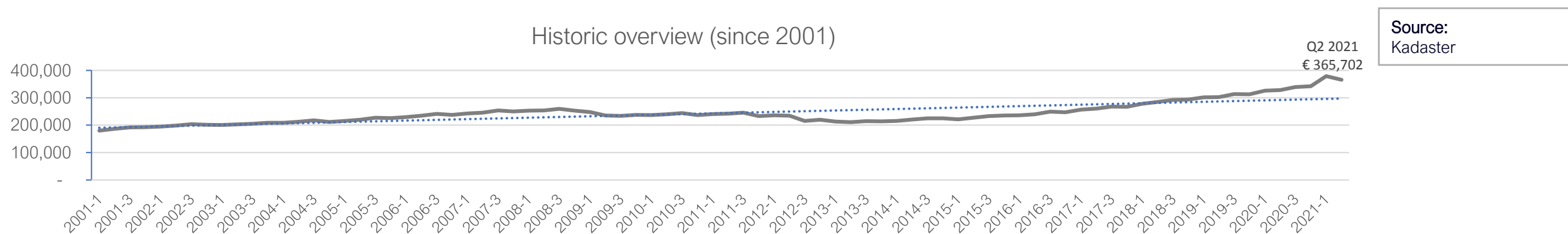




Purchase price of the last 12 months, divided by type



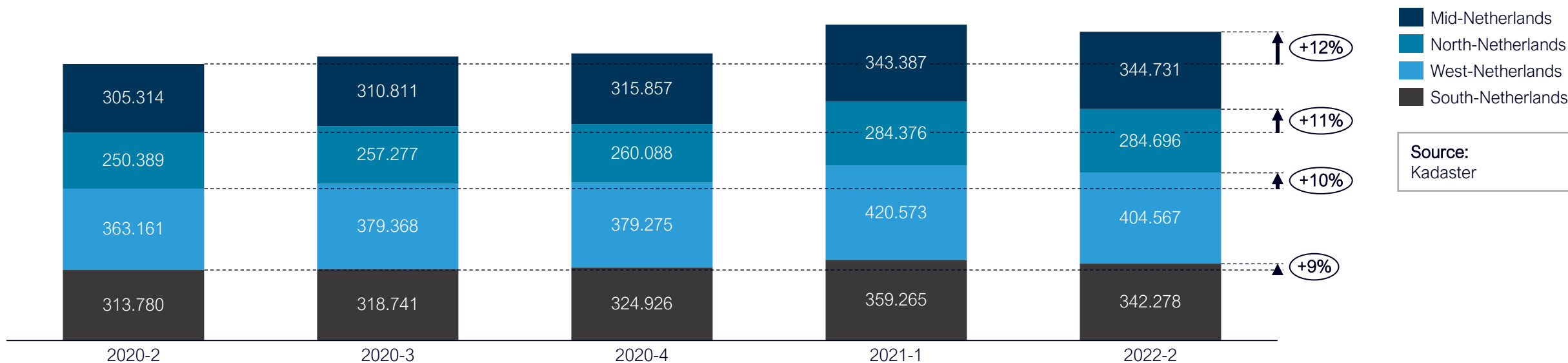
Historic overview (since 2001)



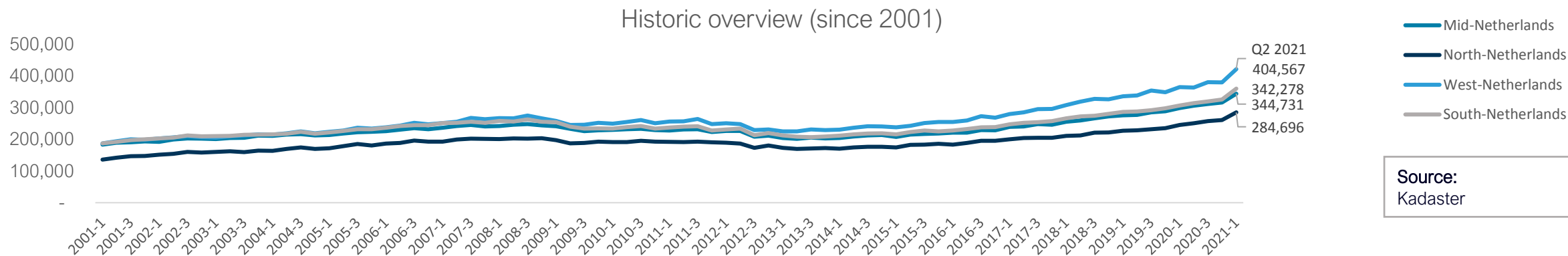




Purchase price of the last 12 months, divided by region



Historic overview (since 2001)

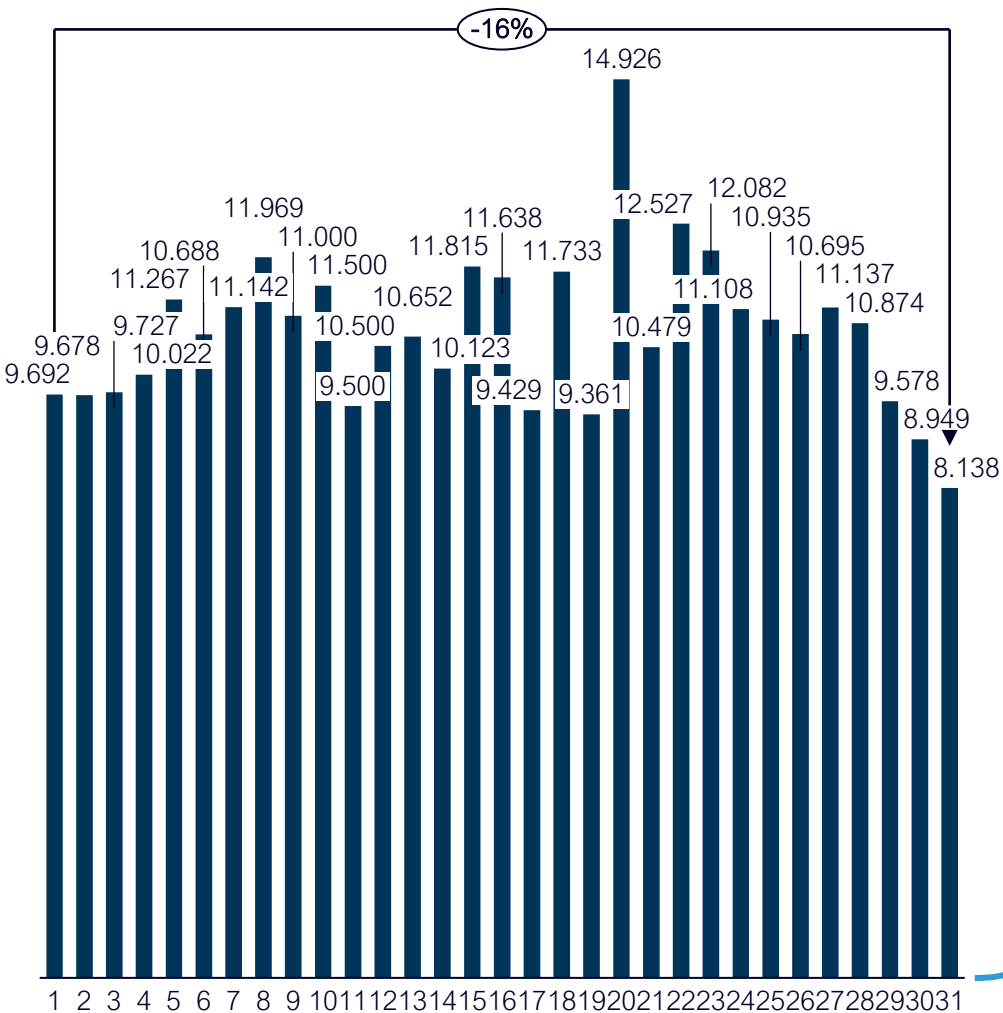




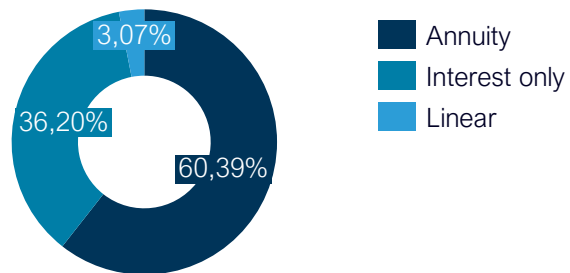
# Mortgage applications (HDN)

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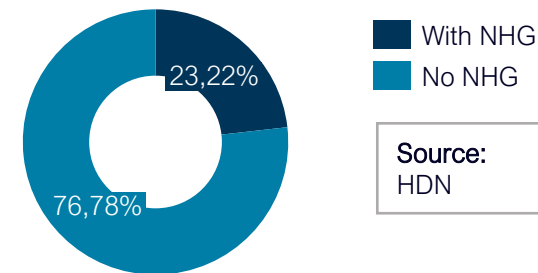
Applications per week, 2021



Repayment type

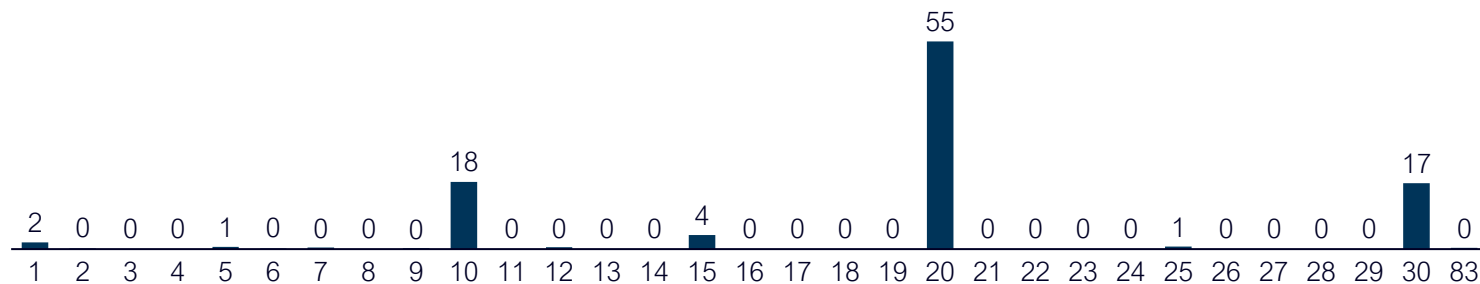


NHG

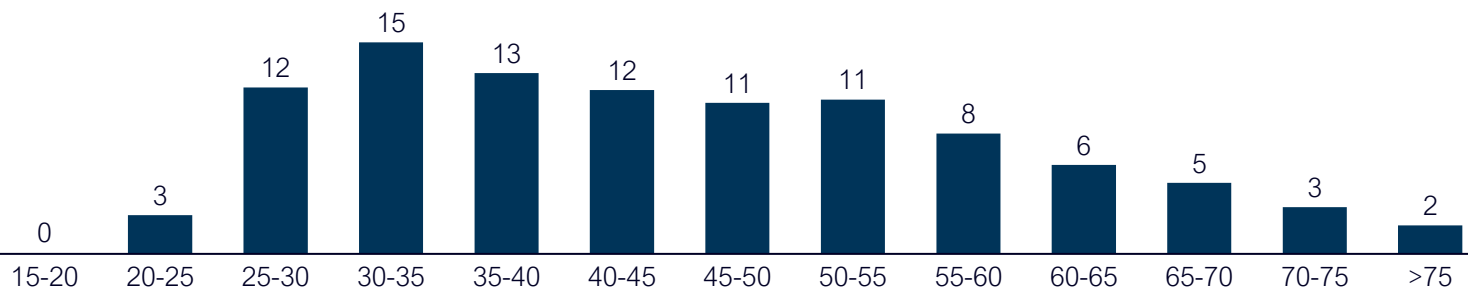


Source:  
HDN

Fixed rate period, in %



Age of borrower, in %







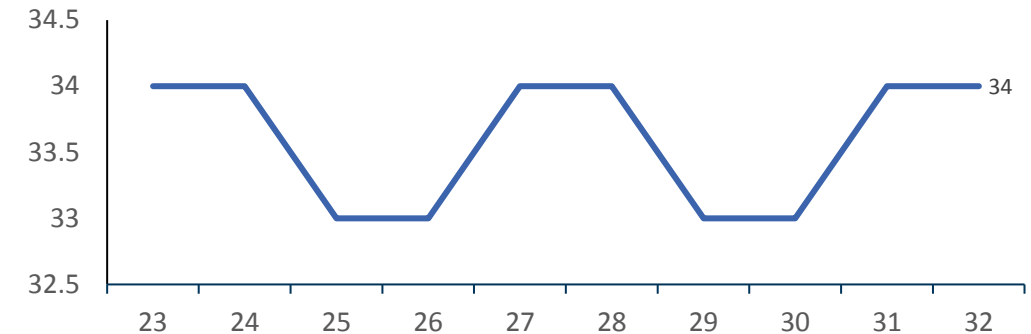
# Mortgage applications (HDN)

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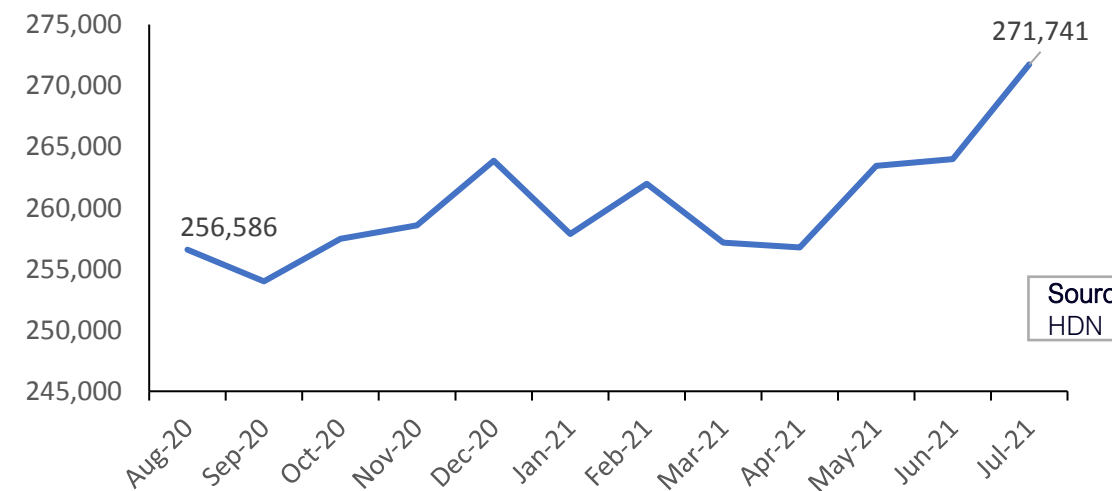
## Applications by province

Mortgage applications by province for home purchase, compared to previous month	% change	
South Holland	↑	1.88%
Utrecht	↑	0.39%
North Holland	↓	10.04%
Overijssel	↓	6.76%
Drenthe	↓	2.1%
Zeeland	↑	5.86%
North Brabant	↑	2.95%
Limburg	↓	6.75%
Gelderland	↓	0.33%
Flevoland	↓	6.84%
Groningen	↓	2.72%
Friesland	↓	10.66%

## Average time from application to final approval



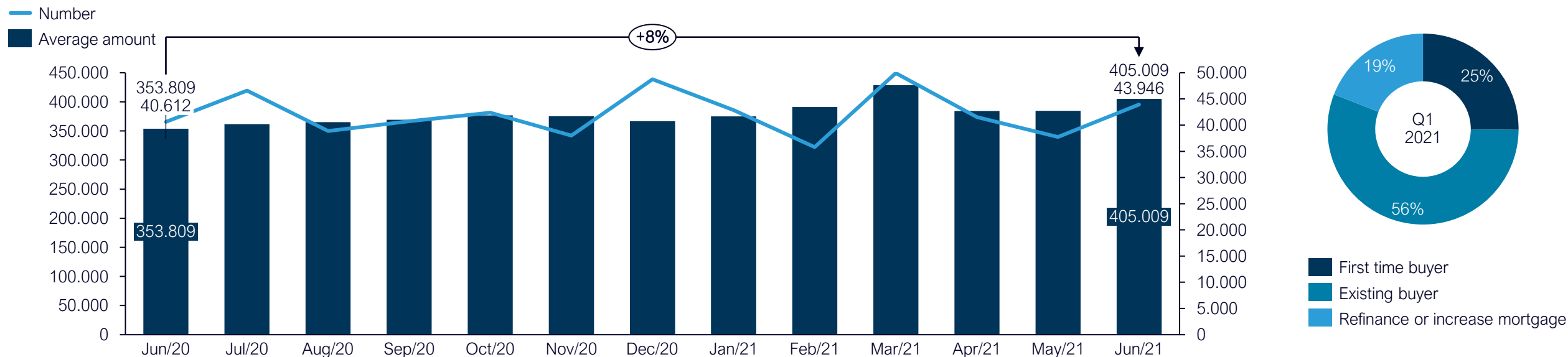
## Average Mortgage Amount



Source:  
HDN

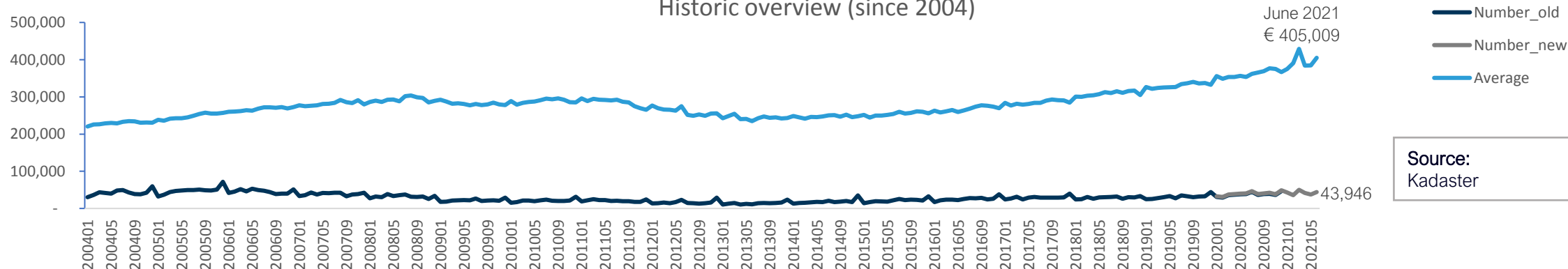


## New registered mortgages at the Kadaster in the past 12 months



## Historic overview (since 2004)

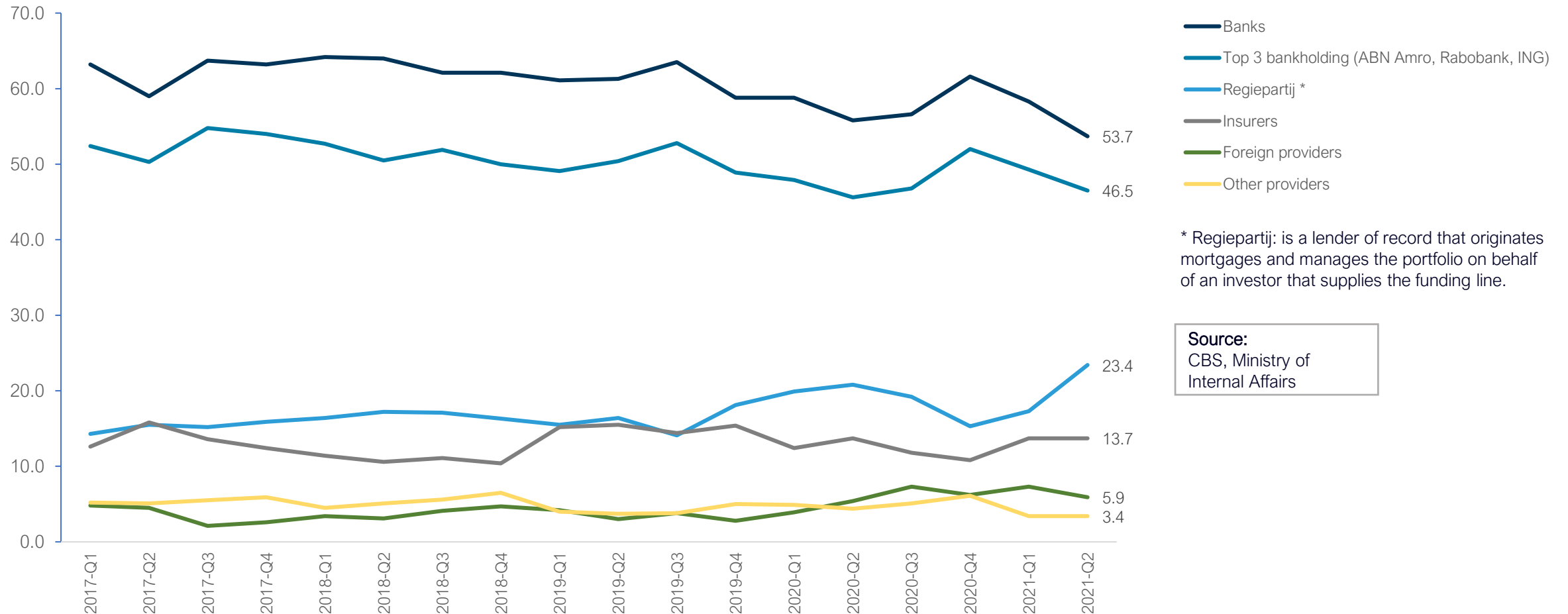
## Historic overview (since 2004)



Source:  
Kadaster

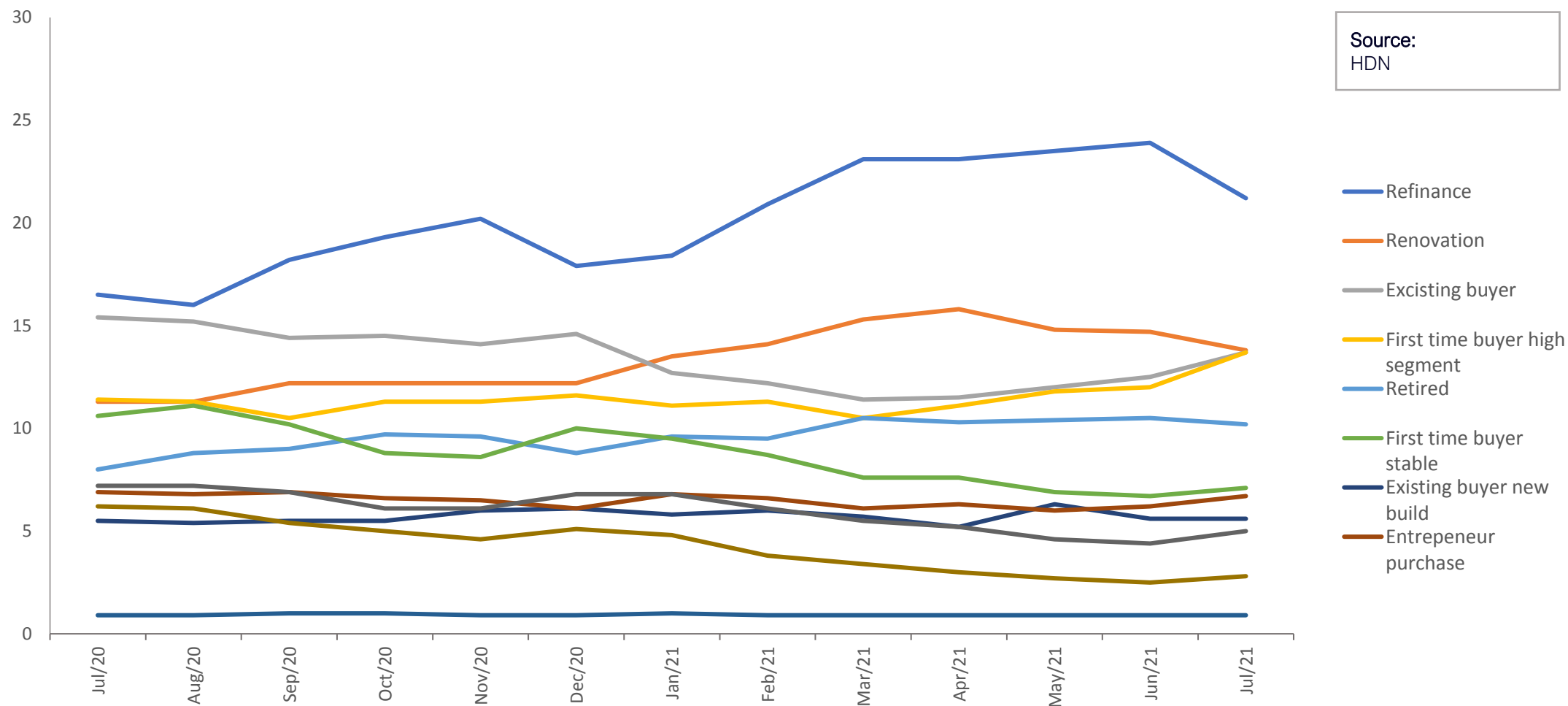


Leading mortgage providers in the Netherlands, by market share in %, per quarter





## Market Share of customer profiles





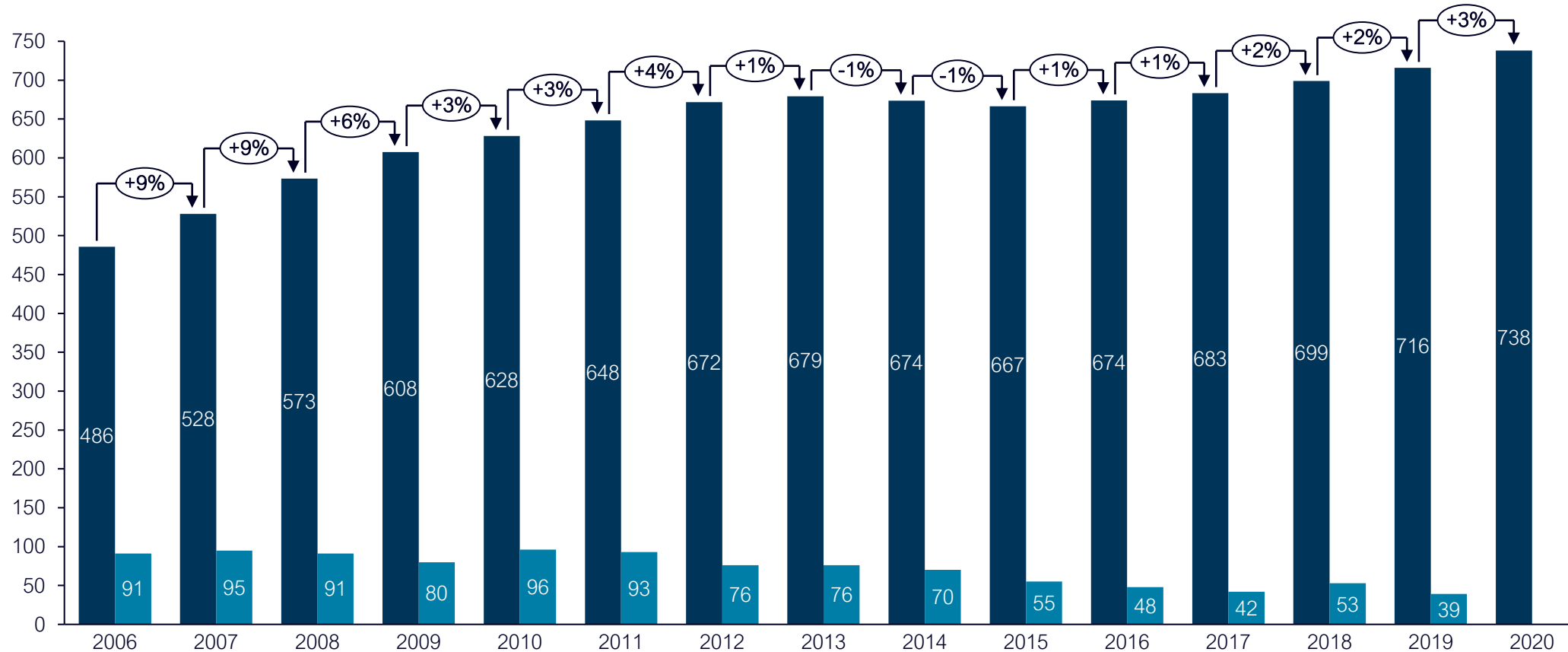
# Total outstanding mortgage amount

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Total outstanding mortgage amounts per year, and Securitized mortgages placed with external investors

■ Total outstanding amount

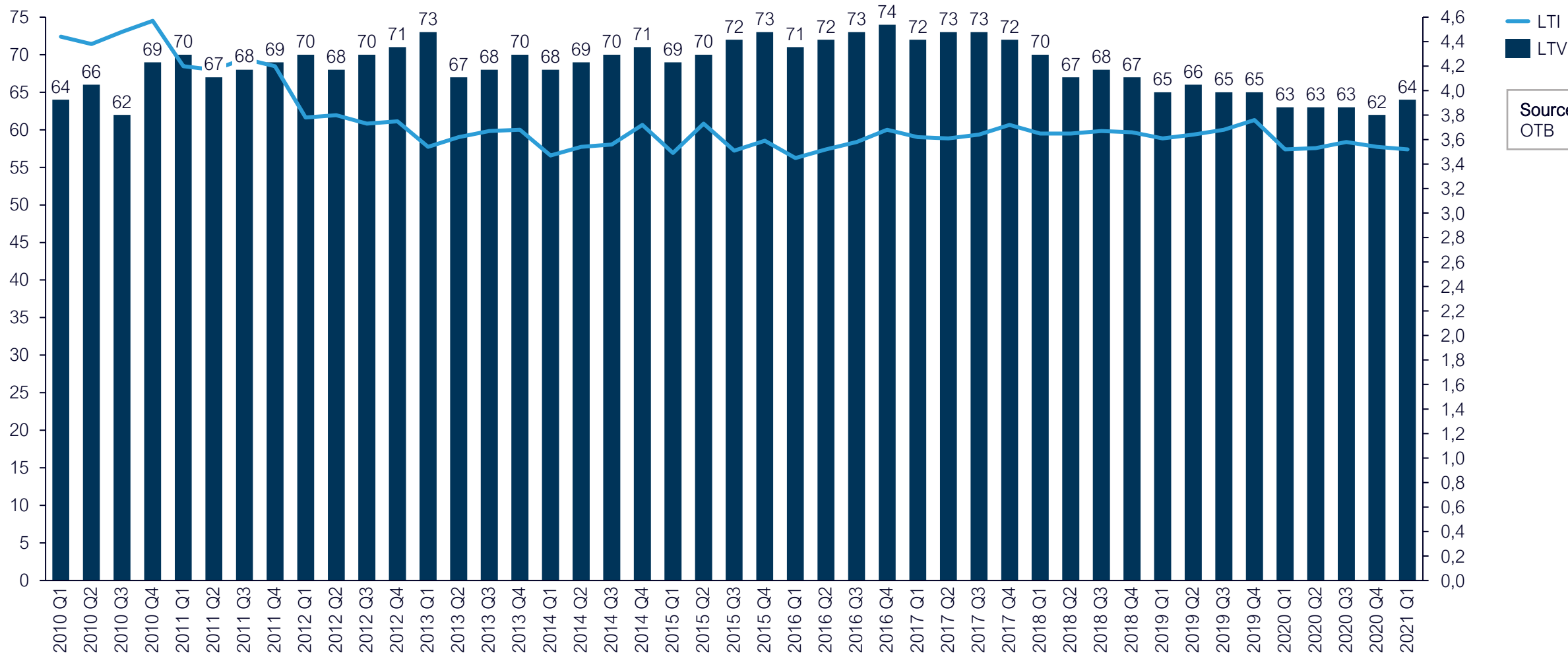
■ Securitized Dutch residential mortgages placed with external investors



Source:  
CBS, Ministry of  
Internal Affairs

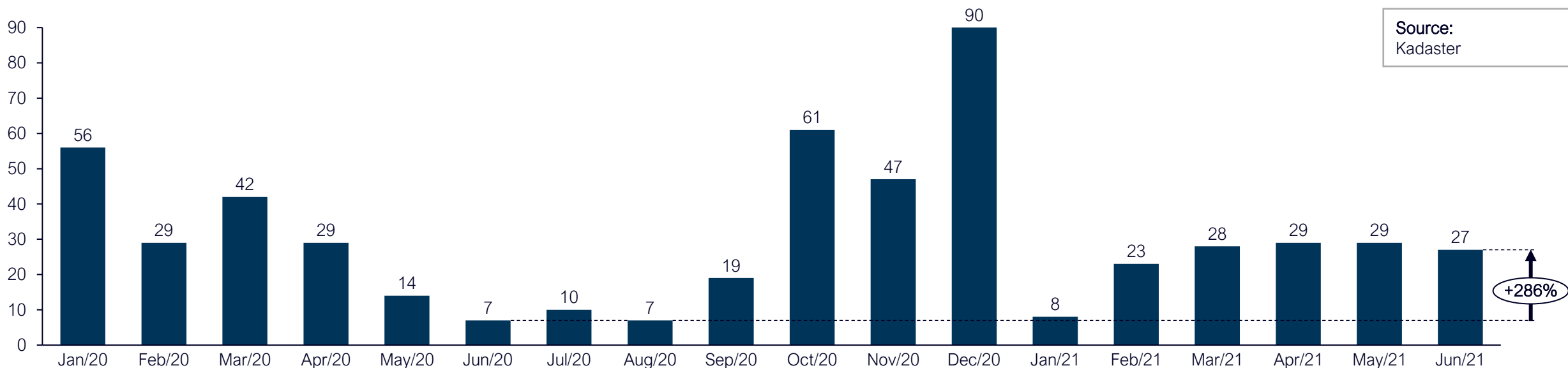


## LTI and LTV (new applications)

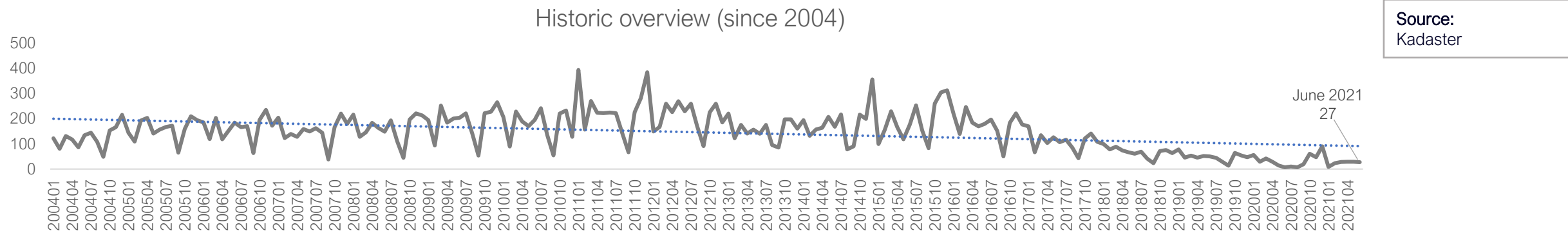




Number of foreclosures in the past 12 months



Historic overview (since 2004)







# FORTRUM

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