

## BOX 2: THE CENTRAL BANK OF MALTA'S REAL ESTATE LOANS STATISTICS<sup>1</sup>

### Introduction

The Central Bank of Malta (the Bank) launched its 'Real Estate Template' in 2021. Collecting data from all credit institutions licensed in Malta, this template covers the whole population of loans granted to finance real estate as well as those backed by real estate. This return consolidates under one harmonised framework several national and European reporting obligations including requirements stemming from the European Systemic Risk Board, Central Bank Directive No. 16, and the Bank's survey on Residential and Commercial Real Estate Lending Practices.

The Real Estate template is based on a granular loan-by-loan reporting framework. It comprises of a quarterly flows sheet that captures new loans, drawdowns and renegotiations.

These data are to be submitted by the reporting credit institutions within 30 calendar days post reference period-end.

The [data](#) collected covers granular borrower, property, and loan-level information.

Now that the data collection process has matured and a number of data points have been accumulated, the Central Bank of Malta is publishing a series of aggregated statistical tables and an accompanying dashboard, as described hereunder.

### Launching the publication of the aggregated statistics on the Bank's website and in a related dashboard

Following the submission of the required data by the credit institutions, the Bank follows internal procedures to compile aggregated statistics. The [aggregated statistics](#) will be launched on the Bank's *Statistics* part of the website in MS Excel© format. To facilitate accessible insights, the Bank will also be releasing a related [Dashboard](#) launched on the Bank's website. It provides an annual aggregation of key metrics derived from the Flows data, focusing on new loans granted to natural persons for owner-occupied residential purposes. The key metrics displayed are:

1. The total number of new loan contracts signed during the year;
2. The median credit limit granted at loan contract inception (in EUR);
3. The median market value of loan-financed properties at loan contract inception (in EUR);
4. The median market value of loan-financed properties once completed (in EUR);
5. The median transaction value of the loan-financed properties at loan contract inception (in EUR).

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The statistics in the dashboard are categorized into four main property-type groups of loans:

1. Apartments and penthouses;
2. Maisonettes;
3. Houses (Terraced houses, town houses, houses of character, farmhouses, villas/ bungalows);
4. Total value for all property types.

The dashboard will be updated annually, reflecting aggregated statistics from the preceding year. A metadata section is also being made available to provide further definitions and classification details.

The dashboard provides a comprehensive segmentation across the following categories, allowing for multi-dimensional insights:

The Borrower Characteristics table (see Table 2a) presents the categories available on the applicants. The Age Group dimension segments borrowers into four brackets: 18-25, 25-35, 35-50, and over 50 years, allowing for age-based analysis of lending patterns. In the case of multiple borrowers, the average age is considered. Gross Annual Income is divided into five income ranges: less than €30,000, €30,000-€40,000, €40,000-€50,000, €50,000-€70,000, and greater than €70,000, providing insight into the borrower's earning capacity. In the case of multiple borrowers, the gross annual income of all customers is reported. The Occupational Status dimension captures employment type and stability, distinguishing between full-time employed, self-employed, and other statuses such as part-time, retired, unemployed, or miscellaneous. In the case of multiple borrowers, the Occupational Status of the first customer is considered. The table also includes a First-time Buyer indicator, specifying whether the borrower has previously owned property, and a Primary Residence flag, which denotes whether the financed property will serve as the borrower's main dwelling.

**Table 2a**  
**BORROWER CHARACTERISTICS**

Dimension	Categories
Age group	18–25, 25–35, 35–50, 50+ years
Gross annual income	< €30k, €30-40k, €40-50k, €50-70k, > €70k
Occupational status	Full-time employed, self-employed, other (part-time, retired, unemployed, other)
First-time buyer	Yes/No (indicates ownership of previous property)
Primary residence	Yes/No (indicates whether the property is the main dwelling)

Source: Central Bank of Malta.

The Property Characteristics table (see Table 2b) outlines the categories available for the properties involved in the loan agreements. Property State reflects the development stage or condition of the property, categorized as Finished, Furnished, On Plan/Under Development, or Shell. The District of Property identifies the geographical location, including Gozo and Comino, Northern Harbour, Northern, South-eastern, Southern Harbour, and Western districts, facilitating regional analysis. Collateral Type specifies whether the loan is secured against the property being financed or other forms of collateral, such as non-financed real estate, non-real estate assets, or other guarantees. Lastly, Property Size, measured in square meters, is grouped into four categories: less than 100 m<sup>2</sup>, 100-200 m<sup>2</sup>, 200-300 m<sup>2</sup>, and greater than 300 m<sup>2</sup>, enabling evaluation of loan distribution based on property dimensions. For apartments, penthouses and maisonettes, the size of the property is calculated as the internal and external parts if any. For town houses, houses of character, farmhouses, terraced houses, villas/bungalows/palazzos, the size of the property is calculated on the footprint of the plot inclusive of all internal and external parts adding with it the internal area of each additional built-up floor and to include the area of garages.

**Table 2b**  
**PROPERTY CHARACTERISTICS**

Dimension	Categories
Property state	Finished, furnished, on plan/under development, shell
District of property	Gozo & Comino, Northern Harbour, Northern, South-eastern, Southern Harbour, Western
Collateral type	Property being financed by the loan, Other (real estate not being financed by the loan, other assets excluding real estate, other guarantees)
Property size (m <sup>2</sup> )	< 100, 100-200, 200-300, > 300

Source: Central Bank of Malta.