

# Average mortgage grew 80% in five years

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On average, people who acquire new housing in Prague and its surroundings take higher mortgages than in other parts of the Czech Republic, the difference being more than a third, as indicated by the statistics of Hypoteční banka. This is primarily caused by the higher prices of real estates in the capital. In the past, the average amount of mortgages and their maturity continued rising. Last year, the average amount of a mortgage provided by Hypoteční banka grew from CZK 1.7 to almost 1.9 million. Since 2004, the average mortgage has grown by almost 80%. Mortgages taken by Prague clients were higher by almost half a million crowns than the nationwide average. The average maturity slightly increased to 296 months (almost 25 years), while the average age of a mortgage applicant slightly grew to 34.6 years.

In terms of purpose, most mortgages were provided for the purchase of real estates (58.8%), followed by construction (11.0%) and reconstruction (7.5%). The remaining mortgages were designed to re-finance pre-mortgage credits, universal loans etc. In terms of subject of credit, the applicants were mostly interested in flats (44.3%) , followed by family houses (41.1%).

## Czech mortgages, 2004 - 2008

	2004	2005	2006	2007	2008
Average mortgage in the Czech Republic	1,052	1,251	1,414	1,725	1,874
Average mortgage in Prague	1,398	1,644	1,851	2,212	2,356
Average maturity in the Czech Republic	19.8	20.7	22.1	24.1	24.7

Source: Hypoteční banka

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