

July 10<sup>th</sup> 2025

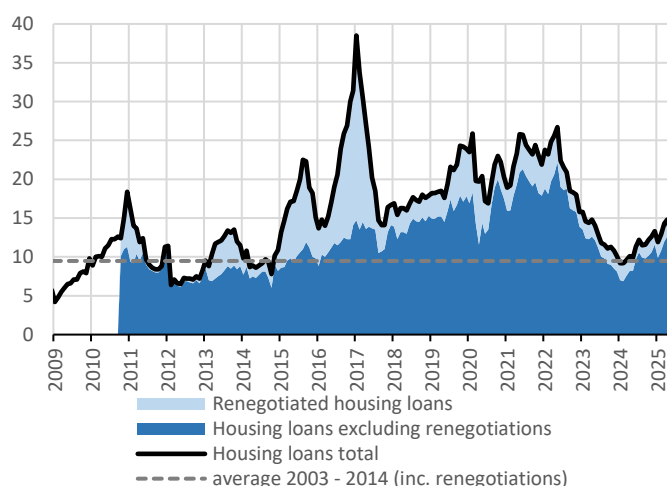
## Loans to individuals – France • May 2025

### Average interest rate on housing loans falls further to 3.11% in May

- SA production of housing loans (excluding renegotiations) reached €11.5 bn in May (after €12.6 bn in April), up 40% year-on-year (€8.2 bn in May 2024).
- The average interest rate on new housing loans, excluding renegotiations, continued to fall in May, albeit at a slower pace than in April (3.11%, after 3.13% in April and 3.20% in March). Mortgages are now significantly cheaper in France than the eurozone average.
- Utilization of the flexibility margin authorized by the HCSF standard stood at 15.7% in May.

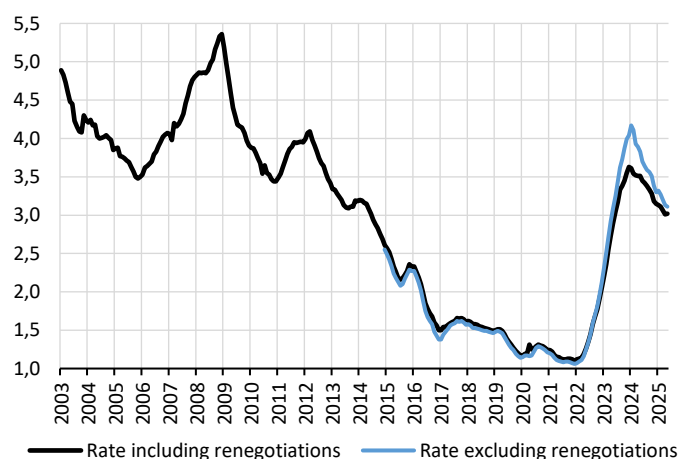
#### Production of new housing loans

(Monthly seasonally adjusted new loans in €bn)



#### Interest rates on housing loans, all maturities

(Narrowly defined effective rate, average weighted by long and short term flows, in %)



#### Production of new loans (excluding overdrafts, monthly flows seasonally adjusted (a))

(volumes in €bn)	Mar-25	Apr-25 (r)	May-25 (p)
- housing loans	14.3	14.8	13.4
of which housing loans excluding renegotiations	12.0	12.6	11.5
(c) proportion of renegotiation (not seasonally adjusted) in %	15.7	15.0	14.1
- loans for consumption purposes (b)	5.6	5.4	5.3

#### Interest rates on new loans (narrow defined effective rate, monthly average)

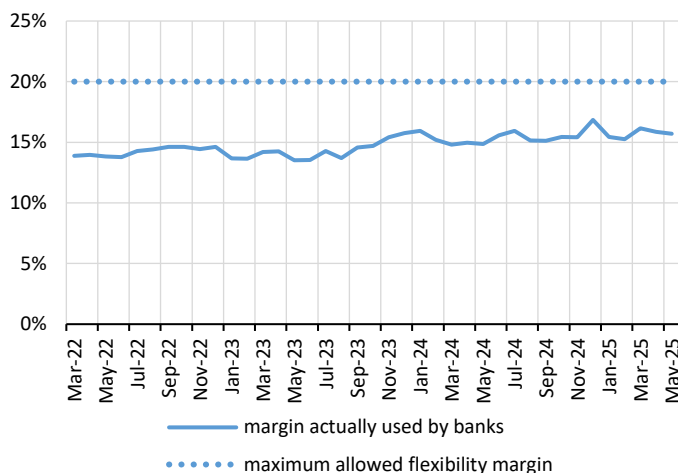
(in percentage)	Mar-25	Apr-25 (r)	May-25 (p)
- housing loans	3.06	3.01	3.02
of which housing loans long term and fixed rates	3.03	2.99	2.99
of which housing loans short term and floating rates	3.80	3.79	3.75
of which housing loans excluding renegotiations	3.20	3.13	3.11
- loans for consumption purposes (b)	6.47	6.43	6.40
- overdrafts for individuals (d)	7.69	7.45	7.57

(a) Parameters for seasonal adjustment are updated each month, taking into account monthly data under review; (b) Excluding revolving loans. Loans for splitted-cost payments (mainly "loans granted on market place" and "extended credit-card credits" are included into consumption loans; (c) Ratio of renegotiated loans on housing loans, both not seasonally adjusted (d) Overdrafts: negative balance of ordinary accounts + commercial credits + factoring + cash credits without fixed repayment schedule (including mobilization of revolving loans). (r) Revised data; (p) Provisional data

Renegotiated loans are loans where at least one of the terms of the initial contract is modified with the active participation of the borrower, giving rise to the declaration of a new contract. They include in particular loans for which the insurance contract has been modified (since February 2022 the Lemoine law authorizes the termination at any time of the borrower's insurance contracts, without any notice period or fees or penalties) even if the other characteristics of the loan remain unchanged.

## Share of new housing loans not meeting HCSF lending criteria thresholds in total production\*

(in percentage)



\* Total new housing loan production excluding renegotiations and excluding bridging loans

## Outstanding amounts and annual growth rates (without seasonal adjustment)

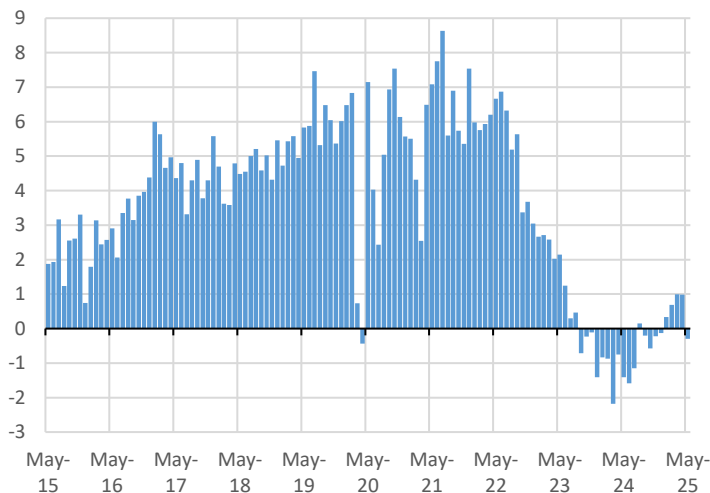
(Outstanding amounts in €bn, annual growth rates in %)

	End-of-month level			Annual growth rate		
	Mar-25	Apr-25 (r)	May-25 (p)	Mar-25	Apr-25 (r)	May-25 (p)
<b>Total</b>	<b>1,527</b>	<b>1,528</b>	<b>1,528</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>
Lending for house purchase	1,282	1,282	1,281	-0.3	-0.2	-0.1
Credit for consumption	213	214	214	4.0	3.7	3.6
Other lending	32	33	33	15.4	16.3	15.4

(r) Revised data; (p) Provisional data

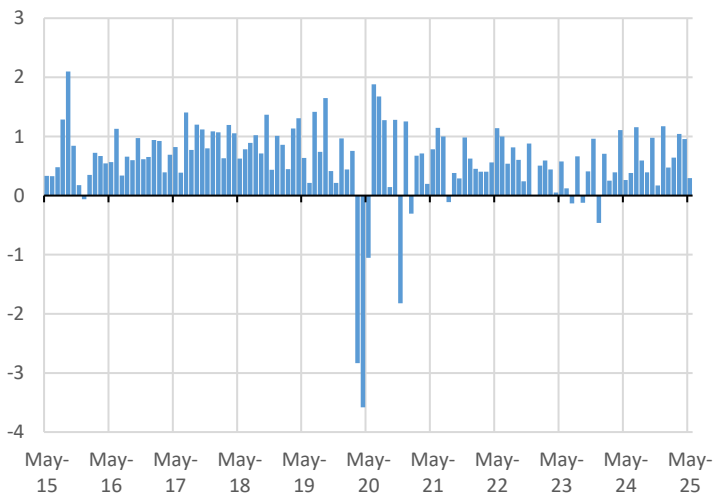
## Net flows of housing loans to individuals (seasonally adjusted)

(In €bn)

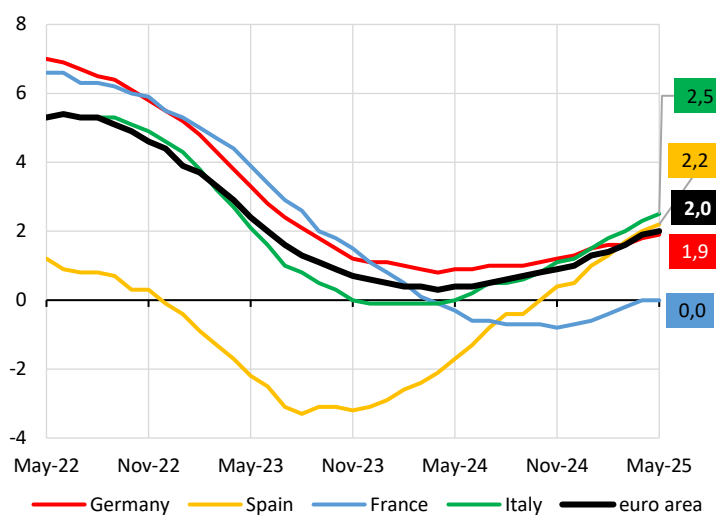


## Net flows of credit for consumption (seasonally adjusted)

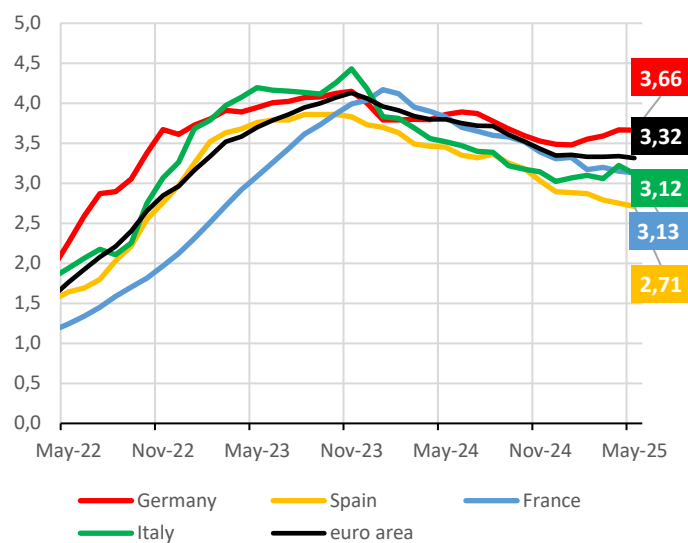
(In €bn)



## Euro area : Annual growth rate of outstanding housing loans to households<sup>(1)</sup> (in %)

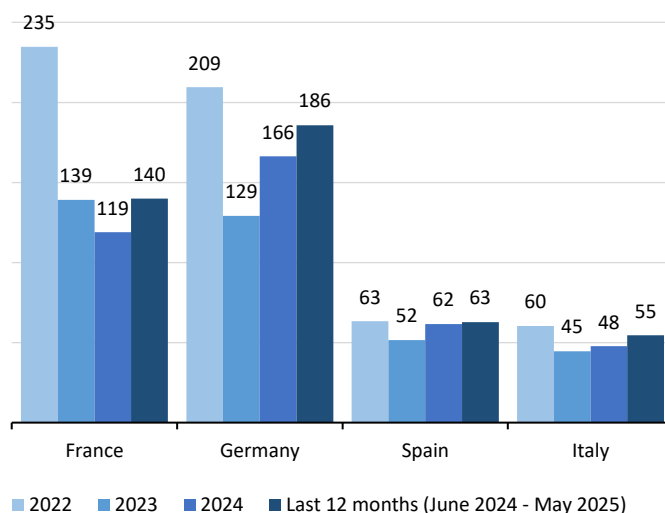


## Euro area : Interest rates for new housing loans (excluding renegotiations, in %)



(1) Households = Individuals + sole entrepreneurs + non-profit institutions serving households. The annual growth rate of outstanding housing loans to households in France is 0.0% in May 2025 and -0.1% for individuals alone. The interest rate on new housing loans (excluding renegotiations) for households is 3.13% in May 2025 and 3.11% for individuals alone.

## Euro area: New housing loans (excluding renegotiations) to households, cumulative in €bn



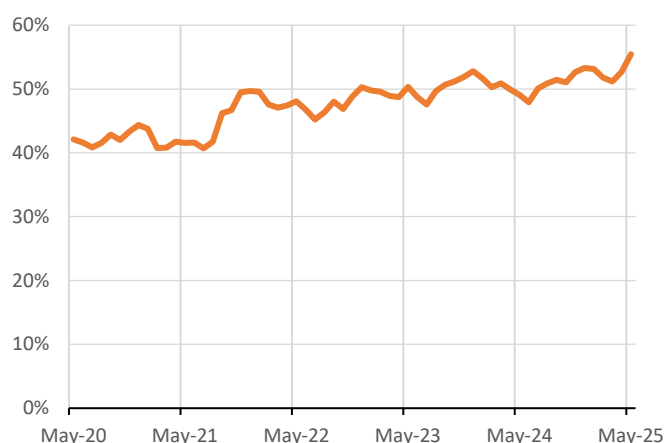
## Additional information on access to real estate credit for first-time buyers

The Banque de France collects additional information from resident banks on housing loans, which makes it possible to break down loans according to their characteristics as well as those of the borrowers (loan amount, number of loans, average term, first-time buyer or not, etc.). This more granular information is based on a sample of 12 banks representing 90% of total outstanding loans, and is available with a small time lag. Analysis of the data shows that:

- First-time buyers accounted for 55% of new loans granted for the purchase of a principal residence in May.
- The average term of new housing loans for the purchase of a principal residence was 23 years and 2 months for all borrowers, and 23 years and 8 months for first-time buyers.

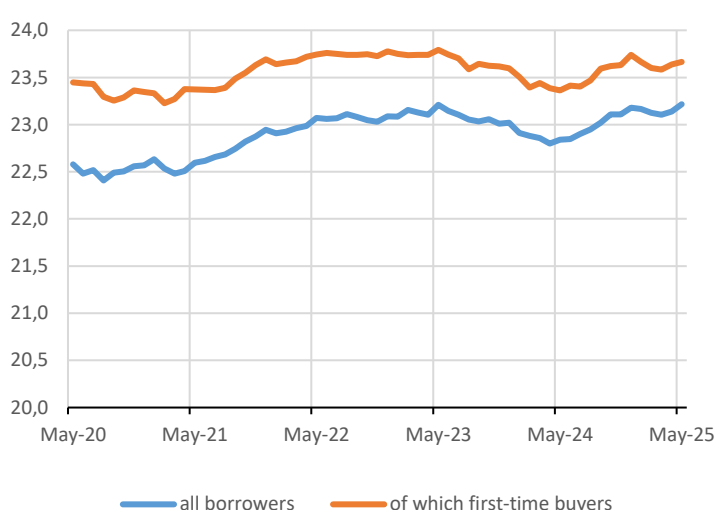
### Share of first-time buyers in the production of housing loans for the acquisition of a principal residence

(in %)



### Average maturity of housing loans for the purchase of a principal residence

(in years)



## Additional information

- Individuals' is a subset of the 'households' sector, which also includes sole proprietors and non-profit institutions serving households.
- Growth rates are calculated on the basis of changes in outstanding loans (including securitization transactions), adjusting for effects not resulting from economic transactions with customers, in particular write-offs of bad debts (for technical reasons, the effects of exchange rate variations are not adjusted).
- New loan production represents new loans granted, even when they have not yet actually been disbursed to the borrower, in accordance with the ECB's harmonized method; new loan production therefore differs from monthly changes in outstanding loans (outstanding loans recorded after actual disbursement of funds and less amortization of old loans).
- In accordance with the ECB's harmonized definitions, the rates recorded are the narrowly defined effective rate (NDER), corresponding to the interest component of the Annual Percentage Rate of Charge (APRC).

