

Sales of real estate units and loans

IV quarter 2009

Istat has published data for the fourth quarter of 2009 on notarial deeds for both the sale of real estate units - divided into residential units (homes and appurtenances) and business units - and the stipulation of mortgage-secured and non-mortgage-secured loans.

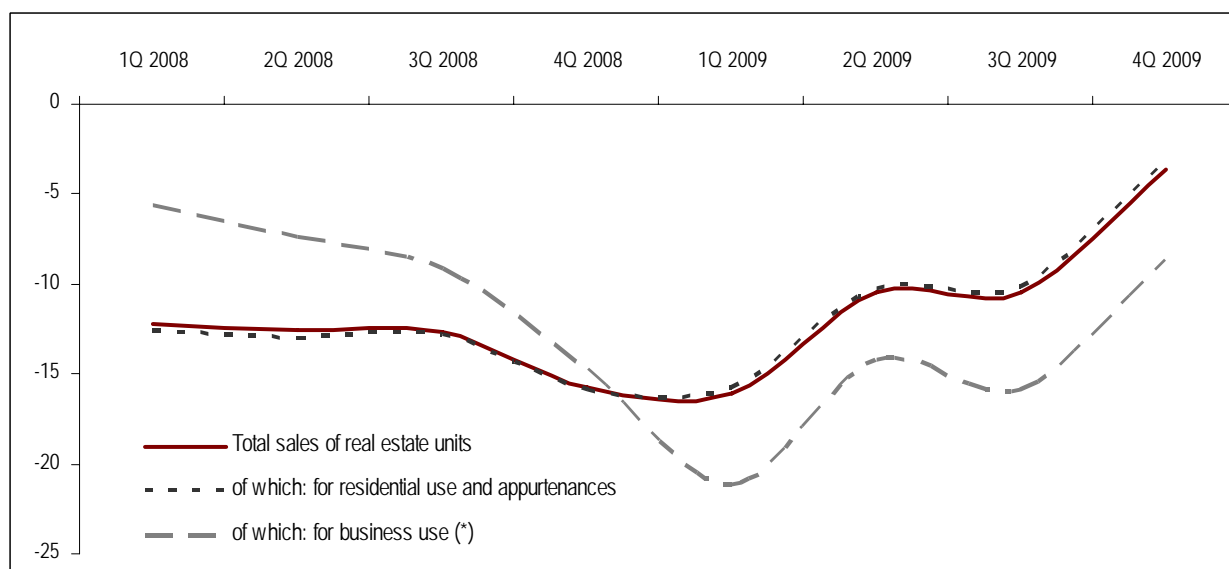
In the Italian version of Istat website is available a set of tables for the year 2009 containing regional details and records from various District Notarial Archives.

Notarial deeds – Sale of real estate units

In the fourth quarter of 2009, nationwide real estate unit sales agreements¹ totalled 238,977, down 3.6 per cent over the same period for the previous year. Of these, 220,973 (92.5 per cent) concerned homes and appurtenances and 15,875 (6.6 per cent) real estate units for business purposes (Table 1).

In relation to type of use, sales of properties for business use dropped most, recording a downturn of 8.7 per cent, whereas sales of residential properties fell 3.2 per cent. This different pattern between the two types of property characterises all the quarters of 2009 and can be attributed to the fact that business property sales, unlike others, were probably affected to a greater extent by the current economic situation (Figure 1).

Figure 1 – Sales of real estate units by type of use. I quarter 2008–IV quarter 2009 (year over year percentage changes)



(*) Artisan, commercial, industrial use; office use; rural use (rural buildings not appurtenant to agricultural land).

In the fourth quarter of 2009 real estate unit sales fell less in Central Italy and the South (respectively -1.0 per cent and -0.9 per cent). The North-West and the North-East recorded a more marked downturn respectively of -7.0 per cent and -4.9 per cent, while the real estate unit sales increased only in the Islands (+2.0 per cent). In general this trend is common to sales of real estate units for both residential and business purposes.

¹ Including sales of properties and appurtenances for residential use, business use, special use (excluding boat moorings) and time-share properties.

Table 1 – Sales of real estate units by quarter, type of use and geographical distribution. I-IV quarter 2009 (absolute values and year over year percentage changes)

GEOGRAPHICAL DISTRIBUTION	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change
TOTAL										
North-West	61,065	-17.7	76,199	-10.2	55,380	-13.7	78,782	-7.0	271,426	-11.9
North-East	36,017	-18.9	45,406	-9.0	34,472	-12.4	48,547	-4.9	164,442	-11.0
Centre	38,826	-16.2	44,294	-14.3	35,378	-10.7	49,216	-1.0	16,7714	-10.5
South	33,580	-12.1	37,276	-8.5	32,745	-5.7	41,283	-0.9	144,884	-6.7
Islands	16,901	-11.4	19,095	-10.5	16,825	-4.0	21,149	2.0	73,970	-6.0
Italy	186,389	-16.1	222,270	-10.5	174,800	-10.5	238,977	-3.6	822,436	-10.0
OF WHICH: FOR RESIDENTIAL USE AND APPURTENANCES										
North-West	56,518	-17.6	70,669	-9.8	51,426	-13.1	72,779	-6.9	251,392	-11.6
North-East	32,970	-18.0	41,805	-8.4	31,750	-11.8	44,198	-4.3	150,723	-10.3
Centre	36,084	-15.6	41,404	-13.7	33,066	-10.2	45,787	-0.3	156,341	-9.9
South	31,083	-11.8	34,339	-8.9	30,378	-5.9	38,345	-0.2	134,145	-6.6
Islands	15,858	-11.8	17,986	-10.0	15,894	-3.6	19,864	1.9	69,602	-5.9
Italy	172,513	-15.8	206,203	-10.2	162,514	-10.1	220,973	-3.2	762,203	-9.6
OF WHICH: FOR BUSINESS USE (a)										
North-West	3,876	-21.3	4,681	-15.0	3,463	-20.8	5,139	-10.0	17,159	-16.3
North-East	2,736	-26.9	3,196	-15.8	2,411	-20.3	3,907	-10.6	12,250	-18.0
Centre	2,530	-21.5	2,670	-18.7	2,108	-17.9	3,141	-9.7	10,449	-16.8
South	2,160	-18.0	2,541	-3.1	2,108	-0.3	2,571	-6.9	9,380	-7.4
Islands	936	-5.3	968	-17.4	834	-7.5	1,117	4.4	3,855	-6.7
Italy	12,238	-21.1	14,056	-14.2	10,924	-15.9	15,875	-8.7	53,093	-14.7

(a) Artisan, commercial, industrial use; office use; rural use (rural buildings not appurtenant to agricultural land)

In the fourth quarter of 2009, sales of real estate units recorded in metropolitan city notarial archives indicated a lower downturn (-2.1 per cent) compared to that recorded in the remaining district archives (-4.7 per cent) (Table 2).

Table 2 – Sale of real estate units by quarter, type of use and District Notarial Archive. I-IV quarter 2009 (absolute values and year over year percentage changes)

TYPE OF DISTRICT NOTARIAL ARCHIVE	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change
TOTAL										
Located in metropolitan cities (a)	79,556	-16.8	96,354	-10.7	71,196	-10.3	101,734	-2.1	348,840	-9.8
Located in other cities	106,833	-15.6	125,916	-10.4	103,604	-10.7	137,243	-4.7	473,596	-10.2
Total	186,389	-16.1	222,270	-10.5	174,800	-10.5	238,977	-3.6	822,436	-10.0
OF WHICH: FOR RESIDENTIAL USE AND APPURTENANCES										
Located in metropolitan cities (a)	74,229	-16.5	90,054	-10.3	66,468	-9.8	94,895	-1.7	325,646	-9.4
Located in other cities	98,284	-15.2	116,149	-10.2	96,046	-10.3	126,078	-4.2	436,557	-9.8
Total	172,513	-15.8	206,203	-10.2	162,514	-10.1	220,973	-3.2	762,203	-9.6
OF WHICH: FOR BUSINESS USE (b)										
Located in metropolitan cities (a)	4,368	-21.6	5,204	-15.8	4,037	-16.2	5,610	-7.8	19,219	-15.2
Located in other cities	7,870	-20.8	8,852	-13.1	6,887	-15.7	10,265	-9.2	33,874	-14.5
Total	12,238	-21.1	14,056	-14.2	10,924	-15.9	15,875	-8.7	53,093	-14.7

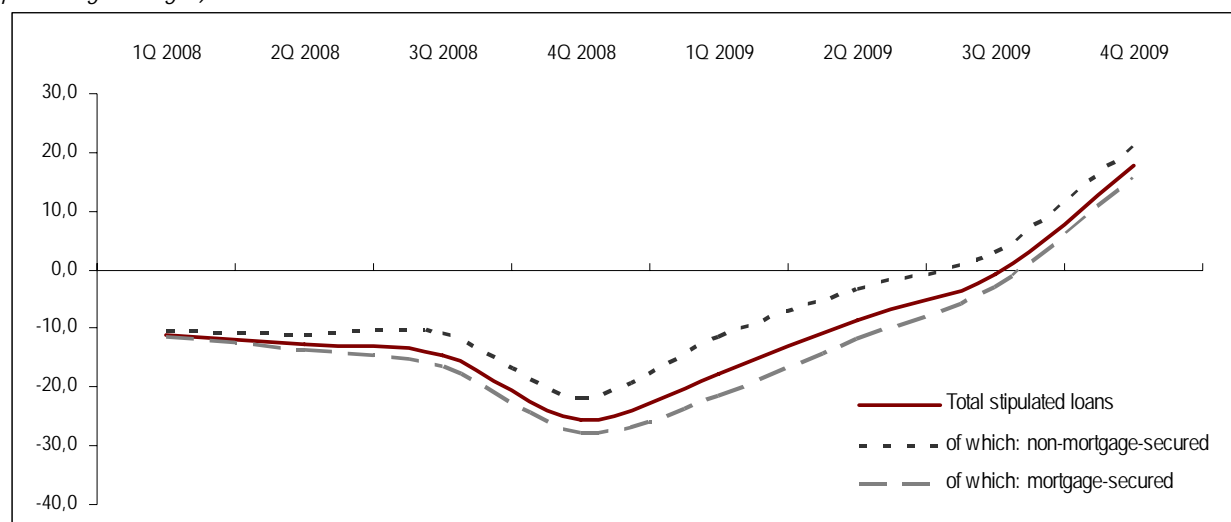
(a) Milano, Torino, Venezia, Trieste, Genova, Bologna, Firenze, Roma, Napoli, Bari, Reggio Calabria, Messina, Catania, Palermo, Cagliari.

(b) Artisan, commercial, industrial use; office use; rural use (rural buildings not appurtenant to agricultural land)

Notarial deeds – Stipulation of loans and grants of mortgages

Nationwide, in the fourth quarter of 2009 some 223,206 loans were stipulated, of which 131,354 (58.8 per cent) were mortgage-secured and 91,852 (41.2 per cent) were non-mortgage-secured (Table 3).

Figure 2 – Stipulated loans by mortgage- and non-mortgage backing. I quarter 2008–IV quarter 2009 (year over year percentage changes).



Compared to the fourth quarter of 2008 – that was characterized by the lowest values – the total number of loans increased by 17.7 per cent. In particular, non-mortgage-secured loans recorded an upturn of 21.0 per cent while mortgage-secured loans rose by 15.5 per cent (Figure 2).

Table 3 – Stipulated loans by quarter, mortgage- and non-mortgage backing and geographic distribution. I-IV quarter 2009 (absolute values and year over year percentage changes)

GEOGRAPHICAL DISTRIBUTION	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change
NON-MORTGAGE-SECURED										
North-West	17,749	-2.9	22,555	3.0	18,425	-0.5	24,067	10.0	82,796	2.7
North-East	15,038	-3.9	19,946	8.2	17,347	10.3	20,759	16.4	73,090	8.1
Centre	16,279	-11.8	20,091	-3.4	17,484	4.6	23,574	29.0	77,428	4.3
South	11,806	-25.0	14,750	-18.1	13,373	-1.8	17,389	27.4	57,318	-6.1
Islands	4,205	-21.7	4,999	-18.0	4,636	-0.9	6,063	41.9	19,903	-2.5
Italy	65,077	-11.4	82,341	-3.4	71,265	2.9	91,852	21.0	310,535	2.2
MORTGAGE-SECURED										
North-West	30,689	-22.9	40,180	-12.9	32,894	-10.7	43,193	7.8	146,956	-9.8
North-East	23,622	-14.4	30,826	-5.6	27,473	3.1	32,660	12.8	114,581	-1.1
Centre	18,744	-21.7	23,404	-12.4	20,297	-2.0	26,452	19.7	88,897	-4.9
South	12,988	-25.6	16,627	-15.5	15,082	3.5	19,140	29.9	63,837	-3.9
Islands	6,951	-28.2	9,050	-17.7	7,963	-4.0	9,909	25.5	33,873	-8.1
Italy	92,994	-21.5	120,087	-11.8	103,709	-3.1	131,354	15.5	448,144	-5.8
TOTAL										
North-West	48,438	-16.6	62,735	-7.8	51,319	-7.3	67,260	8.5	229,752	-5.6
North-East	38,660	-10.6	50,772	-0.6	44,820	5.8	53,419	14.2	187,671	2.3
Centre	35,023	-17.4	43,495	-8.5	37,781	1.0	50,026	23.9	166,325	-0.8
South	24,794	-25.3	31,377	-16.7	28,455	0.9	36,529	28.7	121,155	-4.9
Islands	11,156	-25.9	14,049	-17.8	12,599	-2.9	15,972	31.3	53,776	-6.1
Italy	158,071	-17.7	202,428	-8.6	174,974	-0.8	223,206	17.7	758,679	-2.7

In the fourth quarter of 2009, loans registered a less positive trend in the North-West and North-East, (respectively of 8.5 per cent and 14.2 per cent) compared to the other geographical areas.

Lastly, a different trend in loan stipulation emerges from the records of district notarial archives located in the metropolitan cities and the records of the remaining archives considered collectively (Table 4). In the fourth quarter of 2009, both types of loans filed at the district notarial archives located in the metropolitan cities increased slightly less (17.0 per cent) compared to loan records of archives outside the metropolitan cities (18.1 per cent).

Table 4 – Stipulated loans by quarter, mortgage- and non-mortgage backing and type of district notarial archive. I-IV quarter 2009 (absolute values and year over year percentage changes)

TYPE OF DISTRICT NOTARIAL ARCHIVE	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change	Number	2009/2008 per cent change
NON-MORTGAGE-SECURED										
Located in metropolitan cities (a)	25,492	-14.2	31,698	-8.6	26,348	-1.9	36,116	19.8	119,654	-1.4
Located in other cities	39,585	-9.6	50,643	0.2	44,917	5.9	55,736	21.8	190,881	4.6
Total	65,077	-11.4	82,341	-3.4	71,265	2.9	91,852	21.0	310,535	2.2
MORTGAGE-SECURED										
Located in metropolitan cities (a)	37,024	-24.4	47,218	-15.8	39,350	-7.6	52,795	15.1	176,387	-8.9
Located in other cities	55,970	-19.5	72,869	-9.0	64,359	-0.2	78,559	15.7	271,757	-3.6
Total	92,994	-21.5	120,087	-11.8	103,709	-3.1	131,354	15.5	448,144	-5.8
TOTAL										
Located in metropolitan cities (a)	62,516	-20.6	78,916	-13.1	65,698	-5.4	88,911	17.0	296,041	-6.0
Located in other cities	95,555	-15.6	123,512	-5.5	109,276	2.2	134,295	18.1	462,638	-0.4
Total	158,071	-17.7	202,428	-8.6	174,974	-0.8	223,206	17.7	758,679	-2.7

(a) Milano, Torino, Venezia, Trieste, Genova, Bologna, Firenze, Roma, Napoli, Bari, Reggio Calabria, Messina, Catania, Palermo, Cagliari.

Methodological notes

A survey is conducted each year on notarial activity by collecting data directly from the approximately 5,000 notaries in operation. Notaries submit quarterly statistical data to the relevant District Notarial Archive which first checks that the data are complete and compliant with quality requirements then transmits them to the Central Notarial Archives Office. The latter, after performing further verification, sends the data to Istat.

The survey model used² provides a comprehensive overview of notarial activity and a set of socio-economic information that is significant for the collectivity as a whole. The agreements stipulated by notaries are organised into groups to highlight the most significant phenomena. Among the main agreements contained under the category “Deeds of transfer for valuable consideration” is the sale of real estate units distinguished in terms of their intended use: residential; business (rural buildings, offices, artisan, commercial and industrial use, special use, time-share). Among the agreements contained under the category “Warranty deeds” are mortgage-secured property loans, finance and other bonds distinguished according to whether they are granted by a bank or entity other than a bank. Lastly, included in the category “Mandatory deeds” are agreements for the stipulation of loans, finance and credit facilities that are not secured by real estate mortgage.

Glossary

District notarial archive: under the administration of the Ministry of Justice, its task is to preserve past notarial deeds, monitor the exercise of notarial functions, regularise deposited notarial deeds,

² See Appendix to Information Volume n. 43 of 2001 “Notarial activity. Years 1998-1999. A regional analysis.”

publish testaments and manage the general registry of testaments, and issue copies of the preserved deeds. At present there are 94 District Notarial Archives in Italy³.

Notarial deed: formal expression of the will of an individual or group of associates made before a notary.

Sale of real estate units: agreements relating to the sale of: rural buildings not appurtenant to agricultural land; real estate units and appurtenances for residential use; real estate units for office use; real estate units for artisan, commercial and industrial use; real estate units for special use (excluding boat moorings); time-share properties. For statistical purposes the sale of a share in a property is considered equivalent to the sale of an entire property. Therefore both the sale of an entire property or a share (or several shares simultaneously) are surveyed as individual agreements.

Sale of rural buildings, that are not appurtenant to agricultural land: instrumental asset for the exercise of agricultural activity (art. 9 of Legislative Decree 557/93 and subsequent amendments and integrations). Land registry category D/10.

Sales of real estate units and appurtenances for residential use: land registry category A (excluding A/10) and C (excluding C/1 and C/3).

Sales of real estate units for office use: land registry category A/10.

Sales of real estate units for artisan, commercial and industrial use: land registry categories C/1, C/3 and D (excluding D/10).

Sales of real estate units for special use (excluding boat moorings): land registry category B.

Sales of time-share properties: purchase of a share of a property, occupancy of which is limited to a given rotating time period.

Agreement: understanding or contract contained in a notarial deed.

Mortgage-secured loan: agreement by which a loan, finance or other bonds issued by a bank is secured by a real estate mortgage; agreement by which a loan, finance or other bonds issued by an entity other than a bank is secured by a real estate mortgage.

Non-mortgage-secured loan: agreements related to loans, finance and credit facilities. This is a residual category that comprises only unsecured loans, finance and credit facilities (i.e. unsecured by any type of asset-related or personal guarantee) or assisted by personal or asset-related guarantees (excluding real estate) specifically provided for the purpose (e.g. surety or lien).

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³ Ministry of Justice: Decree of 30 July 1997 (published in ordinary supplement n. 199 of the Official Journal of 1 October 1997 – general series – n. 229); Decree of 23 December 2009 (published in the Official Journal of 28 December 2009 – general series – n. 300).