

Sales of real estate units and loans

IV quarter 2012

Istat has published data for the fourth quarter of 2012 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 loans.

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

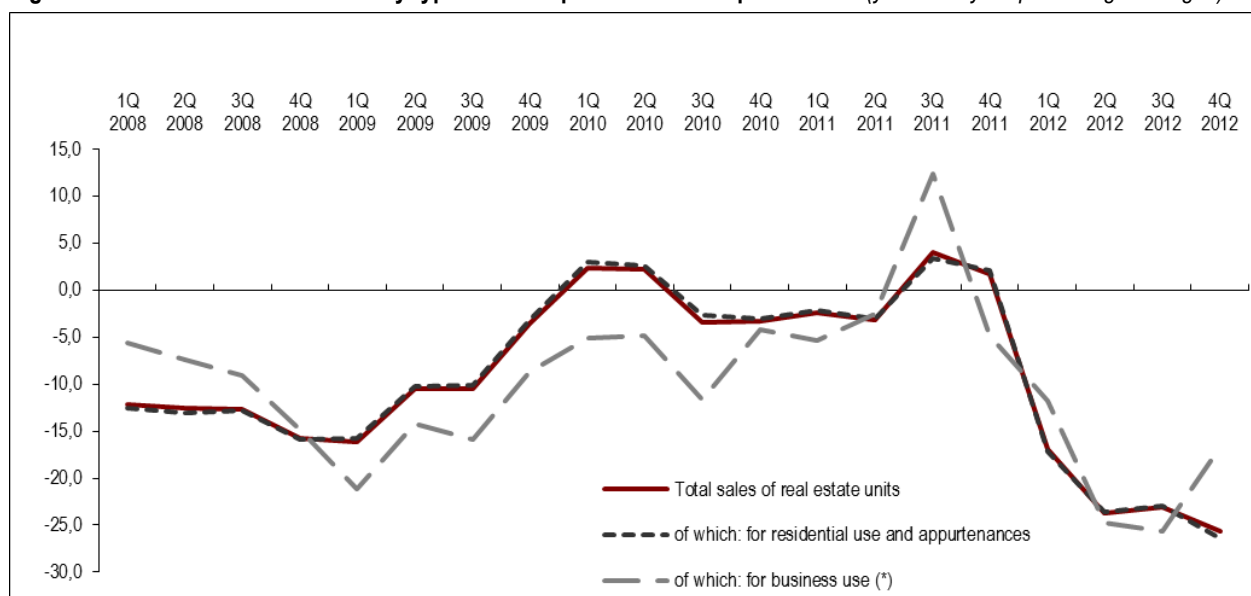
Notarial deeds – Transfers of properties of real estate units

In the fourth quarter of 2012, nationwide real estate unit sales agreements¹ totalled 174,599, decreasing by 25.7% over the same period for the previous year. 161,007 (92.2%) transfers of properties concerned homes and appurtenances and 12,073 (6.9 %) real estate units for business purposes (Table 1, Figure 1).

In relation to type of use, sales of residential properties fell by 26.4%, whereas sales of properties for business use fell by 16.6%.

For the full year 2012, the total number of real estate unit sales (632,117) decreased by 22.6% over the previous year, transfers of properties of residential use (587,330) decreased by 22.8%, and real transfers of properties for business purposes (39,654) fell by 19.7%.

Figure 1 – Sales of real estate units by type of use. I quarter 2008 - IV quarter 2012 (year over year percentage changes)



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

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

In the fourth quarter of 2012, all geographical areas have to cope with negative trends both for transfers of properties for homes and appurtenances and for business use. The North-East (-26.8%), the North-West (-27.4%) and the Centre (-27.5%) geographical areas are the most involved in transfers of properties' decreasing as far as homes and appurtenances are concerned, whereas the South (-17.5%) and the Islands (-34,5%) register a particular deep decreasing in transfers of units for business use.

Table 1 – Transfer of properties of real estate units (a) by quarter, type of use and geographical area. Year 2012 (absolute values and year over year percentage changes)

GEOGRAPHICAL AREA	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change
TOTAL										
North-West	52.675	-14,7	57.151	-22,6	43.671	-24,7	57.899	-26,5	211.396	-22,4
North-East	29.927	-17,8	31.868	-26,1	26.582	-25,4	35.669	-25,8	124.046	-24,0
Centre	31.202	-21,0	34.843	-23,1	27.529	-23,4	35.333	-26,8	128.907	-23,7
South	27.532	-14,2	29.455	-19,9	25.025	-17,4	30.808	-22,5	112.820	-18,8
Islands	13.477	-18,1	14.404	-30,8	12.177	-22,7	14.890	-26,0	54.948	-24,9
Italy	154.813	-16,9	167.721	-23,7	134.984	-23,1	174.599	-25,7	632.117	-22,6
OF WHICH: FOR RESIDENTIAL USE AND APPURTENANCES										
North-West	48.876	-15,4	53.335	-22,6	40.673	-24,5	53.180	-27,4	196.064	-22,7
North-East	27.483	-17,9	29.471	-26,2	24.497	-25,7	32.420	-26,8	113.871	-24,4
Centre	29.283	-21	32.753	-23,1	25.85	-23,5	32.857	-27,5	120.743	-23,9
South	25.534	-14,7	27.422	-19,6	23.317	-16,9	28.532	-23,0	104.805	-18,9
Islands	12.692	-18,4	13.571	-30,3	11.566	-22,0	14.018	-25,5	51.847	-24,5
Italy	143.868	-17,2	156.552	-23,6	125.903	-23,0	161.007	-26,4	587.330	-22,8
OF WHICH: FOR BUSINESS USE (b)										
North-West	3.304	-1,9	3.283	-22,2	2.601	-29,0	4.079	-13,9	13.267	-17,0
North-East	2.164	-18,4	2.136	-24,2	1.851	-23,6	2.908	-13,8	9.059	-19,6
Centre	1.754	-22,4	1.877	-24,7	1.548	-21,5	2.281	-15,9	7.460	-20,9
South	1.773	-7,8	1.786	-23,5	1.505	-23,7	2.016	-17,5	7.080	-18,4
Islands	705	-11,7	734	-38,4	560	-31,9	789	-34,5	2.788	-30,6
Italy	9,7	-11,8	9.816	-24,8	8.065	-25,7	12.073	-16,6	39.654	-19,7

(a) Agreements present in notarial deeds

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

The downward trend for transfers of properties of real estate units - both for transfers for residential use and for transfers for business use - show the same trend, which is characterised for a more accentuated decreasing in smaller district notarial archives (-27.3%) compared to that recorded in metropolitan city notarial archives (-23.5%) (Table 2).

Table 2 – Transfer of properties of real estate units (a) by quarter, type of use and District Notarial Archive. Year 2012
(absolute values and year over year percentage changes)

TYPE OF DISTRICT NOTARIAL ARCHIVE	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change
TOTAL										
Located in metropolitan cities (b)	68.429	-16,9	75.753	-21,8	57.714	-22,0	76.807	-23,5	278.703	-21,2
Located in other cities	86.384	-16,8	91.968	-25,3	77.270	-24,0	97.792	-27,3	353.414	-23,7
Total	154.813	-16,9	167.721	-23,7	134.984	-23,1	174.599	-25,7	632.117	-22,6
OF WHICH: FOR RESIDENTIAL USE AND APPURTENANCES										
Located in metropolitan cities (b)	64.172	-17,1	71.259	-21,8	54.300	-21,6	71.500	-24,1	261.231	-21,3
Located in other cities	79.696	-17,3	85.293	-25,1	71.603	-24,1	89.507	-28,1	326.099	-24,0
Total	143.868	-17,2	156.552	-23,6	125.903	-23,0	161.007	-26,4	587.330	-22,8
OF WHICH: FOR BUSINESS USE (c)										
Located in metropolitan cities (b)	3.568	-13,5	3.768	-21,0	2.897	-28,5	4.498	-14,3	14.731	-19,1
Located in other cities	6.132	-10,8	6.048	-27,0	5.168	-24,0	7.575	-17,9	24.923	-20,1
Total	9.700	-11,8	9.816	-24,8	8.065	-25,7	12.073	-16,6	39.654	-19,7

(a) Agreements present in notarial deeds

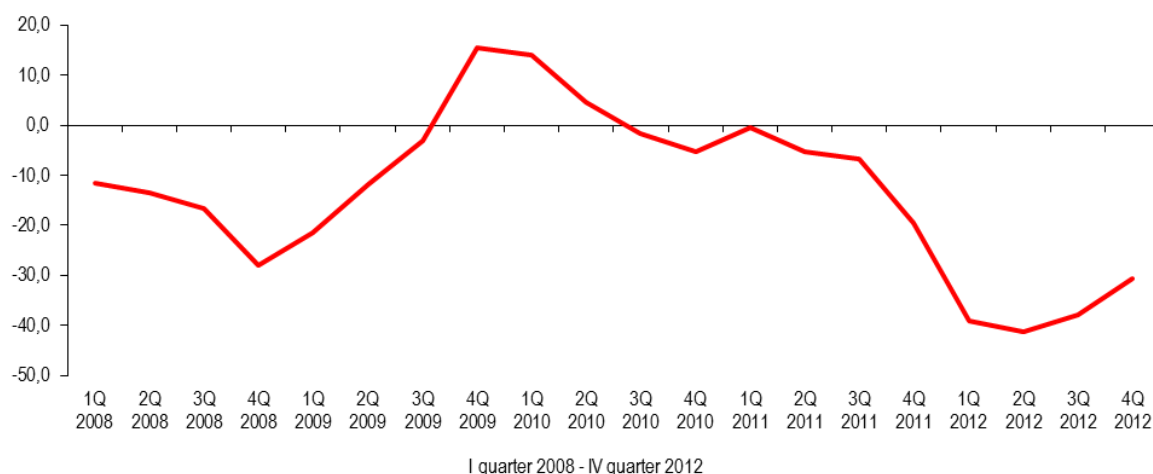
(b) Milano, Torino, Venezia, Trieste, Genova, Bologna, Firenze, Roma, Napoli, Bari, Reggio Calabria, Messina, Catania, Palermo, Cagliari.

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

Notarial deeds – Stipulation of mortgages-secured loans

Nationwide, 69,369 mortgage-secured loans are stipulated in the fourth quarter of 2012, strongly decreasing by -30.6 % (Table 3, Figure 2).

Figure 2 – Stipulated mortgage-backing loans. Year 2008 – Year 2012 (year over year percentage changes).



For the full year 2012, mortgage-secured loans (262,470) decrease by 37.4% over the previous year, registering a negative trend in all the geographical areas.

Nevertheless, mortgage-secured loans register the less relevant decrease – and under the national average - in the Centre (-34.5%) and the worst trend in the Islands (-46.9%), particularly above the national average.

Mortgage-secured loans stipulated in metropolitan cities show a less accentuated decline (-37.0%) than the one observed in other cities (-37.7%) (Table 3).

Table 3 – Stipulated mortgage-backing loans by quarter, geographic area and type of district of notarial archive. Year 2012 (absolute values and year over year percentage changes)

GEOGRAPHICAL AREA	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change
MORTGAGE-BACKING LOANS										
North-West	21.462	-39,2	24.289	-38,6	19.789	-36,8	22.988	-33,6	88.528	-37,1
North-East	15.702	-36,8	16.714	-40,1	15.195	-36,2	17.952	-27,3	65.563	-35,3
Centre	13.263	-37,8	14.618	-36,0	12.387	-36,1	14.906	-27,7	55.174	-34,5
South	9.001	-41,3	9.470	-44,8	7.894	-42,0	8.888	-32,6	35.253	-40,5
Islands	4.688	-45,8	4.739	-58,3	3.890	-43,9	4.635	-32,7	17.952	-46,9
Italy	64.116	-39,2	69.83	-41,2	59.155	-37,8	69.369	-30,6	262.470	-37,4
MORTGAGE-BACKING LOANS										
TYPE OF DISTRICT NOTARIAL ARCHIVE	I quarter		II quarter		III quarter		IV quarter		Total	
	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change	Number	2012/2011 per cent change
Located in metropolitan cities (a)	26.650	-40,1	29.652	-39,1	24.086	-36,8	28.549	-31,6	108.937	-37,0
Located in other cities	37.466	-38,6	40.178	-42,7	35.069	-38,5	40.820	-30,0	153.533	-37,7
Total	64.116	-39,2	69.83	-41,2	59.155	-37,8	69.369	-30,6	262.470	-37,4

(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 organized 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, 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.

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

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).