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HSBC bolsters home loan lending to support customers, industry

HSBC Bank Malta p.l.c. is continuing to offer customers support to purchase a home through a range of home loan options. The bank has also made significant improvements in its home loan service. The bank announced this during an exclusive networking event held for real estate agents, notaries, architects and other interested parties.

In view of the ongoing debate around the sustainability and future of the residential property market, the bank invited Dr Gordon Cordina, a consultant economist, to present the findings from a study he has just conducted on the recent performance of the residential real estate market in Malta.

The study concluded that the increase in the residential real estate market turnover in 2018 appears to continue to be supported by economic fundamentals, and that conditions are set for a continued, but possibly more moderate, increase in turnover in 2019 and 2020. The study also highlighted that the north harbour area, where the average price of property is twice the national average, accounted for 30% of total market turnover and 40% of its growth in 2018.

On the other hand, the highest rates of price growth and the highest relative growth in turnover were registered in the more affordable central areas. Dr Cordina emphasised that investment in quality is key to market resilience, and that orderly evolution of the market is essential for its sustained growth.

The event was also addressed by Daniel Robinson, Head of Retail Banking and Wealth Management for HSBC in Malta. He went through a number of changes HSBC has made in recent months to continue supporting its customers and to make the home loan process faster than ever before.

Robinson also spoke on the compelling fixed and variable rate propositions that the bank has launched in recent months and the other measures it has taken to train and develop its staff, and welcomed the recent publication of the Central Bank of Malta directive on mortgage lending. He said HSBC is in favour of the directive as it will give lenders minimum specific guidelines for responsible lending, and by doing so, it will protect the future sustainability of the industry.



Dr Gordon Cordina (left) and Daniel Robinson