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This publication contains the main findings of the quarterly Italian housing market survey conducted jointly by the Bank of Italy and Tecnoborsa. The report has been prepared by Leandro D'Aurizio, Roberto Sabbatini, Raffaele Tartaglia Polcini and Francesco Zollino for the Bank of Italy and Giampiero Bambagioni and Ettore Troiani for Tecnoborsa, with the assistance of Pamela Minzera (Bank of Italy) as editorial assistant for the Italian version.

The data were collected exclusively for the purpose of economic analysis and have been handled and processed in aggregate form, in full compliance with Italy's law on the treatment of personal information.

We would like to thank all the agencies that agreed to take part.

ITALIAN HOUSING MARKET SURVEY – SHORT-TERM OUTLOOK

June 2009

The first quarter of 2009 brought confirmation of a slump in the housing market, with evidence of more frequent reductions in prices, also with respect to the seller's asking price, and a drop in the number of house sales. The number of unsold properties registered with estate agencies increased at the same pace as in the last quarter of 2008.

Estate agents are becoming less pessimistic about the short-term outlook for the housing market, both locally and nationally. Their medium-term expectations for the market at national level show some improvement on the previous survey.

1. Introduction

The interviews for the joint Bank of Italy and Tecnoborsa quarterly survey of the Italian housing market were carried out between 22 April and 26 May 2009. A total of 929 real-estate agencies took part (Table 1), providing information on sales and prices in the quarter January–March 2009 and on the outlook for the sector.

The main findings of the survey are summarized below. The appendices contain the methodological notes, detailed statistical tables, and the questionnaire used.

2. Main Findings

House prices – In the first quarter of 2009 the balance of opinions concerning an increase or decrease in house prices was negative by 59.9 percentage points, compared with –54.8 points in the last quarter of 2008 (Table 2 and Chart 1). As in the previous surveys, estate agents' assessments pointed to a widespread downward drift in prices in the North-East and in urban areas (i.e. with a population of over 250,000 in the main town) throughout the country.

Number of completions – During the first quarter of 2009 about two-thirds of estate agencies sold at least one property, virtually the same proportion as at the end of last year; the percentage was again higher in regions in the North-East at 79.1 per cent, compared with around 60 per cent in the other areas of the country (Table 3). Overall, an estimated 135,00 sales were completed through an estate agent, down about 5 per cent on the previous quarter.

Properties registered with estate agencies – The balance of answers indicating an increase or a decrease in the number of unsold properties still on estate agencies' books at the end of the quarter showed almost no change from the previous survey (32.6 percentage points against 34.7 points; Table 4). The share of agencies reporting an increase in properties newly registered with them during the quarter rose from 38.5 per cent in the last quarter of 2008 to 42 per cent, while the share of those indicating a decrease remained unchanged at 24 per cent. "Lack of offers due to too-high asking prices" was cited as the main reason for contract cancellation by 65.9 per cent of agencies (Table 5), followed by "offers dismissed as too low by sellers" (53.4 per cent of agencies) and "buyer's difficulty obtaining a mortgage" (50.3 per cent).

Negotiations and selling times – In the first quarter of 2009 actual selling prices were 11.8 per cent below the seller's asking price, compared with a difference of 9.5 per cent in the previous survey. The gap was slightly wider in the Centre and South of the country and particularly for properties inside urban areas (Table 6). Average property selling times were unchanged at almost 7 months (Table 7).

Financing property purchases – Some 70.4 per cent of homes were bought by taking out a mortgage, rising to 73.2 per cent in urban areas and falling to 67.3 per cent in non-urban areas. The gap was widest in the South (73.4 per cent in urban areas against 61.9 per cent in non-urban) and negligible in the Centre (Table 8). The average ratio between the amount of the mortgage and the value of the property was 71 per cent, in line with the previous survey, with virtually no geographical differences.

Prospects for agencies' local markets – Agents' pessimism regarding market prospects has begun to lift. In the current quarter, more than half the estate agencies report market conditions to be "normal", compared with 18 per cent in the previous survey; the balance between "unfavourable" and "favourable" assessments has narrowed to around 7 percentage points (Table 9). The difference between forecasts of an increase and a decrease in the number of properties newly registered with agencies is still positive, although diminishing (11.8 against 15.2 percentage points), while the proportion of agencies expecting the number of new contracts to remain stable has risen from 45.3 to 55.6 per cent. Again for the current quarter almost 48 per cent of estate agencies expect prices to fall, against only 2.7 per cent that forecast an increase; however, the balance between the two replies is almost 15 percentage points lower than it was in the first quarter of the year. In all areas of the country, expectations that prices will fall are sharper in towns and cities, while forecasts of stable prices predominate in non-urban areas (Table 9).

Prospects for the national market – Pessimism regarding the short-term prospects of the housing market at national level are lifting: the balance between expectations of a deterioration and an improvement in three months' time has narrowed to 21 per cent from 56.2 per cent in the previous survey (Table 10). Assessments remain positive for the medium term (two years): over this horizon, 65.6 per cent of estate agencies think the general situation will be better than at present, compared with 12.4 per cent who foresee a deterioration (against 45.2 and 35 per cent respectively in the end-2008 survey).

A. Methodological Notes

A1. Sample design

Since January 2009 the Bank of Italy has conducted, in collaboration with Tecnoborsa,¹ a quarterly survey of real-estate agencies. The data are collected by the company Questlab Srl in the month following the end of the calendar quarter (i.e. in January, April, July and October). The interviews for this edition, which refers to the first quarter of 2009, were conducted between 22 April and 26 May. Of the 3,319 estate agencies interviewed, 929 took part in the survey, representing a response rate of 30.9 per cent.²

The sampling design is stratified, with a total of 34 strata made up as follows:

- a) 15 Italian towns with a population of 250,000 or more;³
- b) 15 areas around the towns at letter a), forming the hinterland;⁴
- c) 4 national macro-areas (North-West; North-East; Centre; South and Islands), excluding the 30 strata at letters a) and b).

The number of units in each stratum is selected according to several criteria: the basic number is proportional to the number of transactions recorded in each unit in 2006 (based on local data provided by the Land Agency). Each stratum contains a minimum number of units so that the sample size is large enough to ensure that the standard errors of the main variables are acceptable. Finally, further units are added to the sample for the metropolitan areas to take account of greater variations in the phenomena surveyed.

A2. Composition of the population

The reference population consists of real-estate agencies, working either on own property or on a fee or contract basis. The source of data on the distribution of the population is Istat.⁵ For each size class and each province Istat provides the number of businesses in operation and the total number of agents in the two branches of economic activity 7012 (Real-estate activities on own account: property purchases and sales) and 7031 (Real-estate activities in employment: property agencies). The data are also collected at the level of the provincial capitals. Updates are used as soon as they become available.

A3. Composition of the sampling list

The lists suitable for use contain real-estate agents or property agencies. Since the population available from Istat is based on property agencies (as businesses), when

¹ Tecnoborsa is a non-profit consortium set up by the Chamber of Commerce, Industry and Crafts in 1997 to further the development, regulation and transparency of the Italian real-estate market. It also carries out research studies in the field of real-estate economics in Italy and abroad.

² The percentage takes account of errors in the list.

³ Bari, Bologna, Catania, Florence, Genoa, Messina, Milan, Naples, Padua, Palermo, Rome (including Ostia Lido), Turin, Trieste, Venice (including Mestre), Verona.

⁴ An “urban area” is the area of a town with at least 250,000 inhabitants and its hinterland. A “metropolitan area” is an urban area with a town of at least 500,000 inhabitants (Genoa, Milan, Naples, Palermo, Rome and Turin). Every urban or metropolitan area has its own Local Labour System (Istat, *I sistemi locali del lavoro 1991*, Rome, 1997), which is defined as “the unit of territory identified by a set of neighbouring towns linked by daily commuting for the purpose of work”; i.e. they are groups of towns that constitute homogenous labour markets. Since administrative constraints are not considered, a local labour system can incorporate towns belonging to different provinces or regions from the main town, and is identified from information on commuting obtained from the general population census.

⁵ The 2006 update has been used.

composing the list of agencies to include in the sample we took care to ensure that it contained only one real-estate agent per agency. The following lists were used to build the sample:

- a) professional real-estate agents belonging to the *Federazione Italiana Agenti Immobiliari Professionali* (FIAIP) (about 12,000);
- b) real-estate agents registered with one of the property exchanges (about 200).

We attempted to overcome any deficiencies with respect to the theoretical number of estate agents and minimize distortions due to the use of professional registers by including also a list of agents taken from the Chamber of Commerce records (containing around 45,000 estate agents in total). This list is fairly exhaustive, but the contact information is often incomplete or out of date.

A4. Weighting

Each unit in the sample is assigned an initial weight, given by the ratio of number of firms in the stratum cell to number of firms in the sample.

The weighting procedure is performed in one stage. Let h be the general stratum cell and, within it, N_h the number of firms in the target population and n_h the sample size.⁶ The weight of each firm in stratum h is therefore:

$$w_h = \frac{N_h}{n_h}$$

By construction, the sum of the weights of each cell therefore gives the size of the target population it contains. At every survey the weights are recalculated according to the distribution of the population on the latest available date.

A5. Sample estimates

For a generic variable x , the mean is estimated with an estimator given by:

$$\bar{X} = \frac{1}{\sum w_i} \sum w_i X_i$$

where w_i is the weight of the single sample unit. The weight may be the original one (see Section A4) or it can be obtained multiplying it by a scale variable to take account of the different size of the estate agencies in the sample (e.g. in terms of number of homes sold).⁷

A6. Standard errors

The percentage estimates for the national total have standard errors of not more than 1.6 per cent, i.e. maximum confidence intervals (at 95 per cent) of 3.1 percentage points. Table 1a contains the standard errors of percentages of estate agencies for the total sample and for some geographical groupings; the estimates also take account of finite population correction. The use of narrower geographical classification domains means that the estimates are less accurate than those for the total sample; this should be taken into account in analysing the results.

⁶ The symbol n_h indicates the actual sample size. This allows the weights to be implicitly corrected to take account of total non-responses.

⁷ On all these aspects, including the method of estimating standard errors, see for example Cicchitelli, F. A. Herzel and Montanari, G.E., *Il campionamento statistico*, Bologna, Il Mulino, 1994.

Table 1a – Standard errors of the estimates
(per cent; units)

| | Estimates as percentage of real-estate agents | | | | | | | | | | Number of homes sold |
|-------------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|
| | 5% 95% | 10% 90% | 15% 85% | 20% 80% | 25% 75% | 30% 70% | 35% 65% | 40% 60% | 45% 55% | 50% 50% | |
| By geographical area | | | | | | | | | | | |
| North-West..... | 1.3 | 1.7 | 2.1 | 2.3 | 2.5 | 2.6 | 2.8 | 2.8 | 2.9 | 2.9 | 7.5 |
| of which: urban areas | 1.5 | 2.1 | 2.5 | 2.8 | 3.1 | 3.2 | 3.4 | 3.5 | 3.5 | 3.5 | 5.7 |
| non-urban areas.. | 2.2 | 3.0 | 3.6 | 4.0 | 4.3 | 4.6 | 4.8 | 4.9 | 5.0 | 5.0 | 5.0 |
| North-East..... | 1.5 | 2.0 | 2.4 | 2.7 | 2.9 | 3.1 | 3.2 | 3.3 | 3.3 | 3.4 | 6.8 |
| of which: urban areas..... | 1.8 | 2.5 | 2.9 | 3.3 | 3.6 | 3.8 | 3.9 | 4.0 | 4.1 | 4.1 | 2.2 |
| non-urban areas... | 2.5 | 3.4 | 4.1 | 4.6 | 4.9 | 5.2 | 5.5 | 5.6 | 5.7 | 5.7 | 6.4 |
| Centre..... | 1.6 | 2.1 | 2.5 | 2.9 | 3.1 | 3.3 | 3.4 | 3.5 | 3.5 | 3.6 | 4.3 |
| of which: urban areas | 1.9 | 2.6 | 3.1 | 3.4 | 3.7 | 3.9 | 4.1 | 4.2 | 4.3 | 4.3 | 2.7 |
| non-urban areas... | 2.8 | 3.8 | 4.5 | 5.1 | 5.5 | 5.8 | 6.0 | 6.2 | 6.3 | 6.3 | 3.3 |
| South and Islands..... | 1.4 | 2.0 | 2.4 | 2.7 | 2.9 | 3.0 | 3.2 | 3.3 | 3.3 | 3.3 | 4.0 |
| of which: urban areas | 2.0 | 2.7 | 3.2 | 3.6 | 3.9 | 4.1 | 4.3 | 4.4 | 4.5 | 4.5 | 3.8 |
| non-urban areas... | 2.2 | 3.0 | 3.5 | 4.0 | 4.3 | 4.5 | 4.7 | 4.8 | 4.9 | 4.9 | 1.1 |
| By resident population | | | | | | | | | | | |
| Urban areas (1)..... | 0.9 | 1.2 | 1.5 | 1.6 | 1.8 | 1.9 | 1.9 | 2.0 | 2.0 | 2.0 | 7.7 |
| Non-urban areas..... | 1.2 | 1.6 | 1.9 | 2.2 | 2.3 | 2.5 | 2.6 | 2.7 | 2.7 | 2.7 | 8.8 |
| Metropolitan areas (2)..... | 1.1 | 1.5 | 1.8 | 2.1 | 2.2 | 2.4 | 2.5 | 2.5 | 2.6 | 2.6 | 6.2 |
| Non-metropolitan areas..... | 0.9 | 1.3 | 1.5 | 1.7 | 1.8 | 1.9 | 2.0 | 2.1 | 2.1 | 2.1 | 9.9 |
| Total..... | 0.7 | 1.0 | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.6 | 1.6 | 1.6 | 11.7 |

(1) Urban areas centred on towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (2) Metropolitan areas centred on towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Estimating the standard error for the total number of homes sold is a more complex matter (Table 3). In fact, the data are imputed for the agencies that report sales in the reference quarter without providing complete information on numbers (about 5 per cent of the sample). The standard error is estimated using multiple imputation to take account of the imputation of partial non-responses. This method entails replicating independently a given number of datasets containing the complete observations (in this case 25 bootstrap samples are extracted from the original sample) and replicating the imputation of the variable for each one of them. If \hat{t}^* is used to denote the estimator and m the number of replicated samples, the variance of \hat{t} can be estimated by the following expression:⁸

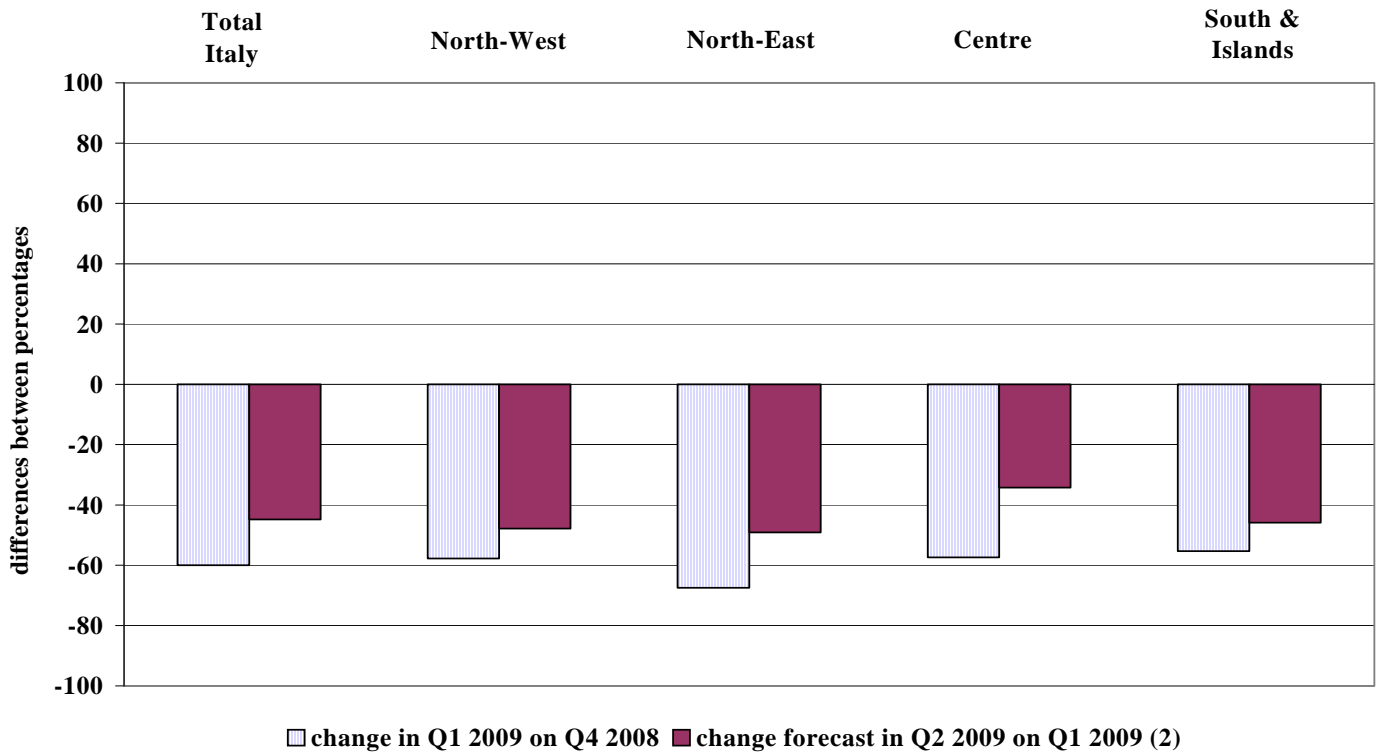
$$\hat{v}(\hat{t}^*) = \frac{1}{m} \sum_{j=1}^m \hat{v}_{p(s)}(\hat{t}_j^*) + \left(1 + \frac{1}{m}\right) \sum_{j=1}^m \frac{(\hat{t}_j^* - \hat{t}^*)^2}{m-1}, \text{ where } \hat{t}^* = \frac{1}{m} \sum_{j=1}^m \hat{t}_j^*$$

⁸ See, for example, chapter 4 in Lehtonen, H., Pahkinen, E., *Practical Methods for Design and Analysis of Complex Surveys*, New York, Wiley, 2004.

The term $\hat{v}_{p(s)}(\hat{t}_j^*)$ indicates the variance estimated on the j th sample replicated for the estimator \hat{t} using the information from the sample plan $p(s)$. The first sum is the average within-imputation variance, while the second sum, the between-imputation variance, is interpreted as the variability produced by the imputation.

B. Charts and Tables

Chart 1 – Opinions on the trend of house prices in the reference quarter and current quarter ⁽¹⁾
(balance of opinions indicating increase or decrease in real-estate agencies' market)



Source: Bank of Italy–Tecnoborsa survey.

(1) Percentage of valid responses of real-estate agencies reporting sales in the reference quarter, weighted according to the population of real-estate agencies derived from Istat-Asia records (2006). – (2) Discrete continuous variable: “declining”= negative change over 1 per cent; “stable”= change between –1 and +1 per cent; “increasing”= positive change over 1 per cent.

Table 1 – Distribution of the sample and the population
(number and per cent; reference quarter: January–March 2009)

| | Sample size (a) | Population of agencies (b) | Sampling fraction (a)/(b) (per cent) |
|---|--------------------|-------------------------------|--|
| By geographical area | | | |
| North-West..... | 297 | 24.956 | 1.2 |
| of which: urban areas (1)..... | 197 | 12.371 | 1.6 |
| non-urban areas..... | 100 | 12.585 | 0.8 |
| North-East..... | 219 | 16.015 | 1.4 |
| of which: urban areas (1)..... | 143 | 5.719 | 2.5 |
| non-urban areas..... | 76 | 10.296 | 0.7 |
| Centre..... | 194 | 14.015 | 1.4 |
| of which: urban areas (1)..... | 132 | 6.333 | 2.1 |
| non-urban areas..... | 62 | 7.682 | 0.8 |
| South and Islands..... | 219 | 6.707 | 3.3 |
| of which: urban areas (1)..... | 119 | 2.649 | 4.5 |
| non-urban areas..... | 100 | 4.058 | 2.5 |
| By resident population | | | |
| Urban areas (over 250,000 inhabitants) (1)..... | 591 | 27.072 | 2.2 |
| Non-urban areas (under 250,000 inhabitants)..... | 338 | 34.621 | 1.0 |
| Metropolitan areas (over 500,000 inhabitants) (2)..... | 371 | 18.560 | 2.0 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 558 | 43.133 | 1.3 |
| Total..... | 929 | 61.693 | 1.5 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (2) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 2 – Property selling prices ⁽¹⁾
(per cent of real-estate agencies; reference quarter: January–March 2009)

| | Comparison with previous period | | |
|---|---------------------------------|-------------|------------|
| | decreasing | stable | increasing |
| By geographical area | | | |
| North-West..... | 58.6 | 40.6 | 0.8 |
| of which: urban areas (2)..... | 66.9 | 31.6 | 1.6 |
| non-urban areas..... | 50.5 | 49.5 | . |
| North-East..... | 69.3 | 28.9 | 1.8 |
| of which: urban areas (2)..... | 74.1 | 25.6 | 0.2 |
| non-urban areas..... | 66.7 | 30.7 | 2.7 |
| Centre..... | 58.6 | 40.2 | 1.2 |
| of which: urban areas (2)..... | 71.9 | 27.4 | 0.7 |
| non-urban areas..... | 47.5 | 50.8 | 1.6 |
| South and Islands..... | 59.1 | 37.1 | 3.8 |
| of which: urban areas (2)..... | 75.1 | 23.0 | 1.9 |
| non-urban areas..... | 48.5 | 46.5 | 5.1 |
| By resident population | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 70.4 | 28.5 | 1.1 |
| Non-urban areas (under 250,000 inhabitants)..... | 54.4 | 43.8 | 1.7 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 69.8 | 28.9 | 1.3 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 57.8 | 40.7 | 1.6 |
| Total..... | 61.4 | 37.1 | 1.5 |
| <i>Memorandum item:</i> | | | |
| Q4 2008..... | 57.6 | 39.6 | 2.8 |

Source: Bank of Italy-Tecnoborsa survey.

(1) Valid responses of real-estate agencies taking part in the survey for the reference quarter, weighted with the population of agencies derived from Istat-Asia records (2006). – (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) owns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 3 – Number and types of houses sold in the reference quarter ⁽¹⁾
(per cent of real-estate agencies unless otherwise indicated; reference quarter: January–March 2009)

| | Percentage of real-estate agents that sold homes | of which: | | | Total number of homes sold <i>(thousands)</i> |
|---|--|-----------------|---------------------|------------------|--|
| | | only new builds | only existing homes | new and existing | |
| By geographical area | | | | | |
| North-West..... | 61.5 | 4.1 | 37.8 | 19.7 | 55 |
| of which: urban areas (2)..... | 65.2 | 5.2 | 42.7 | 17.3 | 32 |
| non-urban areas..... | 58.0 | 3.0 | 33.0 | 22.0 | 23 |
| North-East..... | 79.1 | 9.7 | 42.3 | 27.1 | 43 |
| of which: urban areas (2)..... | 74.6 | 10.7 | 35.5 | 28.4 | 15 |
| non-urban areas..... | 81.6 | 9.2 | 46.1 | 26.3 | 28 |
| Centre..... | 60.1 | 3.0 | 43.5 | 13.6 | 24 |
| of which: urban areas (2)..... | 64.4 | 2.7 | 47.2 | 14.5 | 13 |
| non-urban areas..... | 56.5 | 3.2 | 40.3 | 12.9 | 11 |
| South and Islands..... | 59.5 | 4.1 | 42.7 | 12.8 | 13 |
| of which: urban areas (2)..... | 69.6 | 5.7 | 46.8 | 17.1 | 8 |
| non-urban areas..... | 53.0 | 3.0 | 40.0 | 10.0 | 5 |
| By resident population | | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 67.4 | 5.8 | 42.6 | 19.0 | 68 |
| Non-urban areas (under 250,000 inhabitants)..... | 64.1 | 4.9 | 39.3 | 19.9 | 68 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 64.6 | 4.8 | 44.7 | 15.2 | 44 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 65.9 | 5.5 | 39.1 | 21.3 | 91 |
| Total..... | 65.5 | 5.3 | 40.8 | 19.5 | 135 |
| <i>Memorandum item:</i> | | | | | |
| Q4 2008..... | 66.6 | 7.2 | 38.0 | 21.4 | 143 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Valid responses of real-estate agencies taking part in the survey for the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006). – (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 4 – Properties registered with real-estate agencies ⁽¹⁾
(per cent of real-estate agencies; reference quarter: January–March 2009)

| | Number of homes still registered with agent at end-quarter compared with previous period | | | Number of homes newly registered with agent in quarter compared with previous period | | |
|---|--|-------------|-------------|--|-------------|-------------|
| | less | same | more | less | same | more |
| By geographical area | | | | | | |
| North-West..... | 19.0 | 33.0 | 48.0 | 29.3 | 36.2 | 34.5 |
| of which: urban areas (2)..... | 17.5 | 40.1 | 42.4 | 27.9 | 42.9 | 29.2 |
| non-urban areas..... | 20.6 | 25.8 | 53.6 | 30.6 | 29.6 | 39.8 |
| North-East..... | 13.9 | 35.7 | 50.4 | 24.6 | 35.1 | 40.4 |
| of which: urban areas (2)..... | 10.2 | 40.0 | 49.8 | 16.5 | 39.1 | 44.4 |
| non-urban areas..... | 16.0 | 33.3 | 50.7 | 28.9 | 32.9 | 38.2 |
| Centre..... | 14.4 | 38.1 | 47.5 | 18.1 | 28.1 | 53.7 |
| of which: urban areas (2)..... | 14.3 | 43.3 | 42.4 | 22.6 | 29.0 | 48.4 |
| non-urban areas..... | 14.5 | 33.9 | 51.6 | 14.5 | 27.4 | 58.1 |
| South and Islands..... | 12.5 | 39.0 | 48.5 | 18.4 | 32.8 | 48.8 |
| of which: urban areas (2)..... | 15.8 | 39.4 | 44.8 | 17.9 | 32.1 | 50.0 |
| non-urban areas..... | 10.2 | 38.8 | 51.0 | 18.8 | 33.3 | 47.9 |
| By resident population | | | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 15.1 | 40.8 | 44.2 | 23.3 | 37.8 | 39.0 |
| Non-urban areas (under 250,000 inhabitants)..... | 16.6 | 31.4 | 52.0 | 25.1 | 30.5 | 44.3 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 16.3 | 41.5 | 42.2 | 26.0 | 39.7 | 34.3 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 15.8 | 32.9 | 51.3 | 23.6 | 31.1 | 45.3 |
| Total..... | 15.9 | 35.5 | 48.5 | 24.3 | 33.7 | 42.0 |
| <i>Memorandum item:</i> | | | | | | |
| Q4 2008..... | 15.1 | 35.2 | 49.8 | 24.4 | 37.0 | 38.5 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Valid responses of real-estate agencies taking part in the survey for the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006). – (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 5 – Main reasons for cancelling contract with agent ⁽¹⁾
(per cent of real-estate agencies; reference quarter: January–March 2009)

| | offers received too low for seller | expecting prices to rise | no offers made owing to high price | property on market for too long | difficulty obtaining mortgage | unexpected problems for seller | other |
|---|------------------------------------|--------------------------|------------------------------------|---------------------------------|-------------------------------|--------------------------------|------------|
| By geographical area | | | | | | | |
| North-West..... | 55.2 | 23.7 | 65.2 | 16.9 | 49.5 | 2.8 | 7.3 |
| of which: urban areas (2)..... | 56.9 | 27.4 | 61.5 | 16.5 | 53.7 | 4.6 | 9.7 |
| non-urban areas..... | 53.5 | 20.2 | 68.7 | 17.2 | 45.5 | 1.0 | 5.1 |
| North-East..... | 45.9 | 22.3 | 67.7 | 16.3 | 54.5 | 3.6 | 8.8 |
| of which: urban areas (2)..... | 43.3 | 18.6 | 73.1 | 24.0 | 50.3 | 5.2 | 7.5 |
| non-urban areas..... | 47.3 | 24.3 | 64.9 | 12.2 | 56.8 | 2.7 | 9.5 |
| Centre..... | 52.2 | 30.4 | 65.3 | 23.0 | 48.2 | 0.3 | 6.6 |
| of which: urban areas (2)..... | 58.8 | 34.1 | 68.1 | 19.6 | 42.1 | 0.7 | 2.8 |
| non-urban areas..... | 46.8 | 27.4 | 62.9 | 25.8 | 53.2 | 0.0 | 9.7 |
| South and Islands..... | 66.9 | 19.7 | 65.5 | 24.2 | 48.1 | 4.2 | 1.3 |
| of which: urban areas (2)..... | 68.7 | 23.5 | 59.1 | 20.9 | 50.5 | 1.4 | 3.3 |
| non-urban areas..... | 65.7 | 17.2 | 69.7 | 26.3 | 46.5 | 6.1 | 0.0 |
| By resident population | | | | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 55.8 | 26.8 | 65.2 | 19.2 | 49.9 | 3.4 | 6.9 |
| Non-urban areas (under 250,000 inhabitants)..... | 51.6 | 22.7 | 66.4 | 18.7 | 50.6 | 1.9 | 6.8 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 58.7 | 28.9 | 62.9 | 16.8 | 48.8 | 3.3 | 7.4 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 51.2 | 22.6 | 67.1 | 19.9 | 51.0 | 2.3 | 6.6 |
| Total..... | 53.4 | 24.5 | 65.9 | 18.9 | 50.3 | 2.6 | 6.8 |
| <i>Memorandum item:</i> | | | | | | | |
| Q4 2008..... | 52.3 | 18.4 | 64.7 | 16.8 | 47.0 | 3.9 | 7.1 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Valid responses of real-estate agencies taking part in the survey for the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006). Since each agent can list up to three reasons for the removal of properties from their books the percentages on each line may sum to more than 100 – (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 6 – Difference between selling price and seller's first asking price ⁽¹⁾
(per cent of real-estate agencies, unless otherwise indicated; reference quarter: January–March 2009)

| | same or higher | less than 5% lower | 5% - 10% lower | 10% - 20% lower | 20% - 30% lower | more than 30% lower | average reduction (2) |
|---|----------------|--------------------|----------------|-----------------|-----------------|---------------------|-----------------------|
| By geographical area | | | | | | | |
| North-West..... | 3.6 | 5.7 | 37.9 | 43.1 | 9.0 | 0.6 | 11.9 |
| of which: urban areas (3)..... | 0.5 | 6.1 | 40.6 | 45.6 | 6.0 | 1.2 | 12.0 |
| non-urban areas..... | 7.0 | 5.3 | 35.1 | 40.4 | 12.3 | 0.0 | 11.9 |
| North-East..... | 2.6 | 12.9 | 40.3 | 38.8 | 4.2 | 1.1 | 10.6 |
| of which: urban areas (3)..... | 1.1 | 11.6 | 39.7 | 45.1 | 2.5 | 0.0 | 10.7 |
| non-urban areas..... | 3.4 | 13.6 | 40.7 | 35.6 | 5.1 | 1.7 | 10.6 |
| Centre..... | 5.6 | 9.9 | 30.1 | 37.8 | 16.7 | 0.0 | 12.3 |
| of which: urban areas (3)..... | 2.1 | 4.8 | 33.8 | 40.5 | 18.8 | 0.0 | 13.4 |
| non-urban areas..... | 8.8 | 14.7 | 26.5 | 35.3 | 14.7 | 0.0 | 11.3 |
| South and Islands..... | 3.6 | 7.0 | 28.5 | 42.3 | 13.9 | 4.7 | 13.8 |
| of which: urban areas (3)..... | 1.2 | 1.8 | 22.0 | 56.6 | 14.8 | 3.6 | 15.1 |
| non-urban areas..... | 5.7 | 11.3 | 34.0 | 30.2 | 13.2 | 5.7 | 12.6 |
| By resident population | | | | | | | |
| Urban areas (over 250,000 inhabitants) (3)..... | 1.1 | 6.7 | 36.9 | 45.5 | 9.0 | 0.9 | 12.3 |
| Non-urban areas (under 250,000 inhabitants)..... | 5.9 | 10.8 | 35.4 | 36.6 | 10.2 | 1.2 | 11.4 |
| Metropolitan areas (over 500,000 inhabitants) (4)..... | 1.1 | 4.6 | 36.9 | 46.2 | 10.3 | 1.0 | 12.7 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 4.8 | 10.7 | 35.7 | 38.2 | 9.3 | 1.1 | 11.4 |
| Total..... | 3.7 | 8.9 | 36.1 | 40.6 | 9.6 | 1.1 | 11.8 |
| <i>Memorandum item:</i> | | | | | | | |
| Q4 2008..... | 6.1 | 14.2 | 44.6 | 30.5 | 4.0 | 0.6 | 9.5 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Percentages refer to valid responses of real-estate agencies reporting sales in the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006).– (2) Average percentage decrease obtained by taking the central point in each interval and assigning a value of 0 to the lowest response and 35 to the highest. – (3) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (4) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 7 – Property selling times⁽¹⁾
(months; per cent of real-estate agencies; reference quarter: January–March 2009)

| | Average time between entry on market and actual sale <i>(months)</i> | Change with respect to previous quarter <i>(per cent)</i> | | |
|---|--|--|-------------|-------------|
| | | shorter | same | longer |
| By geographical area | | | | |
| North-West..... | 6.2 | 21.0 | 40.2 | 38.8 |
| of which: urban areas (2)..... | 6.1 | 19.2 | 38.4 | 42.4 |
| non-urban areas..... | 6.4 | 23.1 | 42.3 | 34.6 |
| North-East..... | 7.1 | 23.5 | 46.0 | 30.5 |
| of which: urban areas (2)..... | 6.7 | 23.2 | 40.3 | 36.5 |
| non-urban areas..... | 7.3 | 23.6 | 49.1 | 27.3 |
| Centre..... | 6.5 | 18.9 | 43.0 | 38.1 |
| of which: urban areas (2)..... | 6.0 | 18.5 | 44.0 | 37.5 |
| non-urban areas..... | 7.0 | 19.4 | 41.9 | 38.7 |
| South and Islands..... | 6.5 | 27.4 | 35.7 | 36.9 |
| of which: urban areas (2)..... | 6.4 | 21.3 | 34.2 | 44.5 |
| non-urban areas..... | 6.6 | 32.6 | 37.0 | 30.4 |
| By resident population | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 6.3 | 20.2 | 39.7 | 40.1 |
| Non-urban areas (under 250,000 inhabitants)..... | 6.9 | 23.5 | 44.3 | 32.2 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 6.1 | 18.8 | 39.6 | 41.7 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 6.8 | 23.3 | 43.3 | 33.4 |
| Total..... | 6.6 | 22.0 | 42.2 | 35.9 |
| <i>Memorandum item:</i> | | | | |
| Q4 2008..... | 6.7 | 10.8 | 38.6 | 50.6 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Months and percentages refer to valid responses of real-estate agencies reporting sales in the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006).– (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 8 – House purchases and mortgages⁽¹⁾
(per cent; reference quarter: January–March 2009)

| | Percentage of purchases financed with mortgage | Ratio of mortgage to house price |
|---|---|---|
| By geographical area | | |
| North-West..... | 71.1 | 71.4 |
| of which: urban areas (2)..... | 72.8 | 71.1 |
| non-urban areas..... | 68.1 | 71.8 |
| North-East..... | 67.9 | 71.5 |
| of which: urban areas (2)..... | 72.6 | 70.9 |
| non-urban areas..... | 65.1 | 71.9 |
| Centre..... | 74.0 | 69.0 |
| of which: urban areas (2)..... | 74.8 | 65.9 |
| non-urban areas..... | 73.3 | 71.7 |
| South and Islands..... | 68.8 | 71.1 |
| of which: urban areas (2)..... | 73.4 | 74.8 |
| non-urban areas..... | 61.9 | 65.4 |
| By resident population | | |
| Urban areas (over 250.000 inhabitants) (2)..... | 73.2 | 70.7 |
| Non-urban areas (under 250.000 inhabitants)..... | 67.3 | 71.3 |
| Metropolitan areas (over 500.000 inhabitants) (3)..... | 72.9 | 70.3 |
| Non-metropolitan areas (under 500.000 inhabitants)..... | 69.1 | 71.3 |
| Total..... | 70.4 | 71.0 |
| <i>Memorandum item:</i> | | |
| Q4 2008..... | 69.1 | 68.6 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Valid responses of real-estate agencies who reported sales in the reference quarter. Estimates weighted with the number of houses sold reported by the respondents with reference to the population of agencies derived from Istat–Asia records (2006).– (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

Table 9 – Outlook for the housing market ⁽¹⁾
(per cent of real-estate agencies; reference quarter: January–March 2009)

| | Conditions on real-estate agent's market in current quarter (April-June 2009) | | | Expected number of newly registered properties in current quarter (April-June 2009) compared with reference quarter | | | Expected level of prices in current quarter (April-June 2009) compared with reference quarter (2) | | |
|--|---|-------------|-------------|---|-------------|-------------|---|-------------|------------|
| | poor | normal | good | lower | same | higher | lower | same | higher |
| By geographical area | | | | | | | | | |
| North-West..... | 29.1 | 48.8 | 22.1 | 18.7 | 51.0 | 30.3 | 49.9 | 47.9 | 2.2 |
| of which: urban areas (3)..... | 21.6 | 53.3 | 25.1 | 20.2 | 53.7 | 26.1 | 52.5 | 47.2 | 0.3 |
| non-urban areas..... | 36.4 | 44.4 | 19.2 | 17.2 | 48.5 | 34.3 | 47.5 | 48.5 | 4.0 |
| North-East..... | 29.8 | 51.4 | 18.8 | 15.3 | 60.8 | 23.9 | 51.0 | 47.0 | 1.9 |
| of which: urban areas (3)..... | 20.4 | 56.3 | 23.3 | 11.2 | 63.2 | 25.6 | 52.8 | 46.6 | 0.6 |
| non-urban areas..... | 35.1 | 48.6 | 16.2 | 17.6 | 59.5 | 23.0 | 50.0 | 47.3 | 2.7 |
| Centre..... | 21.6 | 58.2 | 20.3 | 11.8 | 63.1 | 25.1 | 38.2 | 57.9 | 3.9 |
| of which: urban areas (3)..... | 21.9 | 63.1 | 15.0 | 14.2 | 56.1 | 29.6 | 53.8 | 45.5 | 0.7 |
| non-urban areas..... | 21.3 | 54.1 | 24.6 | 9.8 | 68.9 | 21.3 | 25.0 | 68.3 | 6.7 |
| South and Islands..... | 30.3 | 47.4 | 22.3 | 19.2 | 44.8 | 36.0 | 49.9 | 46.0 | 4.1 |
| of which: urban areas (3)..... | 28.1 | 54.4 | 17.5 | 20.7 | 48.5 | 30.9 | 56.3 | 41.3 | 2.5 |
| non-urban areas..... | 31.6 | 42.9 | 25.5 | 18.2 | 42.4 | 39.4 | 45.9 | 49.0 | 5.1 |
| By resident population | | | | | | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 22.1 | 56.3 | 21.6 | 16.9 | 55.8 | 27.3 | 53.2 | 46.1 | 0.7 |
| Non-urban areas (under 250,000 inhabitants)..... | 32.1 | 47.6 | 20.3 | 15.8 | 55.5 | 28.7 | 43.1 | 52.5 | 4.3 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 22.6 | 56.9 | 20.5 | 20.2 | 52.8 | 27.0 | 53.8 | 45.5 | 0.6 |
| Non-metropolitan areas (under 500,000 inhabitants).... | 29.9 | 49.1 | 21.0 | 14.6 | 56.8 | 28.6 | 44.8 | 51.5 | 3.6 |
| Total (5) | 27.7 | 51.5 | 20.8 | 16.3 | 55.6 | 28.1 | 47.6 | 49.7 | 2.7 |
| <i>Memorandum item:</i> | | | | | | | | | |
| Q4 2008..... | 76.6 | 18.1 | 5.3 | 19.8 | 45.3 | 35.0 | 65.0 | 0.7 | 34.3 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Percentages of valid responses of real-estate agencies who took part in the survey for the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006).– (2) Discreet continuous variable: “declining”= negative change over 1 per cent; “stable”= change between –1 and +1 per cent; “increasing”= positive change over 1 per cent. – (3) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (4) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo. – (5) Average of responses for individual local markets.

Table 10 – General situation of the housing market in Italy ⁽¹⁾
(per cent of real-estate agencies; reference quarter: January–March 2009)

| | Outlook for current quarter compared with reference quarter | | | Outlook for next two years compared with reference quarter | | |
|---|---|-------------|-------------|--|-------------|-------------|
| | worse | same | better | worse | same | better |
| By geographical area | | | | | | |
| North-West..... | 31.8 | 56.9 | 11.3 | 10.8 | 22.5 | 66.8 |
| of which: urban areas (2)..... | 28.2 | 60.4 | 11.4 | 10.3 | 21.4 | 68.3 |
| non-urban areas..... | 35.4 | 53.5 | 11.1 | 11.2 | 23.5 | 65.3 |
| North-East..... | 36.7 | 51.2 | 12.1 | 13.5 | 26.7 | 59.8 |
| of which: urban areas (2)..... | 21.6 | 59.5 | 18.9 | 8.1 | 19.9 | 72.0 |
| non-urban areas..... | 45.2 | 46.6 | 8.2 | 16.7 | 30.6 | 52.8 |
| Centre..... | 29.0 | 60.8 | 10.2 | 12.8 | 18.0 | 69.1 |
| of which: urban areas(2)..... | 30.3 | 61.0 | 8.7 | 20.1 | 16.9 | 63.0 |
| non-urban areas..... | 27.9 | 60.7 | 11.5 | 6.9 | 19.0 | 74.1 |
| South and Islands..... | 31.2 | 56.4 | 12.5 | 14.6 | 17.4 | 68.1 |
| of which: urban areas (2)..... | 24.5 | 67.3 | 8.2 | 14.8 | 13.9 | 71.3 |
| non-urban areas..... | 35.4 | 49.5 | 15.2 | 14.4 | 19.6 | 66.0 |
| By resident population | | | | | | |
| Urban areas (over 250,000 inhabitants) (2)..... | 26.9 | 61.0 | 12.1 | 12.5 | 19.3 | 68.2 |
| Non-urban areas (under 250,000 inhabitants)..... | 36.6 | 52.6 | 10.8 | 12.3 | 24.1 | 63.6 |
| Metropolitan areas (over 500,000 inhabitants) (3)..... | 29.1 | 60.8 | 10.1 | 13.8 | 20.0 | 66.2 |
| Non-metropolitan areas (under 500,000 inhabitants)..... | 33.7 | 54.3 | 11.9 | 11.8 | 22.9 | 65.4 |
| Total..... | 32.4 | 56.3 | 11.4 | 12.4 | 22.0 | 65.6 |
| <i>Memorandum item:</i> | | | | | | |
| Q4 2008..... | 60.8 | 34.6 | 4.6 | 35.0 | 19.8 | 45.2 |

Source: Bank of Italy–Tecnoborsa survey.

(1) Percentages of valid responses of real-estate agencies who took part in the survey for the reference quarter, weighted with the population of agencies derived from Istat–Asia records (2006).– (2) Towns with a resident population of over 250,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System (see Istat, *I sistemi locali del lavoro 1991*, Rome, 1997). The urban areas are Turin, Genoa and Milan for the North-West; Padua, Verona, Venice, Trieste and Bologna for the North-East; Florence and Rome for the Centre; Naples, Bari, Catania, Messina and Palermo for the South and Islands. – (3) Towns with a resident population of over 500,000, including not only the administrative area of the main town but also the hinterland as identified by the Local Labour System. The metropolitan areas are Turin, Genoa, Milan, Rome, Naples and Palermo.

C. The Questionnaire

| | | |
|--|-----------|--------------|
| BANK OF ITALY – TECNOBORSA | | |
| ITALIAN HOUSING MARKET SURVEY - SHORT-TERM OUTLOOK | | |
| APRIL 2009 | | |
| Name of respondent _____ | | |
| Telephone _____ | Fax _____ | E-Mail _____ |

1. Introduction

This survey is conducted every three months by **Questlab srl** on behalf of the **Bank of Italy** and **Tecnoborsa** (Chamber of Commerce organization for the development and regulation of the housing sector) to gather information on the residential housing market in Italy.

At the beginning of each section you will find instructions to help you answer the questions. The questionnaire is divided into three sections: (A) the trend in residential housing sales; (B) prices; (C) short-term outlook.

Most of the questions ask for an opinion and only a few require a numerical estimate. If you find it difficult to give a precise estimate, please enter a figure between the maximum and minimum values.

The questionnaire is addressed to **real-estate agents** or **property consultants** who are able to provide information regarding the activity of the **agency as a whole**.

The report setting out the results of the last edition of the survey can be downloaded from: http://www.bancaditalia.it/statistiche/indcamp/sondaggio_mercato_abitazioni

2. General instructions

- When asked to give a percentage change, please enter the sign (+ for an increase; – for a decrease) in the first box on the left.
- Your answers must refer to situations or changes in the quarter January–March 2009.
- When answering refer **only to housing units** and ignore any other units (garage, storage space, etc.).

3. For further information on how to complete the questionnaire, contact:

Questlab Srl, Via Ospedale 27 30174 Venezia Mestre. Tel.: 0418105560; Fax: 0418105561; e-mail: info@questlab.it

4. For clarifications or information on methodological aspects, contact:

Banca d'Italia, Via Nazionale 91 00184 Rome. Tel.: 0647923324-0647922190; Fax: 0647929210; e-mail: studi.rms@bancaditalia.it

Tecnoborsa, Via Capitan Bavastro 116 00154 Rome; Tel.: 0657300710; Fax: 0657301832, e-mail: osservatorio@tecnoborsa.com

CONFIDENTIALITY NOTICE PURSUANT TO LEGISLATIVE DECREE 196/2003

This survey is conducted by Tecnoborsa and the Bank of Italy every three months to collect information on Italian real-estate agencies' opinions regarding various economic phenomena. Participation is voluntary. The data are collected by Questlab S.r.l. and used by the Bank of Italy and Tecnoborsa for research purposes only. Data will be kept for an unspecified period of time and appropriate devices will be put in place to protect the privacy of all respondents, in compliance with Legislative Decree 196/2003 (Confidentiality Law). The results of the survey will be published in aggregate and anonymous form. Persons concerned may enforce their rights under Article 7 of the Confidentiality Law – including the right to rectify, update, complete or cancel incorrect or incomplete information and to object to processing of information for legitimate reasons – in respect of the persons or entities handling and processing the data. *Data processing by:* Bank of Italy, Organization Department, Via Nazionale 91, 00184 ROME. *In charge of handling data:* for the Bank of Italy: Economic Outlook and Monetary Policy Department, Via Nazionale 91, 00184 ROME; for Questlab S.r.l.: Giuseppe Castiello, Via Ospedale 27, 30174 VENICE - MESTRE; for Tecnoborsa SCPA: Ettore Troiani, Via Capitan Bavastro 116, 00154 ROME.

Name of real-estate agency

Legal status

| | | | | | |
|-----|-----|-----|-----|-----------------|-----------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| SRL | SPA | SAS | SNC | Sole proprietor | Other (*) |

(*) Give details:

Is the agency part of a group? No Yes If yes: name of group.....

(a group is a set of businesses directly or indirectly controlled through one or more chains of control, such as in franchising, by the same legal persons or the same entity)

| | |
|--|--|
| 1. Regarding the housing market only in the area in which you operate, how does the situation in January–March 2009 compare with the previous quarter? | <input type="checkbox"/> Better <input type="checkbox"/> Same <input type="checkbox"/> Worse |
|--|--|

| | |
|--|---|
| 2. Did you sell any houses in January–March 2009? | Yes, only new builds _ Yes, only existing homes _ Yes, new and existing homes _ No _ |
|--|---|

| | |
|-----------------------------|---|
| 3. If yes, how many? | New builds _ _ _ _ Existing homes _ _ _ _ |
|-----------------------------|---|

| | |
|---|--|
| 4. How many consultants work for the agency at present (including yourself)? | _ _ _ _ |
|---|--|

If you DID NOT sell any properties in the reference quarter, please go to question A3.

| | |
|---|---|
| 5. Please name the town in which you made most sales in January–March 2009 (*) | ZIP CODE TOWN _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ |
|---|---|

(*) If sales were made in more than one town, please assign all answers to the town in which most business is conducted, measured by the total value of sales.

SECTION A – HOUSE SALES

This section asks for information on the trend in house sales completed by you or the agency. Most of the questions ask you to give information for the whole of the reference quarter, which in the present survey covers the period **January–March 2009**.

| | |
|---|---|
| A1. Considering the total number of homes sold by you in the reference quarter, how many months passed on average between a house being registered with you and its sale (exchange of contracts)? | _ _ _ months Memorandum: Reported in previous survey _ _ _ months |
| A2. <u>Compared with the previous quarter</u> (October–December 2008) was the average property selling time (number of months indicated above) in the reference quarter...? | <ul style="list-style-type: none"> • Much shorter _ • Shorter _ • Same _ • Longer _ • Much longer _ |
| A3. Considering the <u>number homes on your books still unsold</u> at the end of the reference quarter (January–March 2009), compared with the end of the previous quarter (October–December 2008) was that number...? <i>(Please count properties registered with you both before and during the reference quarter)</i> | <ul style="list-style-type: none"> • Much smaller _ • Smaller _ • Same _ • Larger _ • Much larger _ |

A4. Considering the number of homes newly registered with you in the reference quarter, compared with the previous quarter was that number...?

(Please count only properties newly registered on your books during the reference quarter, including any that were sold in the period)

- Much smaller
- Smaller
- Same
- Larger
- Much larger

A5. Regarding non-renewals of selling agreements in the reference quarter, please select the main reasons from the list on the right? *(no more than three)*

- Seller thought the offers received were too low
- Owners decided to wait in expectation of a rise in prices
- No offers were made because buyers thought the price was too high
- Too long since the property was put on the market
- Seller thought fees were too high
- Buyer had difficulty getting a mortgage
- Seller encountered unexpected problems (seizure of goods, separation, etc.)
- Other reasons (give details)

A6. Considering all the houses sold by you in the reference quarter, how many do you know were bought with a mortgage and for what proportion of the price?

- % of homes bought with a mortgage
 % of price covered by mortgage
 Don't know

SECTION B – PRICES

This section covers information on selling prices in the reference quarter.

| | Compared with October– December 2008 | Compared with a year earlier |
|---|--|--|
| <p>B1. (For agents that sold properties in the reference quarter) For the main type of property sold in the reference quarter, was the average selling price (per sq. m.) ...?</p> <p>B1. (For agents that DID NOT sell properties in the reference quarter) Within your territory, in the reference quarter are average selling prices (per sq. m.) ...?</p> | <ul style="list-style-type: none"> • Much lower <input type="checkbox"/> • Lower <input type="checkbox"/> • Fairly stable <input type="checkbox"/> • Higher <input type="checkbox"/> • Much higher <input type="checkbox"/> | |
| <p>B1_1. Can you quantify the change in selling prices as a percentage? <i>(Please also indicate the sign of any change)</i></p> | <p>+/- <input type="text"/> . <input type="text"/> %</p> | <p>+/- <input type="text"/> . <input type="text"/> %</p> |

Agents that DID NOT sell properties in the reference quarter please go to question C1.

B2. Considering the main type of property sold by you in the reference quarter, compared with the seller's first asking price was the selling price...?

- **Lower** by:
 - more than 30%
 - 20-30%
 - 10-20%
 - 5-10%
 -
 - less than 5%
- **Same** (or higher)

SECTION C – OUTLOOK

This section looks at the short-term prospects of the housing market.

| | |
|--|---|
| <p>C1. As far as concerns the type of property generally sold by you, regardless of recent trends how do you think prices in April–June 2009 will differ from the reference quarter (January–March 2009)?</p> | <ul style="list-style-type: none"> • Sharp decrease _ • Decrease _ • Fairly stable _ • Increase _ • Sharp increase _ |
| <p>C1_1. Can you quantify this change in selling prices as a percentage? <i>(Please indicate sign)</i></p> | <p>+/- _ _ . _ %</p> |
| <p>C2. In April–June 2009, how do you expect the number of <u>properties newly registered</u> with you to compare with the reference quarter?</p> | <ul style="list-style-type: none"> • Much smaller _ • Smaller _ • About the same _ • Larger _ • Much larger _ |
| <p>C3. Considering the housing market only in your area, how will the performance in the current quarter (April–June 2009) compare with the previous quarter?</p> | <p><input type="checkbox"/> worse <input type="checkbox"/> same <input type="checkbox"/> better</p> |
| <p>C4. How do you think the general situation in the housing market throughout the country will develop compared with the present?</p> | <p>In this quarter: <input type="checkbox"/> worse <input type="checkbox"/> same <input type="checkbox"/> better Over the next two years: <input type="checkbox"/> worse <input type="checkbox"/> same <input type="checkbox"/> better</p> |

GENERAL INFORMATION

- I - Unless indicated otherwise, figures have been computed by the Bank of Italy.
- II - Symbols and Conventions:
- the phenomenon in question does not occur;
 - ... the phenomenon occurs but its value is not known;
 - .. the value is known but is nil or less than half the final digit shown.
- Figures in parentheses in roman type () are provisional, those in parentheses in italics () are estimated.
- III - The tables are identified both by a number and by an alphanumeric code that defines the content of the table in the database in the electronic archive in which information to be released to the public is held. A similar code identifies the different aggregates shown in each table.
- IV - The methodological notes in the last part of the Supplement are identified by electronic codes that refer to the tables and, within each table, to the individual aggregates. Notes that refer to a single observation are also identified by the date of that observation.

SUPPLEMENTS TO THE STATISTICAL BULLETIN

Money and Banking (monthly)

The Financial Market (monthly)

The Public Finances, borrowing requirement and debt (monthly)

Balance of Payments and International Investment Position (monthly)

Financial Accounts (quarterly)

Payment System (half yearly)

Public Finance Statistics in the European Union (annual)

Local Government Debt (annual)

Household Wealth in Italy (annual)

Sample Surveys (irregular)

Methodological Notes (irregular)

All the supplements are available on the Bank of Italy's site (www.bancaditalia.it).

Requests for clarifications concerning data contained in this publication can be sent by e-mail to statistiche@bancaditalia.it

