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Pursuant to Article 43, paragraph (2), item (9) of the Act on the Croatian National Bank (Official Gazette 75/2008 and 54/2013) and Article 19, paragraph (5) of the Act on Consumer Housing Loans (Official Gazette 101/2017), the Governor of the Croatian National Bank hereby issues the

Decision on the minimum content of residential real estate records

I GENERAL PROVISIONS

Introductory provision

Article 1

(1) This Decision prescribes the minimum content of records of residential real estate in agreements on consumer housing loans and its characteristics.

(2) Entities subject to this Decision shall establish and maintain records of residential real estate and its characteristics.

Definitions

Article 2

(1) Unless otherwise prescribed in this Decision, the terms used in this Decision shall have the meaning as defined in the act governing consumer housing loans.

(2) 'Consumer who buys residential real estate for the first time' means a consumer to whom no residential real estate loan has been granted before. In case there is more than one consumer (the case of residential real estate loan guarantor and/or co-debtor) and one or more of these consumers has previously been granted a residential real estate loan, none of these consumers is considered to be a consumer who buys residential real estate for the first time.

(3) 'Holiday house or apartment' means any building or part of a building that is used temporarily or seasonally. Holiday houses or apartments do not include farm buildings used to store agricultural machinery, tools and other equipment.

(4) 'Building land intended for residential real estate construction' means a cadastral parcel that is formed as a single real estate on the basis of a spatial plan and/or executive act that defines the form and size of a building plot on which a consumer intends to build a residential real estate.

(5) 'Family house to let' or 'apartment to let' is a characteristic that is indicated only if a buyer has explicitly stated that the real estate is bought to let, on the basis of that statement.

(6) 'Year of residential real estate construction' means a year of residential real estate construction, regardless of any later reconstruction of the residential real estate. For residential real estate to be constructed, if available, given is the start year of construction and the planned end year of construction, in accordance with available construction documentation or other relevant sources.

(7) 'Surface area of a residential real estate' means the size calculated in accordance with calculation procedures in the Croatian norm HRN ISO 9836:2011, as prescribed in regulations governing the method of real estate valuation. For building land, 'surface area of a residential real estate' means the surface area reported in the land registry records for a cadastral parcel.

(8) 'Surface area of a garden or cadastral parcel' is indicated in cases when a residential real estate is a house, and it represents the surface area of a garden or cadastral parcel on which the residential real estate is located reduced by the floor area of the house and other usable units (ancillary buildings, garages etc.) on that parcel.

(9) 'Fully amortising consumer housing loan' means a loan characterised by periodic principal repayments by a consumer, according to an amortization schedule, over the life of the loan so that the principal is fully paid back at the maturity of the loan.

(10) 'Non-amortising consumer housing loan' means a loan characterized by periodic payments by a consumer of, at most, only the interest on the loan over the life of the loan.

(11) 'Partially amortising consumer housing loan' means a combination of a fully amortising consumer housing loan and a non-amortising consumer housing loan.

(12) 'Total annual disposable income' means the amount of net income generated by a consumer on an annual basis (based on data in IP or PK form, or, if unavailable, other sources).

(13) 'Consumer's total debt' includes all outstanding liabilities arising from loans granted by credit or other financial institutions; stated is only the amount at the moment of consumer housing loan origination.

(14) 'Gross annual rental income' means, where relevant, the annual amount of money actually paid by the tenant to the consumer, net of any incentives and charges.

Entities subject to this Decision

Article 3

Entities subject to this Decision are as follows:

1. credit institutions with head offices in the Republic of Croatia authorised by the Croatian National Bank to provide banking services;
2. credit institutions of other Member States that have, in accordance with the act governing the operation of credit institutions, been authorised to provide banking services within the territory of the Republic of Croatia through a branch;
3. branches of third-country credit institutions that have been authorised by the Croatian National Bank to establish a branch of a third-country credit institution; and
4. credit unions with head offices in the Republic of Croatia that have been authorised by the Croatian National Bank.

II CONTENT OF RECORDS

Residential real estate records

Article 4

(1) Entities subject to this Decision and referred to in Article 3, items (1), (3) and (4) of this Decision shall, with respect to granted consumer housing loans, maintain unique records of residential real estate that shall contain at least the following information on its characteristics:

1. Unique identifier of the residential real estate indicated by entities subject to this Decision in accordance with their own policy.

2. Status of the residential real estate in a contractual relationship with a consumer:

- agreement on a consumer housing loan – pledged residential real estate (mortgage);
- agreement on a consumer housing loan – fiduciary transfer of ownership of the residential real estate; or
- agreement on a consumer housing loan – the residential real estate is to be bought.

3. Type of the residential real estate is indicated as follows:

- a) family house intended for dwelling purposes;
- b) apartment intended for dwelling purposes;
- c) holiday house;
- d) holiday apartment;
- e) family house to let (if the consumer has explicitly stated that the real estate is bought to let);
- f) apartment to let (if the consumer has explicitly stated that the real estate is bought to let);
- g) a garage that is bought by the consumer or serves as collateral together with the residential real estate referred to in sub-items (a) to (f) of this item;
- h) a parking spot that is bought by the consumer or serves as collateral together with the residential real estate referred to in sub-items (a) to (f) of this item; or
- i) building land intended for the construction of the residential real estate referred to in sub-items (a) to (f).

4. For already constructed residential real estate:

- year of construction.

5. For residential real estate to be constructed (if available):

- the start year of construction; and
- the planned end year of construction.

6. Land registry data on the residential real estate:

- (a) a land registry certificate;
 - municipal court/land registry department;
 - cadastral municipality and designation of a cadastral municipality;
 - number of land (cadastral parcel) and subheading of land (cadastral parcel);

- designation of land;
 - number of a land registry file;
 - number of a land registry sub-file;
 - designation of a condominium unit and co-owned part;
 - (b) a certificate from the register of deposited contracts
 - municipal court/land registry department;
 - register of deposited contracts for a cadastral municipality;
 - number of a land registry file; number of a land registry sub-file;
 - type and surface area of the residential real estate indicated in the "Content of the entry" in the second section of the property register.
7. Surface area of the residential real estate serving as collateral, expressed in square metres.
8. Surface area of a garden or cadastral parcel of the residential real estate serving as collateral, expressed in square metres.
9. Name and surname / firm name of the owner of the residential real estate serving as collateral (OIB or another unique identifier).
10. Owner of the residential real estate serving as collateral:
natural person,
legal person.
11. Residence / head office of the owner of the residential real estate serving as collateral:
- the Republic of Croatia;
 - the European Economic Area (other than the Republic of Croatia); or
 - third countries.
12. Data on the valuation of the residential real estate serving as collateral:
- value of the residential real estate indicated in the valuation elaborate, expressed in kuna on the day of valuation;
 - date of valuation;
 - method of valuation;
 - name and surname / firm name of the valuer; and
 - head office of the valuer.
13. Data on all subsequent valuations of the residential real estate serving as collateral:
- type of valuation (valuer or statistical valuation);
 - value of the residential real estate indicated in the valuation elaborate, expressed in kuna on the day of valuation;
 - date of valuation;
 - method of valuation;

- name and surname / firm name of the valuer; and
- head office of the valuer.

14. Data contained in an agreement on a consumer housing loan and other loan-related data:

- for pledged residential real estate – order of priority of the lien (for residential real estate encumbered with several liens);
- for residential real estate to be bought and, where relevant, serving as collateral – the date of the sale agreement;
- date of the agreement on a consumer housing loan;
- number of an analytical account (individual loan);
- amount of the granted loan in kuna;
- total amount paid by the consumer (indicated is the amount in kuna on the loan origination date);
- method of principal repayment (fully amortising loan, non-amortising loan, partially amortising loan);
- currency to which the loan is indexed (if agreed);
- date of origination;
- total contractual life of the loan (in months).

15. Interest rate:

- length of the initial interest rate fixation period in months (if agreed);
- level of the agreed interest rate in the initial interest rate fixation period (percentage rounded to 2 decimal places);
- reference parameter applied (if a variable interest rate is agreed).

16. Data on the consumer at loan origination:

- name and surname of the consumer (OIB or another unique identifier);
- total annual disposable income;
- consumer's total debt;
- gross annual rental income (if the consumer has explicitly stated that the real estate is bought to let);
- consumer who buys residential real estate for the first time (only for residential real estate to be bought).

17. Loan-to-value ratio at origination (LTV-O) – indicated only for consumer housing loans where the residential real estate serves as collateral; it represents the ratio of the loan amount and the value of the residential real estate serving as collateral at the moment of loan origination.

(2) For real estate that does not serve as collateral or for real estate outside the Republic of Croatia, entities subject to this Decision shall indicate the characteristics referred to in paragraph (1) only if they are available.

(3) Entities subject to this Decision and referred to in Article 3, item (2) of this Decision shall maintain unique residential real estate records that shall contain the information referred to in paragraphs (1) and (2) of this Article for all loans originated within the territory of the Republic of Croatia.

III FINAL PROVISIONS

Transitional and final provisions

Article 5

(1) This Decision shall be published in the Official Gazette and shall enter into force on 31 March 2019.

(2) This Decision shall apply to agreements concluded after the entry into force of this Decision.

No.: 343-020/11-18/BV
Zagreb, 21 November 2018

Croatian National Bank

Governor

Boris Vujčić, m.p.