

**PRESS RELEASE**

**INTESA SANPAOLO: THE PLAN OF INTEGRATED INITIATIVES COVERING ALL HOME PURCHASING REQUIREMENTS, FROM CONSULTING AND FINANCIAL BROKERAGE SERVICES TO PROTECTION PRODUCTS, HAS BEEN PRESENTED**

**CEO CARLO MESSINA: “THE GROUP FIRMLY BELIEVES IN SUPPORTING THE RELAUNCH OF THE REAL ESTATE INDUSTRY, A CORNERSTONE FOR THE SAVINGS OF ITALIANS AND THE ECONOMY OF THE COUNTRY”**

- **The Intesa Sanpaolo Casa network is expanding in the territory, with new insurance products and loans for mortgages at highly competitive rates**
- **In one year disbursements by Intesa Sanpaolo have doubled, thus consolidating its leadership on the market**

*Milan, 1 October 2015.* The Managing Director and CEO of the Intesa Sanpaolo Group **Carlo Messina** and the Sales and Marketing Manager **Stefano Barrese** today presented a plan of integrated initiatives for comprehensive home purchasing requirements, ranging from consulting and financial brokerage services to protection products, that sets some very ambitious goals.

Intesa Sanpaolo, that in the last year doubled its disbursements, focuses on an additional substantial increase in **home loans** and as from today through to 31 December is offering **spreads at record lows on mortgages at floating rates starting from 1.15% and at fixed rates starting from 1.75%, and will be informing existing customers that they may change from a floating to fixed mortgage rate.** Moreover, by the end of **2017, the network of Intesa Sanpaolo Casa real estate agents will be present in all the most important Italian cities**, the first of which have already been opened in **Rome, Milan, Turin and Monza** and, before the end of the year, will also be opened in **Naples, Padua, Florence, Bologna and Brescia.** **The importance of synergy with the Group's insurance division**, that has already produced excellent results, was also reiterated: the new home protection policy with the **Intesa Sanpaolo Assicura** technological *smartbox* sold 35,000 kits in the eight months after its launch.

According to the CEO of Intesa Sanpaolo, **Carlo Messina**: *“Today we are presenting an initiative that best expresses Intesa Sanpaolo way of banking, this is one of our growth drivers that is described in the business plan. All the members of the Group are at the service - in a highly integrated manner - of anyone who decides to buy a house today. A highly competitive initiative, that stems from the ability to understand fundamental needs with an innovation-based vision. This new proactive force has already produced its first results: we have disbursed twice as many mortgages with respect to last year, 30% of which to young couples, without restrictions related to the employment contracts of the applicants. Now as in the past.*

*The real estate industry is a fundamental cornerstone for the recovery of the Country and we are convinced that the strong increase in the disbursement of mortgages is a clear sign of a more general revival of our economy. The Country is finally growing again and can rely on*

*Intesa Sanpaolo, the Bank of the real economy, who is committed to developing investments for families and businesses.”*

The Chief Economist of Intesa Sanpaolo **Gregorio De Felice** outlined **an encouraging system scenario**. The factors that support the purchase of a home are once again improving: the income that is available is increasing, the uncertainty about the future is gradually decreasing, the disbursement of mortgages is once again growing significantly. The real estate market is thus recovering: the number of transactions is growing and the expectations of operators are improving; in 2016 prices are also expected to increase. The number of sales, which showed a positive sign in 2014, is expected to grow by 6% per annum in the three year period 2015 to 2017.

This is important news for an industry in which 51% of the total wealth of families is concentrated. **For Italians a home is a fundamental value:** 7 out of 10 Italians own the home they live in, one of the highest percentages in Europe. In Italy the Home industry as a whole - comprising real estate, the building trade, durable goods - corresponds to an added value of approximately 170 billion euro, accounting for 12% of GDP.

According to an **Ipsos survey**, for Intesa Sanpaolo, in 2014 only 24% of the population considered a real estate investment to be “ideal”; today **this investment is once again considered to be advantageous in the opinion of 48% of the persons interviewed**. The main reasons are the drop in the prices of houses and the awareness that taxation may have reached its peak. 52% of the persons interviewed said that they would contact a specialised agent when purchasing real estate property, above all in order to assess the value of the property, while 54% say they would search the web. More than 80% of those interested in buying a house over the next few months would be happy to place themselves in the hands of their bank and Intesa Sanpaolo is the most qualified to offer this service due to its professionalism, reliability and a deep-rooted presence on the territory.

**During the recession, the value of houses dropped.** Investments in real estate became progressively less liquid, transactions halved while selling times more than doubled. The price of existing homes, between 2010 and 2014, dropped by an average of 16.6%, while only the price of new houses “held”. Moreover, between 2007 and 2014, the number of employees in the Home industry decreased by almost 600,000 units, equal to one fifth of the number of persons employed in the industry. A highly **penalising situation for the country's economy**, that prompted the government, institutions and operators to **promote intervention and supporting policies for the industry**. **Intesa Sanpaolo has placed the home as one of the main growth objectives for the coming two-year period.**

## **Loans**

More than 1 million Italian families managed to make their “dream of a home” come true with an Intesa Sanpaolo mortgage, for loans equal to **63 billion euro**. According to the Ipsos survey, **91% of those who are interested in buying a home within the next 12 months intend to apply for a mortgage**. As from today through to 31 December, Intesa Sanpaolo will be offering floating rates with spread starting from 1.15%, and fixed rates starting from 1.75%. Existing customers will also be informed that they may change their floating rate mortgage to a fixed rate mortgage, free of charge, thanks to conditions that remain at record lows.

Between 2010 and 2014, namely **in the years when the recession was at a peak**, Group branches granted to families more than **30 billion euro in home mortgages**. Indeed, the lending

policy of the Bank facilitated access to mortgages even during the most difficult period, offering **greater flexibility to families who find it difficult to meet their mortgage instalments**. Intesa Sanpaolo has introduced the principle whereby the type of employment contract held by an applicant is not a discriminating factor in the mortgage assessment, immediately opening the door of loans to **atypical** workers and later to the new workers **employed under “progressive entitlement” employment contracts**. Many young people consequently approached the Bank, that also offers the **possibility of taking out a loan for 100% of the value of the house, with duration of up to 40 years**. In the last year, **disbursements to the youth segment accounted for approximately 30% of the total mortgages**.

The Bank also took into account the problems that may be encountered when repaying a mortgage in the case of unexpected circumstances, such as losing a job or being on a temporary lay-off fund, and has included in mortgage contracts, at no extra charge, a clause **whereby mortgage instalments may be suspended for a limited period of time**, or modified by extending or reducing the residual duration of the payment plan.

It is significant that **this year disbursements have doubled** with respect to 2014. Even personal loans granted for home requirements grew by 35%. Fast assessment of applications and feasibility opinions given in real time and combined to additional offers - from substitute tax paid by the bank to free car insurance for one year – have all contributed to the extraordinary success of the first and following campaigns, allowing Italian families to save hundreds of euro every month.

### **Intesa Sanpaolo Casa**

In 2014, the Intesa Sanpaolo Group launched the “Real Estate Project”, while “**Intesa Sanpaolo Casa**”, a company dedicated to this industry, was introduced in 2015. The goal by 2017 is to have a network of **real estate agents in all the most important Italian cities**. The first real estate agents have already been opened in **Rome, Milan, Turin and Monza** while new offices will soon be opened in **Naples, Padua, Florence Bologna and Brescia**. These agents offer assistance to help customers find and purchase, restructure and furnish homes, in other words “the dream house on a turnkey basis”.

This is done by combining the skills of its internal network of real estate agents - all employees of Intesa Sanpaolo Casa who are well qualified to carry out this activity - with those of the best architects and professionals on the world market, such as **CoContest**, a platform for interior design, design and renovation, and **Habitissimo** for finding painters, carpenters, plumbers and other professionals who carry out works in a home.

According to a Ipsos survey carried out for Intesa Sanpaolo, more than 90% of those interested in buying a house over the next few months considers such services to be useful.

There are many **advantages**: the customer is assisted by employees that the Group has recruited and trained through its training and recruitment channels. Moreover, all transactions are easier and faster, right from the preliminary contract, that is backed by a policy which protects both the buyer and the vendor, through to the professional assessment of the property, carried out by the real estate agents of Intesa Sanpaolo Casa. There are also advantages for customers who wish to sell their property, who may count on the national dimensions of the network and the communicating positions between the real estate agents. Finally, for builders, Intesa Sanpaolo also offers initiatives to unlock unsold properties, stipulating agreements for each building site, and meeting the requirements of end customers with incentives for appraisal, application and notary expenses.

## **Protecting real estate property**

**More than 35,000 policies sold in the eight months from its launch:** “aCasaConMe” of **Intesa Sanpaolo Assicura** demonstrated the importance of integration with the insurance industry and the success of **high-tech customisable novelties**. In this case, this is a solution that protects the home and its contents from all and any unexpected circumstances that may compromise the safety of the property, its contents and the people who live there. Contrary to standard policies, “aCasaConMe” starts from prevention: thanks to the *smartbox* that detects smoke, suspicious movements, flooding, gas leaks or intrusion, and promptly warns the home owner.

*For more information*

### **Intesa Sanpaolo**

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