

# Unpaid loans for commercial property at € 970 bill. last year

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European commercial property market recorded a total volume of unpaid loans amounting to EUR 970 bill. at the end of 2009. More than a half was recorded in Germany whose share of the total volume was 24 % and Great Britain with 34 %. According to CB Richard Ellis, this reflects the share of investment activity of both countries in the sector. As CBRE point out, not all unpaid loans are bad loans. The biggest worry for the banks are loans with high loan-to-value (LTV) indicators, which shows the ratio of loan to its cover. Such loans amount to EUR 207 bill. Great Britain as well as Germany differ from the rest of Europe by the fact that they are at a higher risk of problematic loans.

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