

UNION OF WORKING CONSUMERS OF GREECE



Household Overindebteness Management

STATISTICAL RESULTS STUDY
2009 - 2019



Athens, March 2019

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CONSUMERS OF GREECE**



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Union of Working Consumers of Greece

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A. Prologue

The Union of Working Consumers of Greece of GSEE (General Confederation of Greek Workers), is constantly confronting with the effects of the economic downturn at all levels which makes its job even more difficult. The conditions that have been created by the crisis have disrupted the situation in our country, turning the daily living of the citizens into a struggle for survival. Suffice to consider that:

- In January 2019, recorded unemployed people in our country exceeded 957.532, while in December 2018 they were recorded 935,449 (2,36% increase)
- Pensioners have suffered severe cuts in their pensions
- The number of citizens who are part of the Social Solidarity Allowance and the number free meals provided are not reduced.

Hundreds of young scientists are leaving our country.

The establishment of the Union of Working Consumers of Greece coincided with the economic and social crisis that plagues our country. In this historical background, GSEE's (Greek General Confederation of Labour) inspirational enterprise to create a consumer movement, on the outskirts of the trade union movement, with the aim of, dynamically, opening up to the society, has been a catalyst.

In April 2009 at the founding Conference of GSEE- (Greek General Confederation of Labour), we pledged to create a Union of Consumers of different quality, with a panhellenic scope aiming to serve unions or individuals, employees, unemployed, students, housewives, and those who experience the effects of labor violations, cutting of wages and pensions, worsening working conditions and lay offs.

From the beginning of our operation, we are fully focused on consumer issues, the new needs that are constantly being created by social and economic changes, that are showing us the way, directing our action to the serious problems facing Greek society. The inability to pay off their debts and the risk of confiscating and bidding on the property of many of our fellow citizens is the key problem currently being sought for an effective solution.

Therefore, we stand by every consumer who deals with problems of over-indebtedness, we provide him information, support and cooperation with qualified scientists for managing his debts in order to rescue his assets and restore first of all, his prosperity and dignity as well.

We are very proud of our work to date and we also aim to continue uninterruptedly and tirelessly in offering our services to each and every one of our fellow citizens.

Ioanna Karandinaki
President of Union of Working Consumers of Greece

B. Executive Summary

The Union of Working Consumers of Greece of GSEE (General Confederation of Greek Workers), within the framework of its 10-year operation report, carried out a survey, using data from consumers-borrowers who came to us during the above period in order to settle their debts.

The purpose of the study is to draw conclusions that will outline the situation in the last years of deep economic recession in our country and give a clear picture of the devastating consequences of the crisis on a collective and individual level.

EKKE has so far managed debts of tens millions euros. These cases resulted either in an out-of-court settlement based on the possibilities offered by Law 3869/2010 (Law Katseli), under the close guidance of our scientific associates, or in seeking judicial settlement by submission of an application under the same Law.

The survey was based on information from consumers-debtors who contacted EEKE in order to settle their debts during the period 2009-2019, taking advantage of the favorable regulations of Greek law.

The total debt related to non-performing loans (NPLs) of the persons who applied subject to this Law with the support of EEKE is € 62 million, a very impressive number that indicates how the crisis has affected our lives both in financial and social field while, at the same time, led many households to the difficulty and inability to repay their loans, with all that entails.

It is important to state out that, in addition to the borrowers who followed some of the procedures under Law 3689/10, we also welcomed hundreds of others, who with the help of our well trained associates, succeed in out-of-court procedures with Credit Institutions, through private agreements.

It is our duty to deal with each case individually, rejecting completely massive and standardized solutions.



C. Profile of NPLs Borrowers

1. The Image of Borrowers

Key point of the study, starting the statistical analysis, is the outline of borrowers profile who requested legal assistance from Union of Working Consumers Of Greece mentioned from now on as E.E.K.E for debts restructuring, through application in the House protection Law 3869 as enacted on 2010 and its benefits.

Table 1

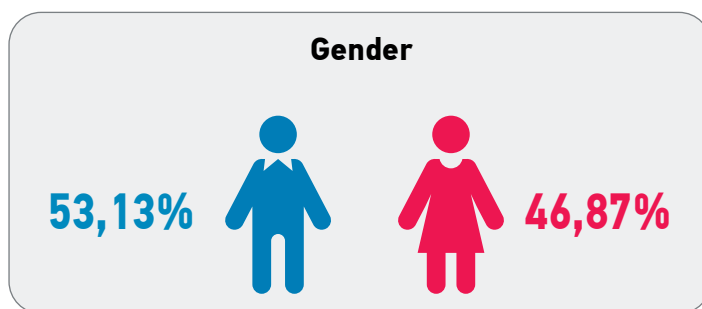


Table 2

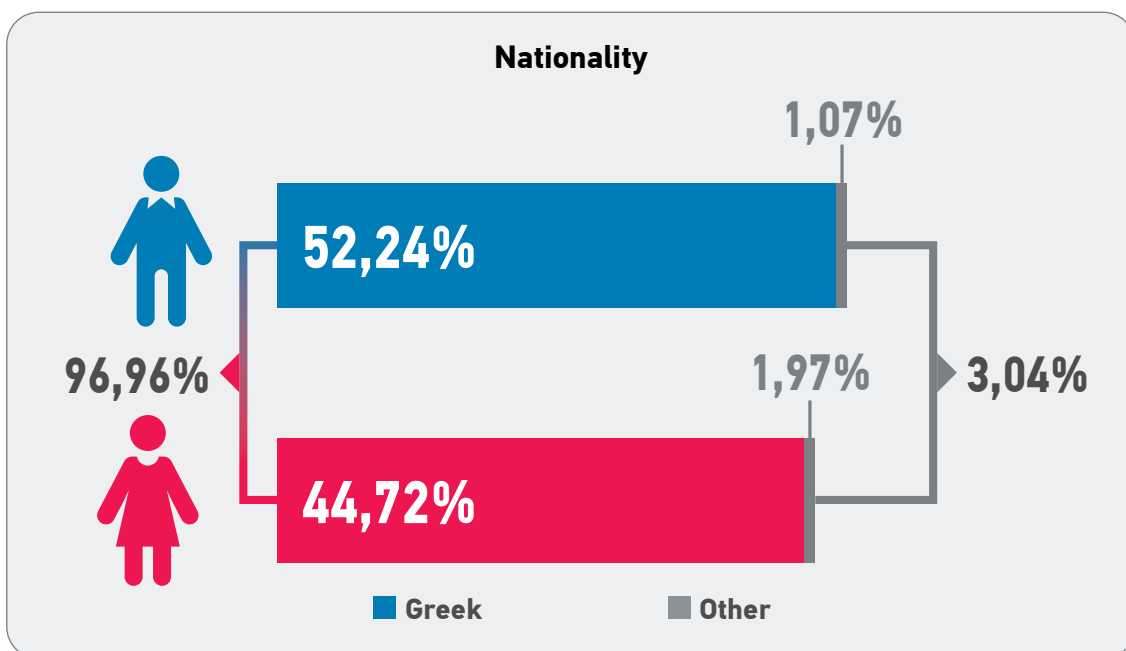


Table 3

Age distribution			
Range of age	Total	Male	Female
Up to 29 years of age	0,72%	0,36%	0,36%
30-39 years of age	6,26%	2,68%	3,58%
40-49 years of age	29,70%	14,31%	15,38%
50-59 years of age	32,02%	15,21%	16,82%
60-69 years of age	21,82%	14,85%	6,98%
70-79 years of age	8,41%	5,19%	3,22%
80-89 years of age	1,07%	0,72%	0,36%
Total	100,00%	53,31%	46,69%

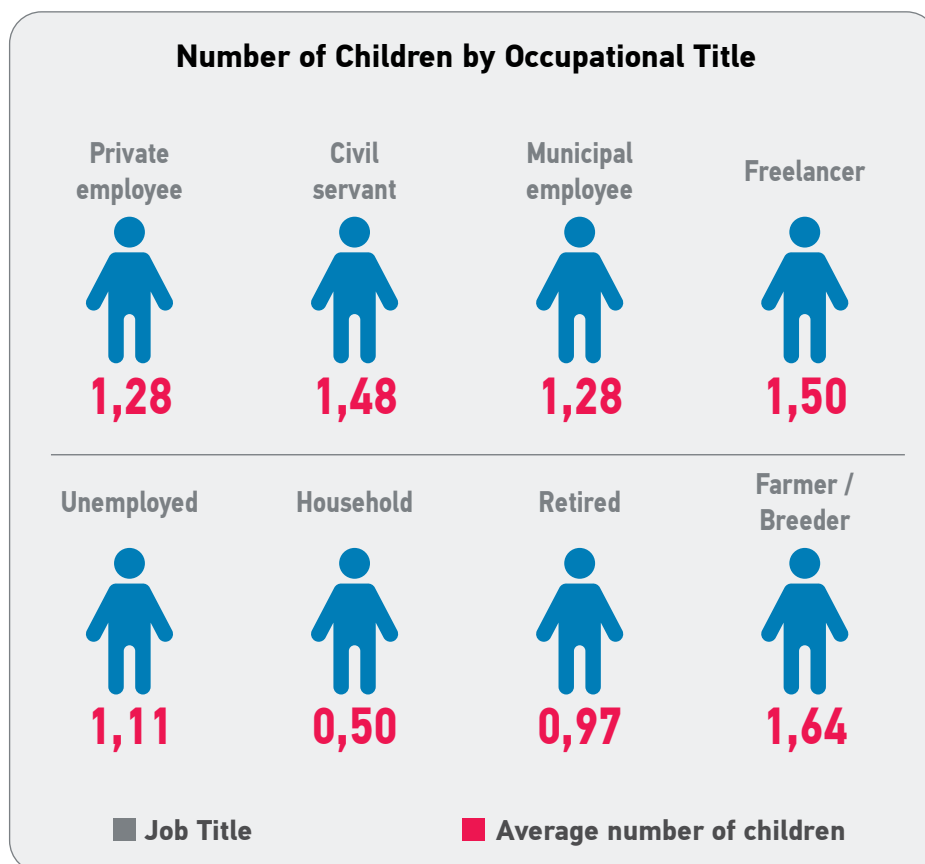
Table 4

Marital status			
	Total	Male	Female
Single	13,24%	6,98%	6,26%
Married	64,76%	38,82%	25,94%
Separated	2,68%	1,07%	1,61%
Divorced	16,46%	5,55%	10,91%
Widow/Widower	2,86%	0,89%	1,97%
Total	100,00%	53,31%	46,69%

Table 5

Type of Occupations			
	Male	Female	Total
Private employee	16,13%	13,98%	30,11%
Civil servant	4,66%	2,51%	7,17%
Municipal employee	0,90%	0,18%	1,08%
Freelancer	2,33%	0,72%	3,05%
Unemployed	16,85%	19,00%	35,84%
Housework	0,00%	3,41%	3,41%
Retired	10,93%	6,45%	17,38%
Farmer / Breeder	1,61%	0,36%	1,97%
Total	53,41%	46,59%	100,00%

Table 6



Analyzing the available data about the characteristics of the debtors (gender, citizenship, age, marital status, professional status, number of children), we reached to the following conclusions:

- The majority of debtors, in particular the 53.13% are men and almost all of them have Greek nationality (96.96%).
- The allocation by age indicates that the majority of debtors are in productive – in financial terms – age, in particular the 32.02% is 50-59 years and the 29.70% is 40-49 years.
- The percentage of divorced people reaches 16.46%, which is impressive and probably reflects yet another social dimension of the economic crisis.
- Problems with the repayment of their loans are faced by - mainly - employees and pensioners as they constitute almost ½ of all debtors. This number illustrates the financial hardship caused by the severe cuts in wages and pensions of the public and private sector.

2. The Financial Situation of the Borrowers

The debtors' assets are illustrated on the following tables considering the gender and the tax valuation of their main residence.

Table 7

Housing Ownership				
Gender	One House	More than one House	Without any Property	Total
Man	36,85%	8,05%	8,41%	53,31%
Woman	34,35%	7,87%	4,47%	46,69%
Total	71,20%	15,92%	12,88%	100,00%

The majority of borrowers (71.2%) are owners of only one home residence. This high percentage is probably justified by the prevailing perception in Greek society that the acquisition of real estate is directly linked to financial security.

There is no significant difference between men and women because in the majority of cases the assets seem to have been acquired jointly by husbands and wife alike.

It's remarkable that 15.92% owns additional assets and mainly small plot of land while a 12.88% owns no assets at all.

Table 8

Objective Tax Valuation of Main Residence	
Objective Value of Main Residence	Average Objective Value
500€ too 50.000€	39,83%
50.001€ too 100.000€	34,02%
100.001€ too 150.000€	15,35%
150.001€ too 200.000€	4,98%
200.001€ too 250.000€	3,32%
250.001€ too 300.000€	2,49%
	100,00%

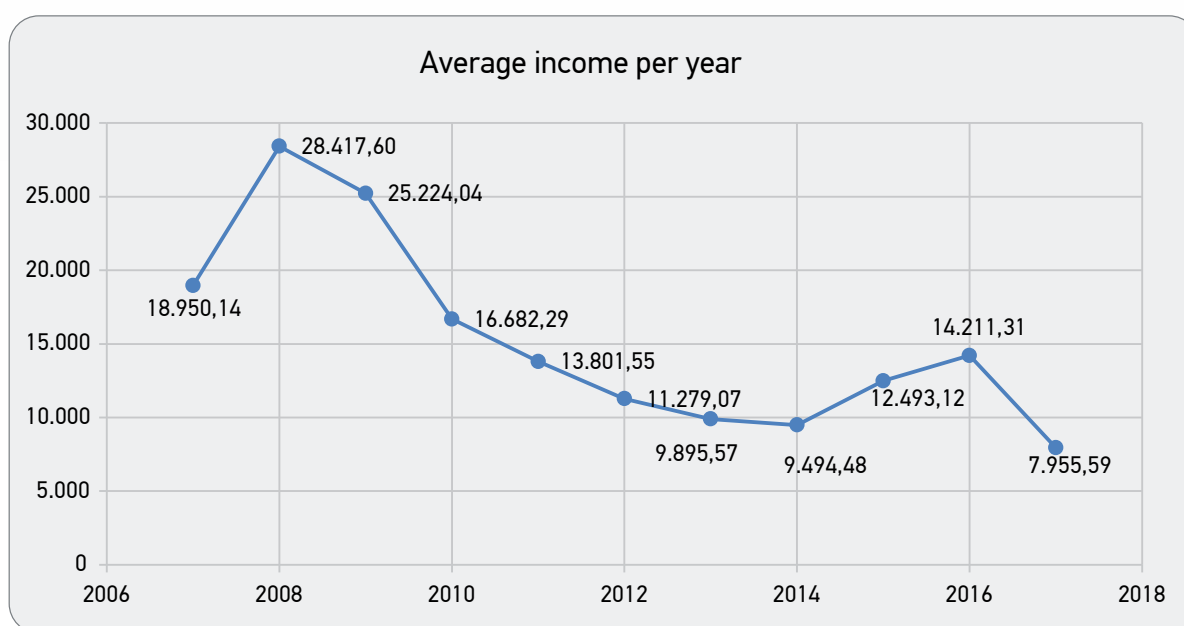
Observing in detail the above table, we realize that the majority of borrowers and in particular the percentage of 39.83% own only one house with an average objective tax valuation of € 29.520 while the 34.02% have an average value of 69.262 €. At the same time, only 2.49% of borrowers own one residence with an objective tax valuation over 250.000 €. Taking into consideration that the percentage 74% of borrowers own only one home with an average object value of less than € 70.000, we realize that there is no point in talking about strategic bad payers (deadbeats) but people who wanted to borrow in order to improve as little as possible their standard of living and the standard of their family.

3. Borrower's Income Developments

Following we may find the data related to the average income of borrowers and their rate of fluctuation per year

Table 9

Average Income Per Year	
2007	18.950 €
2008	28.418 €
2009	25.224 €
2010	16.682 €
2011	13.802 €
2012	11.279 €
2013	9.896 €
2014	9.494 €
2015	12.493 €
2016	14.211 €
2017	7.956 €



The graph above illustrates the dramatic decrease in the income of borrowers who requested legal assistance from the Union of Working Consumers of Greece E.E.K.E. during the crisis. The schematic display illustrates the situation in Greece in the last decade of 2010s and leads to impressively unpleasant findings and useful conclusions. Particularly:

- In the year 2008, when the crisis was just beginning and its effects were not noticeable, the average annual income was € 28.418.
- In the year 2017, the lowest average annual income is observed, which is just 7.956 €. The average annual income has decreased by € 20.462 over 10 years. This statement clearly demonstrates the dramatic pay cuts in wages and pensions and other sources of income and gives us the right to speak of ‘povertization’ in the population.
- In the year 2018, the average monthly income was € 663. This amount confirms the above opinion of povertization, considering the current needs of an average household (rent, bills, essentials, etc.) on a monthly basis.

The numbers figured in the above diagram prove that the **borrowers** who had been led to financial distress and debt accumulation **had no alternative**, as their incomes were not enough to cover their basic needs.

Therefore, **we are not dealing** in the majority of cases with **inconsistent borrowers** who did not pay their loans on time and deliberately incurred debts to Credit Institutions

D. Description of the Non Performing Loans (NPLs)

1. Value and Types of loans

Following are the details of the loans managed by EEKE according to type and credit institution. Credit Institutions are not named because our aim is not to accuse specific banks but to demonstrate the lending policy that creditors have followed, which has resulted in borrowers' debt accumulation due to difficulty or inability to pay their financial liabilities. The concern arises as to which extent the two counterparties are responsible for the creation of large volumes of non-performing (red) loans.

Table 10

Loans Value		
Loan's Value	Total Debt	Percentage of total loans (%)
0€ to 50.000€	4.877.727,35 €	35,60%
50.001€ to 100.000€	10.004.991,93 €	24,33%
100.001€ to 300.000€	30.626.068,94 €	34,88%
300.001€ to 500.000€	5.887.662,60 €	2,86%
500.001€ to 1.295.000€	10.303.130,56 €	2,33%
	61.699.581,38 €	100,00 €

Table 11

Loans Types		
Mortgage Loans	38.253.403 €	62,00%
Consumer Loans	15.410.102 €	24,98%
Credit Cards	2.547.209 €	4,13%
Corporate Loans	4.464.683,92 €	7,24%
Business Loans	1.024.183,58 €	1,66%
Total loans	61.699.581,38 €	100,00%

The above tables undoubtedly lead to the following conclusions:

- The majority of loans and specific the 35,6% percentage of all loans examined in the research, concerned loans valued to €50.000 while the percentage of 24,33% from 50.000 up to €100.000 and the percentage of 34,88% loans valued from 100.000€ up to 300.000 €.
- Only percentage of 2.33% of the loans were worth over € 500.000 (500.000€ -1.295.000 €).
- Observing the above values, it is clear that the majority of borrowers never intended to take out large loans but low value loans in order to cover current and basic needs such as housing and consumption. Consequently, the lending mechanism did not appear to be available with commitments that were difficult or impossible to service in the future.
- According to the loans classified by their type, leading ones are the mortgage loans with 62% percentage of total loans, followed by consumer loans with a significantly lower share (24.98%). This finding is in support of the view that the majority of borrowers cannot be described as inconsistent or even strategic badgers. These are mainly people who wanted financial help in buying a home for “securing” themselves and their families for the future.
- The figures for one more time “speak for themselves”, declining the position of Credit Institutions for unsecured borrowers who wish to take advantage of not paying for their loans.

2. Non-performing Loans by Credit Institution

The following tables indicate the total loans per credit institution and the types of loans per Credit Institution:



Table 12

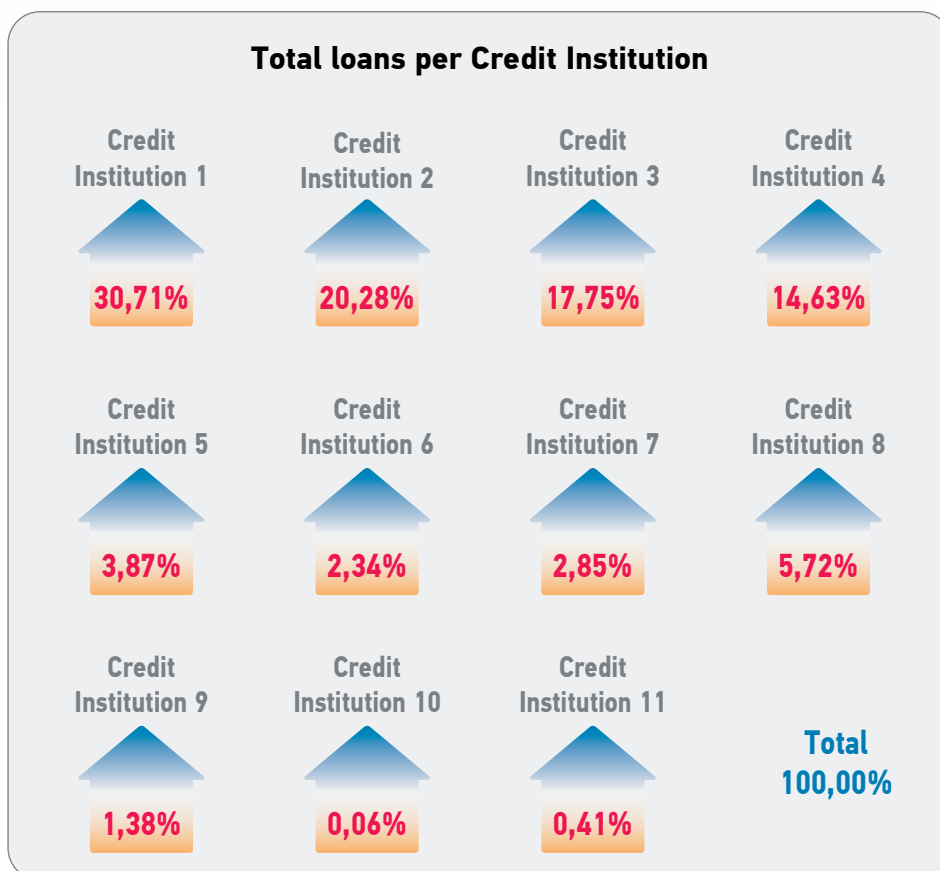


Table 13

Types of Loans per Credit Institution

	1	2	3	4	5	6	7	8	9	10	11
Mortgage Loans	82,33%	49,72%	72,18%	41,36%	97,10%	100,00%	100,00%	3,63%	66,07%		
Consumer Loans	3,88%	35,47%	13,55%	26,80%	2,90%			42,36%	23,14%	100,00%	
Credit Cards	2,14%	5,30%	3,83%	5,61%				2,33%	0,91%		
Corporate Loans	7,38%	9,50%	10,44%	26,24%				51,68%	9,88%		100,00%
Business Loans	4,27%										
Total	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%

The 50.99% percentage, meaning ½ of the loans, were provided by the first two institutions while the first 4 lent the 83,37% of the total loans.

Looking at the types of loan products, it appears that mortgage loans outnumber credit cards by 2: 1 and consumer loans by 2.5.

This reflects the competition between banks that have brought consumer lending and credit card lending with poor or almost non-existent credit and risk control, which raises concerns about the issue of bank liability measure.

3. Analytical Data of Non Performing Loans by Type and by Credit Institution

Following Tables show the allocation between the types of loan per credit institution and the focusing on each of these different loan products.

Table 14

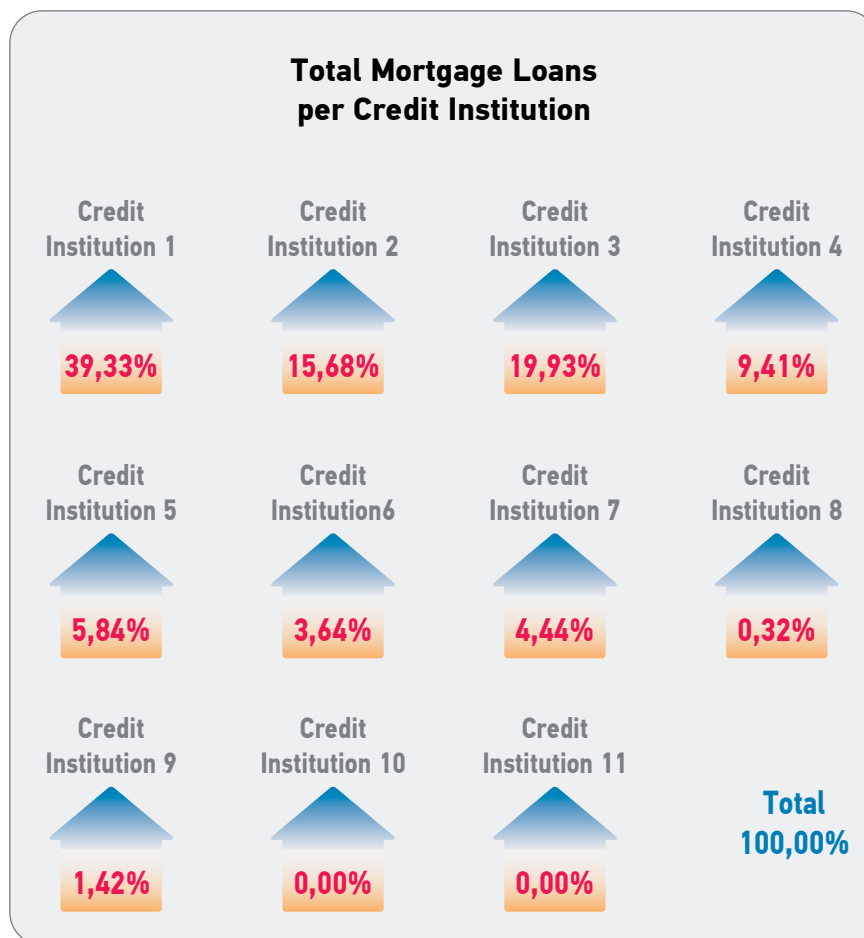


Table 15

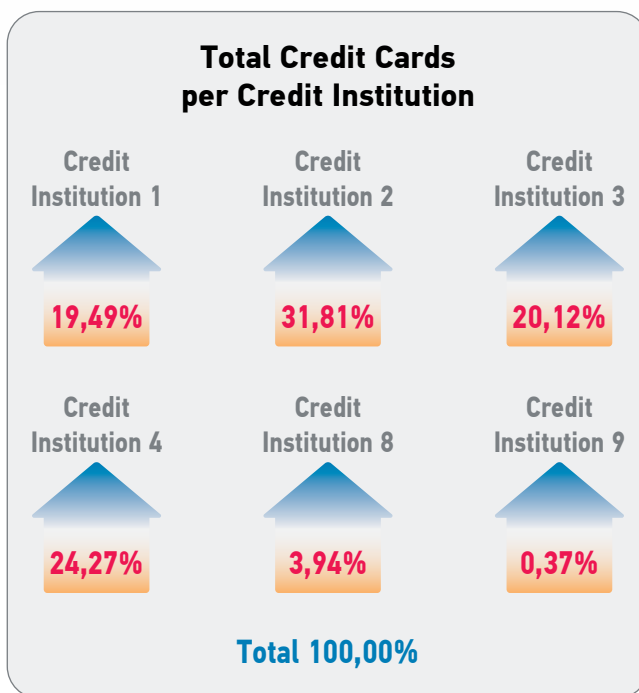


Table 16

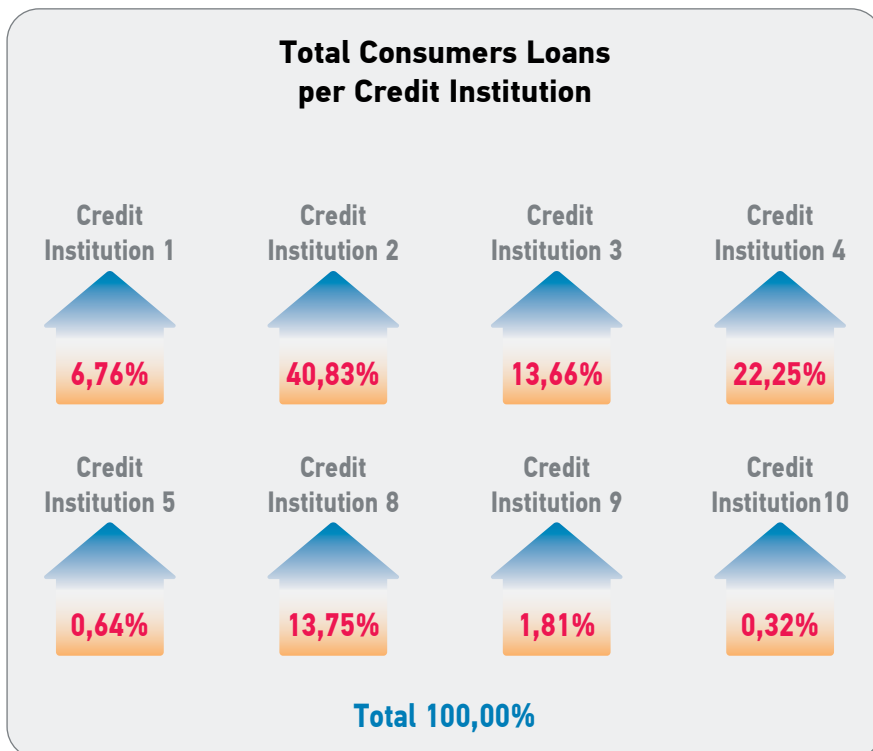
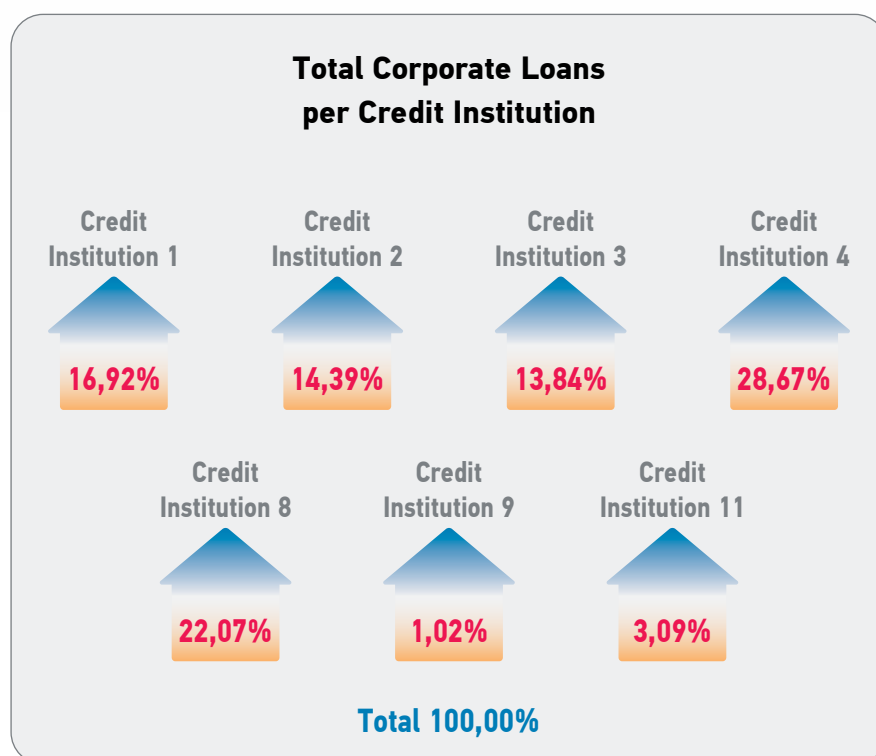


Table 17



Mortgage Loans: The Credit Institution number 1, granted 39,33% of mortgage loans. The next 6 Credit Institutions granted 54.50% while the rest granted 6.18%.

Credit Cards: The percentage 95,69% of credit card lending was made by 4 Credit Institutions while 31,82% was made by only the 1, indicating the great amount of risk of compared to the competition between them.

Consumer Loans: The percentage 40,83% of consumer loans were granted by the Credit Institution 2.

Business Loans: The percentage 43% was given by the first 3 Credit Institutions while the fourth was given by 28.67%.

4. Indicative example of Credit Institutions' Loans

In the table below, is following an analysis of the data relating to a single one credit institution. The number of loans and their total value by category (mortgage-consumer-corporate-credit card) is given.

The reader realizes that this specific credit institution granted **nine (9)** mortgage loans to a single consumer and **eleven (11)** business loans to another. This, by itself, raises doubts in terms of the credit risk management approach followed by the banks, reiterating the question of the measure of responsibility of the individual credit institution, which had to protect the borrower on the one hand, and on the other to ensure the stability of the financial system and, by extension, of the country.

Table 18

Indicative Loans example of a typical Credit Institution

63,50%	23,57%	9,95%	1,97%	0,95%	0,02%	0,02%	0,00%	0,02%	100,00%
4.427.812,09 €	1.643.695,99 €	694.126,90 €	137.328,57 €	66.232,40 €	1.104,51 €	1.398,53 €	39,36 €	1.410,72 €	6.973.149,07 €
Mortgage loan 1	Mortgage loan 2	Mortgage loan 3	Mortgage loan 4	Mortgage loan 5	Mortgage loan 6	Mortgage loan 7	Mortgage loan 8	Mortgage loan 9	Total value of Mortgage loans
<hr/>									
79,47%	16,68%	3,20%	0,05%	100,00%					
260.939,32 €	54.758,25 €	10.523,34 €	168,34 €	328.365,94 €					
Consumer loan 1	Consumer loan 2	Consumer loan 3	Consumer loan 4	Consumer loan 5					
<hr/>									
49,29%	32,40%	16,55%	1,77%	100,00%					
89.541,42 €	58.849,63 €	30.057,67 €	3.209,51 €	181.658,23 €					
Credit card 1	Credit card 2	Credit card 3	Credit card 4	Total value of Credit cards					
<hr/>									
15,82%	3,61%	5,52%	0,02%	7,63%	0,02%	6,30%	0,62%	60,42%	100,00%
98.845,00 €	22.528,32 €	34.482,44 €	124,50 €	47.686,16 €	124,50 €	39.333,12 €	3.881,53 €	377.451,33 €	624.705,90 €
Corporate loan 1	Corporate loan 2	Corporate loan 3	Corporate loan 4	Corporate loan 5	Corporate loan 6	Corporate loan 7	Corporate loan 8	Corporate loan 9	Total value of Corporate loans

E. Loans by Type and Borrowers

1. NPLs by Individuals' Employment Status

Loans in this section are analyzed according to the employment status of borrowers:

Table 19

Loans per working status of individuals		
Working Status	Loan value	%
Private employee	16.890.776,16	27,38%
Civil servant	5.280.257,83	8,56%
Municipal employee	324.921,68	0,53%
Freelancer	3.442.787,75	5,58%
Unemployed	21.637.406,95	35,07%
Household	1.214.073,14	1,97%
Retired	9.081.200,98	14,72%
Farmer/Breeder	3.828.156,89	6,20%
Total	61.699.581,38	100,00%

* Working status refers to the period of assistance request from EEKE and not the period of loan approval.

Table 20

Corporate and Business Loans per Working Status		
	Corporate Loans	Business Loans
Average value per Working Status	27,227	53,904
Private employee	19.253,47 €	43.103,64 €
Civil servant	11.640,90 €	0,00 €
Municipal employee	5.026,07 €	0,00 €
Freelance	24.275,50 €	26.913,45 €
Unemployed	37.446,82 €	86.297,29 €
Household	36.256,50 €	0,00 €
Retired	15.876,27 €	0,00 €
Farmer/Breeder	31.255,95 €	0,00 €

Table 21

Average Loan value per Working Status of Individuals			
Average Value per Working Status	3.608	14.704	62.404
Working Status	Average Value of Credit Cards	Average value of Consumers loans	Average Value of Mortgage loans
Private employee	3.098,86 €	16.393,86 €	56.325,93 €
Civil servant	3.348,96 €	14.692,46 €	61.166,57 €
Municipal employee	6.154,99 €	15.147,22 €	34.381,81 €
Freelancer	3.925,50 €	18.485,80 €	81.754,24 €
Unemployed	3.602,93 €	15.079,22 €	65.001,53 €
Household	3.700,60 €	10.632,42 €	62.307,05 €
Retired	3.990,35 €	12.658,05 €	55.182,68 €
Farmer/Breeder	5.390,66 €	11.672,78 €	114.633,70 €

We observe the following:

- A 35,07% of the debtors were unemployed at the time they requested assistance from EEKE since they lost their job due to the financial crisis, while 27,08 % were private sector employees . A high percentage of individuals, lost their job and the main source of their income, resulting in the inability to repay their loans. This constitutes one of the most dramatic economic and social consequences of the crisis. Similarly, the financial situation of employees has changed, as the private sector has suffered immensely from the economic downturn in Greece.
- The average value of the loans relative to the borrowers' professional standing is within reasonable limits. The average value for all business and corporate loans per job status is € 81.131. The highest average value of business and corporate loans is € 123.744,11 for the unemployed borrower and the lowest is € 5.026,07 for the municipal employee.

2. (NPLs) Loans per Family Status

At the same manner, the following Tables analyze loans according to family status of borrowers:

Table 22

Loans per Marital Status of Individuals		
Marital Status	Value of Loans	%
Single	6.810.516,88 €	11,04%
Married	40.178.402,60 €	65,12%
Separated	3.657.735,56 €	5,93%
Divorced	9.393.507,15 €	15,22%
Widow/Widower	1.659.419,19 €	2,69%
Totsl	61.699.581,38 €	100,00%

Table 23

Average Value of Loans per Marital Status				
Average by Marital Status	3.607,95 €	14.704,30 €	62.403,59 €	80.715,83 €
Marital Status	Average Value of Credit Cards	Average value of Consumer's Loans	Average Value of Mortgage Loans	Average Value of Total Loans
Single	3.642,58 €	22.935,03 €	63.419,98 €	89.997,59 €
Married	3.559,07 €	14.312,18 €	60.626,77 €	78.498,02 €
Separated	3.213,44 €	17.532,78 €	73.817,59 €	94.563,80 €
Divorced	3.909,73 €	11.469,31 €	66.958,77 €	82.337,81 €
Widow/Widower	3.185,48 €	8.486,65 €	62.777,34 €	74.449,48 €

Table 24

Corporate and Business Loans by Family Status			
Average by Family Status	27.223,68 €	53.904,40 €	81.128,08 €
Marital Status	Average Value of Corporate Loans	Average Value of Business Loans	Average Value of Total Loans
Single	14.889,69 €		14.889,69 €
Married	25.122,04 €	72.479,14 €	97.601,18 €
Separated	125.571,23 €		125.571,23 €
Divorced	19.795,17 €	32.902,37 €	52.697,54 €
Widow	19.833,57 €	20.800,38 €	40.633,95 €

As it is shown, 65,12% of loans, valued at € 40,178,402.60 in total, were taken out by married couples due to increased family needs and their quest for financial security.

The average value for loans per marital status is € 80.715,83, while € 89.997,59 is for singles, € 78,498.02 is for married couples, € 94,563.80 is for separated couples, € 82,337.81 is for divorcees and €74,449.48 is for widowers, respectively. The highest average value is observed in the category of separated borrowers. This observation leads to the possible correlation of debts with the breakdown of interpersonal relations, revealing this way the undeniable social implications of the economic crisis.

The total average value of business and corporate loans is observed on divorced borrowers (€125.571,23) followed by the total average value of married people (€97.601,18).

F. Non-performing Loans by Region

1. Non-performing Loans by Region

In the Tables below, relevant data of NPLs according to Region, are given:

Table 25

NPLs by Region		
Region	Value of Loans	% Region
Attica Region	27.488.950,08 €	44,55%
Region of East Macedonia and Thrace	1.067.861,31 €	1,73%
Region of West Macedonia	388.734,87 €	0,63%
Region of Central Macedonia	9.669.941,31 €	15,67%
Region of West Greece	1.860.268,77 €	3,02%
Region of Central Greece	6.510.023,03 €	10,55%
Region of Epirus	424.709,87 €	0,69%
Region of Crete	9.758.070,62 €	15,82%
Region of Southern Aegean Sea	476.041,24 €	0,77%
Region of Peloponnese	3.931.803,95 €	6,37%
Region of Thessaly	123.176,33 €	0,20%
Total Value of Regions	61.699.581,38 €	100,00%

The majority of non-performing loans (44,55%) are located in Attica and percentage 55,45% are distributed in the rest of Greece's Administrative Regions. Second is the Region of Central Macedonia with a percentage of 15.67%, third is the Region of Central Greece with a percentage of 10,55% and the fourth is the Region of Thessaly. The over-concentration of the population in the capital of the country for many reasons, not only labor, justifies this high proportion of the Attica Region.

2. Types of Loans by Region

The following Table provides data on non-performing loans by Region:

Table 26

Loans of Individuals per Administrative Region of Greece		
Total Value	4.464.683,92 €	1.024.183,58 €
Region	Total Value of Corporate Loans	Total Value of Business Loans
Attica Region	1.556.424,81 €	325.992,57 €
Region of East Macedonia and Thrace	60.117,86 €	0,00 €
Region of West Macedonia	93.818,23 €	0,00 €
Region of Central Macedonia	317.169,77 €	261.902,27 €
Region of West Greece	0,00 €	0,00 €
Region of Central Greece	1.422.136,65 €	0,00 €
Region of Epirus	0,00 €	0,00 €
Region of Crete	116.594,29 €	383.476,07 €
Region of Southern Aegean Sea	37.436,55 €	52.812,67 €
Region of Peloponnese	844.758,42 €	0,00 €
Region of Thessaly	16.227,34 €	0,00 €

The following table indicates the total value of loans by type and by Region:

Table 27

Loans of Natural persons per Administrative Region of Greece			
Total Value	2.547.209,19 €	15.410.101,50 €	38.253.403,19 €
Region	Total Value of Credit cards	Total Value of Consumers Loans	Total value of Mortgage Loans
Attica Region	1.805.968,93 €	6.549.004,67 €	17.251.559,10 €
Region of East Macedonia and Thrace	52.021,35 €	484.205,31 €	471.516,79 €
Region of West Macedonia	1.584,30 €	50.972,96 €	242.359,38 €
Region of Central Macedonia	295.402,51 €	3.045.753,94 €	5.749.712,82 €
Region of West Greece	66.695,21 €	386.227,04 €	1.407.346,52 €
Region of Central Greece	57.755,95 €	829.910,41 €	4.200.220,02 €
Region of Epirus	4.170,97 €	55.759,07 €	364.779,83 €
Region of Crete	173.551,15 €	2.343.079,97 €	6.741.369,14 €
Region of Southern Aegean Sea	31.951,98 €	275.716,40 €	78.123,64 €
Region of Peloponnese	49.764,96 €	1.362.561,78 €	1.674.718,79 €
Region of Thessaly	8.341,88 €	26.909,95 €	71.697,16 €

Examining the data we observe that:

- The total value of mortgage loans throughout the country is € 38.253.403,19, while the total value of credit cards is only € 2.547.209.19. Therefore, the most popular form of lending was mortgages.
- The highest total value for all types of loans is observed in Attica Region, which is explained easily by Attica's population supremacy due to the urbanism that distinguishes our country.
- Once again the elements confirm that the main reason for borrowing was to cover housing needs rather than senseless lending aimed at comfortable and luxurious living.

3. Repayment Time of all Loans

The Table below provides information in terms of the repayment time of loans by individual income per Region:

Table 28

Repayment Time of Total Loan Based on per capita Income per Region					
Region	Average Value of Credit Cards	Average Value of Consumers Loans	Average Value of Mortgage Loans	Total Average Loans Value	Time of Repayment based on per capita Income per year
Region of East Macedonia and Thrace	4.001,64 €	15.131,42 €	52.390,75 €	71.523,81 €	4,7
Central Macedonia	2.924,78 €	15.460,68 €	52.270,12 €	70.655,57 €	4,3
West Macedonia	316,86 €	10.194,59 €	34.622,77 €	45.134,22 €	2,4
Epirus	2.085,49 €	11.151,81 €	72.955,97 €	86.193,27 €	6,1
Thessaly	2.780,63 €	8.969,98 €	71.697,16 €	83.447,77 €	5,3
West Greece	2.667,81 €	9.655,68 €	70.367,33 €	82.690,81 €	5,8
Central Greece	2.625,27 €	13.605,09 €	91.309,13 €	107.539,49 €	5,7
Attica	4.004,37 €	13.420,09 €	59.488,13 €	76.912,59 €	2,9
Peloponnese	2.927,35 €	38.930,34 €	69.779,95 €	111.637,64 €	6,7
Southern Aegean Sea	4.564,57 €	34.464,55 €	39.061,82 €	78.090,94 €	3,1
Crete	2.892,52 €	13.465,98 €	68.094,64 €	84.453,13 €	4,6

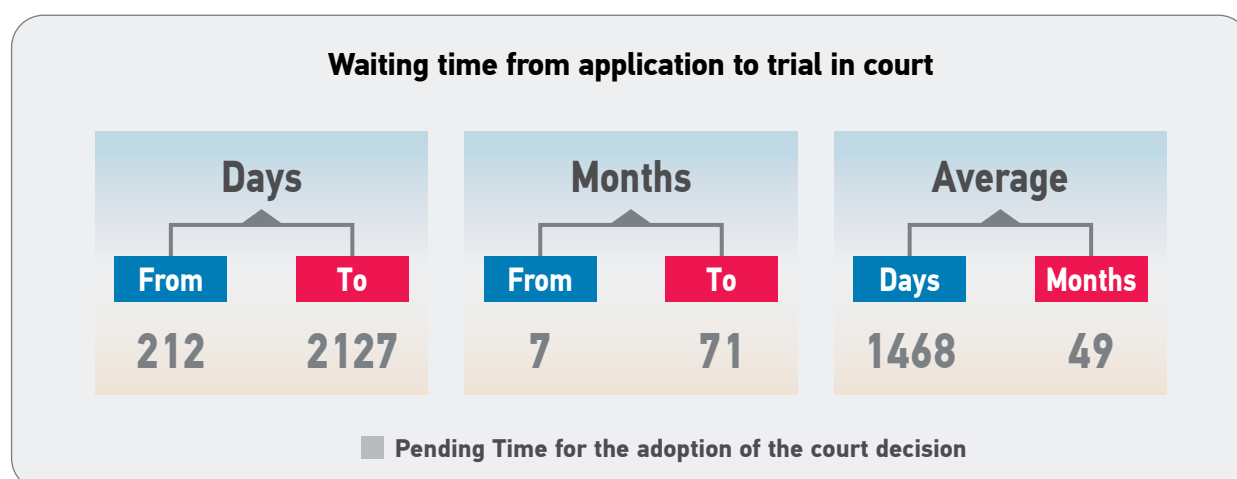
The average repayment period of total loans per capita, measured in years, proves that the borrower could repay them only if he used all his income for this purpose. On the other hand, it shows that banks are not properly aligned with the needs of borrowers as the solutions they propose are often not viable and do not facilitate the repayment of loans.

G. Judicial Process of Greek Bankruptcy Law

1. The Timetables of the Judicial Case

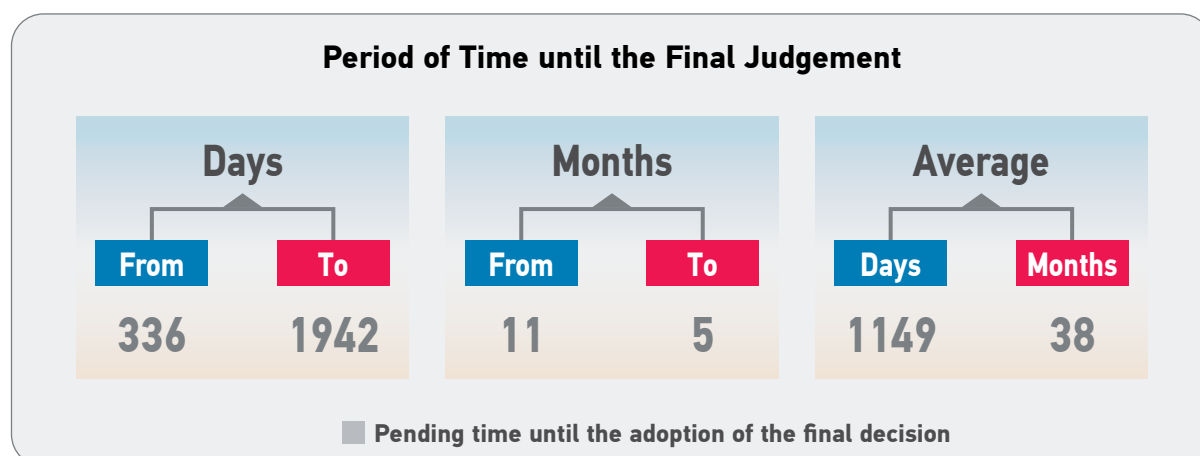
The following Tables show the period of time between the submission of the application until the litigation and the final judgment:

Table 29



The waiting time for debtors with pending cases, from the application submission date until the hearing date at the Court, ranges from 212 to 2127 days (until 1 March 2019). This period is actually very long, resulting in holding borrowers' hostages since the extremely slow litigation seems to work for the benefit of the banks.

Table 30



Respectively big was also the waiting time until the final decision to be issued, that ranges from 336 to 1942 days meaning that the applicants have to suffer a period greater than 3 years (38 months) experiencing uncertainty and anxiety for that period. Therefore, it is a long term arrangement of the situation, while the borrowers need of instant solution to their over debt problem which tortures them.

2. The Results of the Final Court Decisions

The following Tables show the percentage of debts that have already settled and written off by EEKE from the total debt it handled:

Table 31

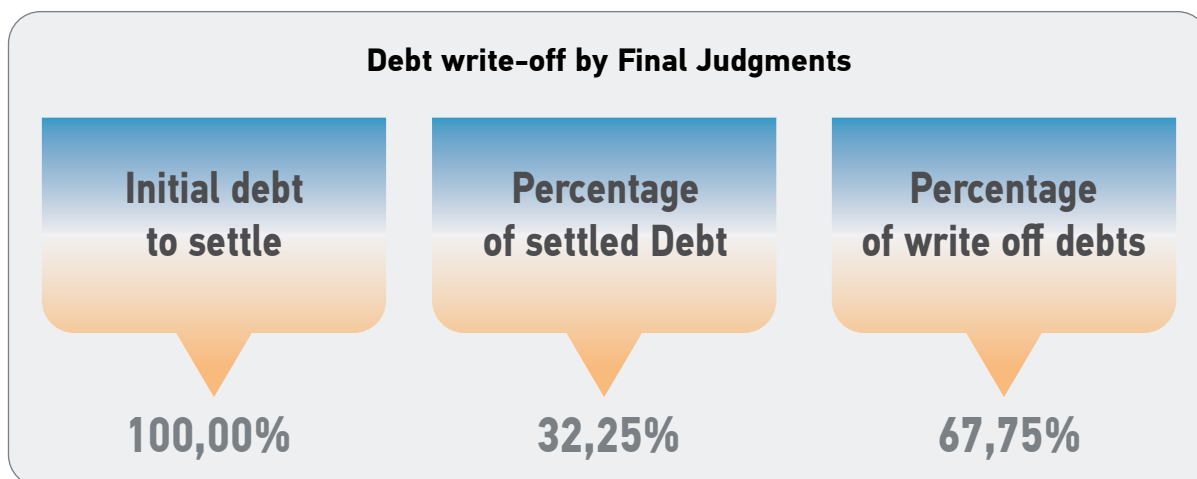
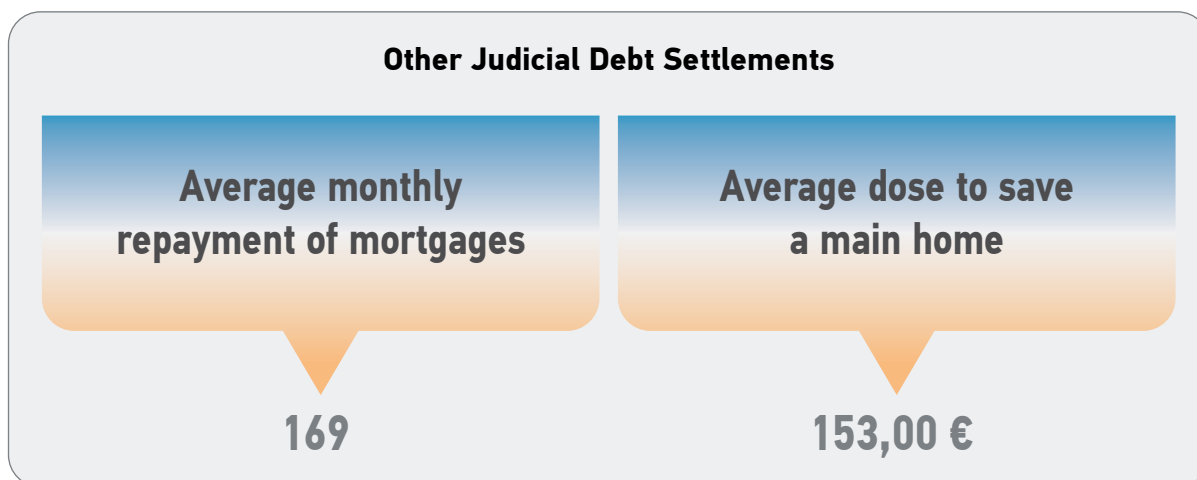


Table 32



*** The Tables above refer to final decisions issued until February 2019**

According to the first table, from the total amount of debts handled, EEKE managed to write off 67,75% of the total debt borrowers applied to the Courts. This percentage is the result of the final court decisions issued until February 2019. The corresponding debt settlement rate was 32.25%.

The second table indicates the average monthly repayment of mortgage loans achieved by EEKE, approaches 169 months. The average monthly payment to save a borrower's one and only primary residence is 153 €.

H. Remarks - Conclusions

The (House protection) Law 3869 since its enactment in 2010 and until its validity date (28 February 2019), judged each over indebted case based on its uniqueness and specific individual characteristics, taking into account social criteria. It introduced, for the first time in the Greek legal order, the law of personal bankruptcy of individuals (excluding individuals as merchants) which, under certain strict conditions, a minimum decent living was protected, while saving, in the same time, the debtor's principal residence. Laws like this, are enjoyed by almost all countries of western culture over time, even in times of non-economic crisis.

The approach of NPL settlement through an electronic platform, such as the out-of-court workout OCW mechanism, practically means that someone will be accepted on objective (econometric) rather than subjective criteria, tailored to every single unique case, and counting the ratio of tax value versus loan balance With cost benefit criteria solely for the creditor and irrelevant to any social criteria relating to the debtor's profile, without any relation of uniqueness and particularities of each case, setting a lower than the present value limit, in order to fit in the new economy setting.

The so-called subsidy of the "NPLs" loan, which will be included in the regulation by the Greek State, unjustly puts a further burden on taxpayers, whereas the damage should have been blamed on the Credit Institutions themselves, which have already received successive refinancing from the Greek State.

The whole debt settlement plan is geared more towards rescuing creditors from the problem of "Non Performing Loans-(NPL)" than relieving citizens of their debts and protecting their constitutional and internationally protected rights to their home and dignity, in times of dramatic economic downturn where these rights are most affected.

A more detailed study of the new bankruptcy framework with a comparative view of how other European or non-European states manage the problem of over-indebtedness and responsible lending, is necessary, in order to draw critical and useful conclusions that could be used in Greece's over-indebtedness proposal.





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