

VENETO BANCA AND VENETO REGIONAL COUNCIL ASSIST FAMILIES IN DIFFICULTY WITH THEIR MORTGAGES

A draft agreement for two important conventions for first-time buyers is signed

A real local bank is one which knows how to best communicate with the local authorities to find effective and concrete solutions to the needs of the local community.

This is the case with the agreement signed today between Veneto Banca and the Veneto Regional Council, which paves the way for a draft agreement between the Regional Council and the Regional Commission of the Association of Italian Banks (ABI) to provide support for households falling behind with mortgage repayments on first houses or those struggling to gain mortgage approval.

The first convention sets forth the allocation of a regional subsidy for Veneto citizens who have taken on a mortgage for their first house and who are at risk of repossession because they are struggling to keep up with their mortgage repayments.

The Regional Council will select the worst-hit families through a special selection process and will provide financial assistance up to a maximum of 20.000 Euros, aimed at bringing repayments up to date.

Veneto Banca will commit itself to renegotiating mortgages of those clients selected by the Regional Council and will apply very favourable conditions. If the repayments are too high compared to the family's income, the company will extend the mortgage term by up to 10 years compared to the original plan. Veneto Banca has also said it will consider applying similar conditions to mortgages already opened with other financial institutions.

The second convention is reserved for families with dependent children and young couples who wish to take out a mortgage to buy, renovate or build their first house.

After assessing the family's income, the Regional Council will provide the most deserving applicants with a contribution up to a maximum of 25,000 Euros, and will reduce total interest on mortgages of not more than 20 years duration and 100,000 Euros value.

For those households selected by the Regional Council who wish to take out a mortgage with Veneto Banca, the bank will waive the start-up fees and will limit the surveyor's costs to a maximum of 150 Euros.

The agreements signed today with the Veneto Regional Council are only two of the many which Veneto Banca has made and is continuing to make on a local level across the region with local authorities, associations and professional organisations in the northeast of Italy.

All the agreements have the same aim: to provide support for families, professionals, businesses, organisations and associations at this difficult time.

To respond to the increasing number of requests for transparent conditions and secure, stable repayments, the Veneto Banca Group – which in addition to Veneto Banca operating in the North East, includes the Banca Popolare di Intra in the North West and Banca Meridiana in the south – has recently launched the initiative Mutuo Europa, a variable-rate mortgage with a discounted interest rate determined by the European Central Bank - which is a more stable interest rate mechanism than the Euribor – and interesting opportunities for converting variable-rate mortgages to fixed-rate by the end of 2011, with clear, transparent terms and conditions.

"Our primary aim," explains Italian Director of Marketing of Veneto Banca Holding, Riccardo De Fonzo, "is to serve local communities by providing our clients with effective, competitive, safe and transparent products and services.

The agreements signed with the Regional Council have these aims: they provide Veneto citizens with conditions which are clear and favourable for the financing of their first home, reducing costs to a minimum during this very difficult economic period."