

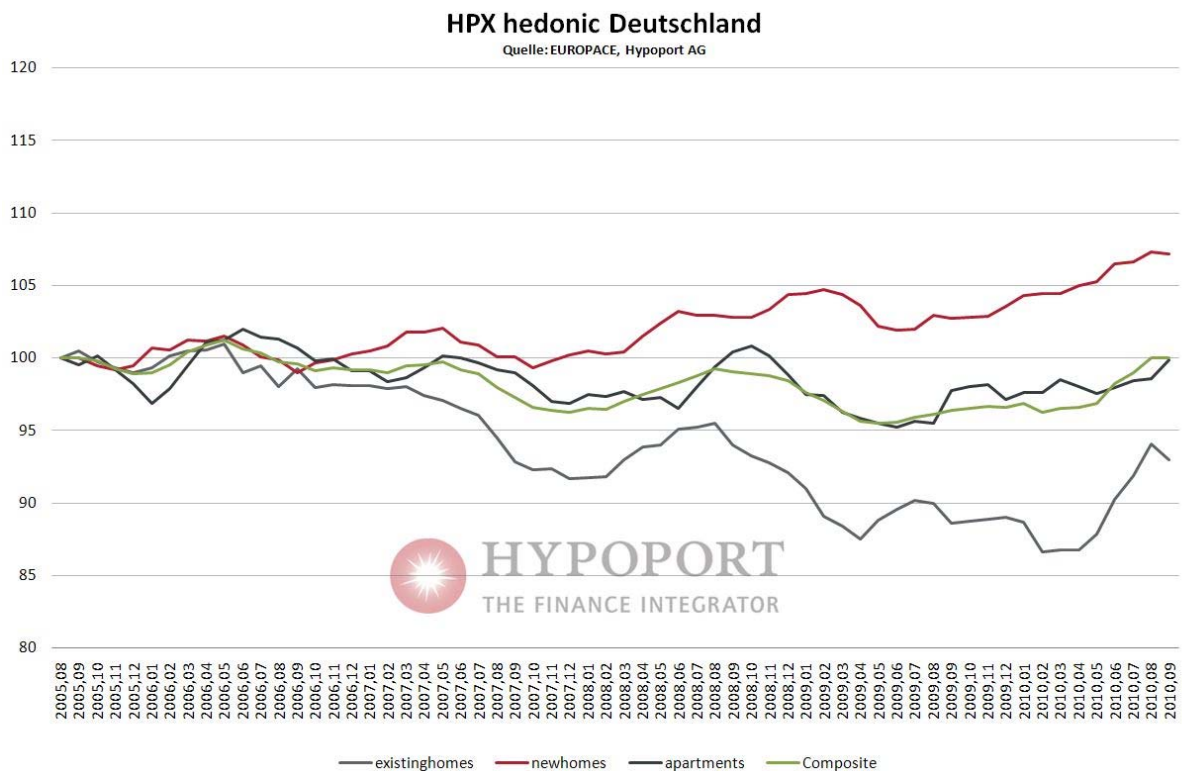
# Press release

Real estate

## Hypoport House Price Index: September 2010

**Berlin, 21 October 2010:** In September, the total index for German residential property regained its starting level of 100 points from August 2005. The index for apartments increased, whereas prices for existing homes declined and the value of new homes remained stable. As such, the total index has stabilised. In spite of marginal increases in costs, the coming months can still be expected to provide good conditions for the acquisition of property.

The HPX indices in summary:



### Assessment and forecast:

Germany is still witnessing a phase of upswing in spite of the slight weakening of the economy at the start of autumn. The labour market is recovering. Prices are generally increasing slightly. Even interest rates rose again in September for the first time in months. Although mortgage terms are still favouring the acquisition of real estate, the rising trend in real estate prices, slightly higher financing costs and the increase in construction costs would seem to indicate that this situation will not last forever. The total index stabilised at a comparatively high level in September. New homes continue to demand high prices whereas existing homes suffered a dip in values. Apartments witnessed the largest index increase and will continue to post marginal gains over the coming months. The various factors that

Management Board:  
Ronald Slabke (CEO),  
Stephan Gawarecki,  
Hans Peter Trampe, Thilo Wiegand

Supervisory Board:  
Dr Ottheinz Jung-Senssfelder (chairman),  
Professor Dr Thomas Kretschmar (deputy chairman),  
Christian Schröder

Berlin-Charlottenburg local court  
HRB 74559  
VAT reg. no.: DE207938067  
Website: [www.hypoport.com](http://www.hypoport.com)

influence real estate prices are currently balancing each other out and will cause the index to continue its lateral trend over the coming months. In the current market situation it is not possible to predict developments beyond the next couple of months.

**The HPX indices in detail:**

**Total index: Stable**

Month	Index value	Month-on-month change
September 2010	100.00	+0.02 %
August 2010	99.98	+ 1.03 %
July 2010	98.96	+ 0.74 %

The total index, which reflects the average values of the three individual indices, remained stable in September. The index has now posted gains consistently over the last seven months by both month-on-month and year-on-year comparison. At its current level of exactly 100 points, the index is 3.78 percent ahead of its level this time last year (September 2009: 96.36 points).

**Apartments ("apartments"): Strongly increasing**

Month	Index value	Month-on-month change
September 2010	99.87	+ 1.32 %
August 2010	98.57	+ 0.17 %
July 2010	98.40	+ 0.46 %

The index for apartments increased by 1.32 percent to its current level of 99.87 points. Averaged out over three months, the index witnessed a particularly strong surge in September, which could be due to seasonal influences. Year on year, the index has gained 2.2 percent (September 2009: 97.72 points).

**New single-family and two-family homes ("new homes") Slightly increasing**

Month	Index value	Month-on-month change
September 2010	107.20	+ 0.10 %
August 2010	107.31	+ 0.64 %
July 2010	106.63	+ 0.11 %

The index for new homes underwent consolidation in September and posted a slight decline of 0.1 percent, albeit at a very high level. At 107.2 points, it is 4.32 percent higher than the level witnessed in September last year (September 2009: 102.76 points). By quarterly comparison, the index is currently 0.65 percent higher than the level posted in June 2010 (106.51 points).

**Existing single-family and two-family homes ("existing homes") Declining**

Month	Index value	Month-on-month change
September 2010	92.94	+ 1.20 %
August 2010	94.07	+ 2.42 %
July 2010	91.85	+ 1.77 %

The index for existing single-family and two-family homes posted a loss for the first time since March 2010. At 92.94 points, it has dropped 1.2 percent by month-on-month comparison (August 2010: 94.07 points). Year on year, however, the index is 4.89 percent ahead (September 2009: 88.61 points).

### **Method of calculating the hedonic HPX indices**

Hypoport AG operates the EUROPACE platform, which is the only independent marketplace for mortgage financing transactions in Germany. EUROPACE now processes some ten percent of all private mortgage transactions in Germany. The house price indices are based on actual transaction data obtained from the EUROPACE platform and are compiled by Hypoport AG on a monthly basis. The total index represents the average aggregate of the individual indices. More information on how the hedonic index is calculated is available at <http://www.hypoport.de/indizes.html>.

### **Information on Hypoport AG**

The Berlin-based Hypoport Group is an online provider of financial products and services and employs approximately 450 people. Its shares have been listed in the Prime Standard segment of the Frankfurt Stock Exchange (Deutsche Börse) since October 2007. The business model used by Hypoport AG is based on two mutually supporting pillars: the sale of financial products (Dr. Klein & Co. AG) and the provision of a transactions platform for the brokerage of financial products over the internet.



The EUROPACE B2B financial marketplace operated by Hypoport is Germany's biggest online transactions platform for selling financial products. A fully integrated system links more than 50 product suppliers with several thousand financial advisers, thereby enabling products to be sold swiftly and directly. The highly automated processes used on this platform generate significant cost advantages. Around 400 financial transactions per day are now settled via EUROPACE. Hypoport AG publishes its monthly house price index (HPX) based on actual transaction data. A list of the banks and financial service providers represented on the online platform as well as the Company's 2009 annual report can be downloaded at [www.hypoport.com](http://www.hypoport.com).

### **Contact**

Hypoport AG  
Klosterstrasse 71  
D-10179 Berlin  
[www.hypoport.de](http://www.hypoport.de)

Michaela Reimann  
Group Communications Manager  
Tel.: +49 (0) 30 / 4 20 86 1936  
E-Mail: [michaela.reimann@hypoport.de](mailto:michaela.reimann@hypoport.de)