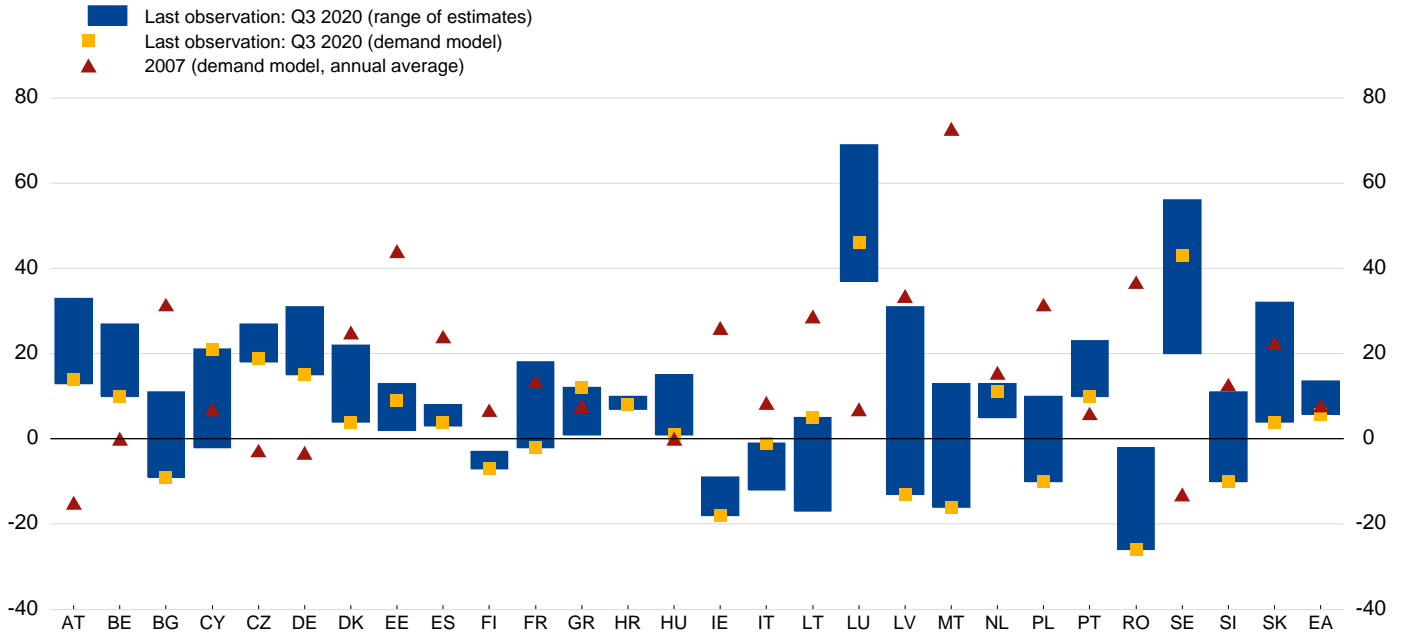


### 3. Credit risk

#### 3.12 Over/undervaluation of residential property prices

(EU; percentages)

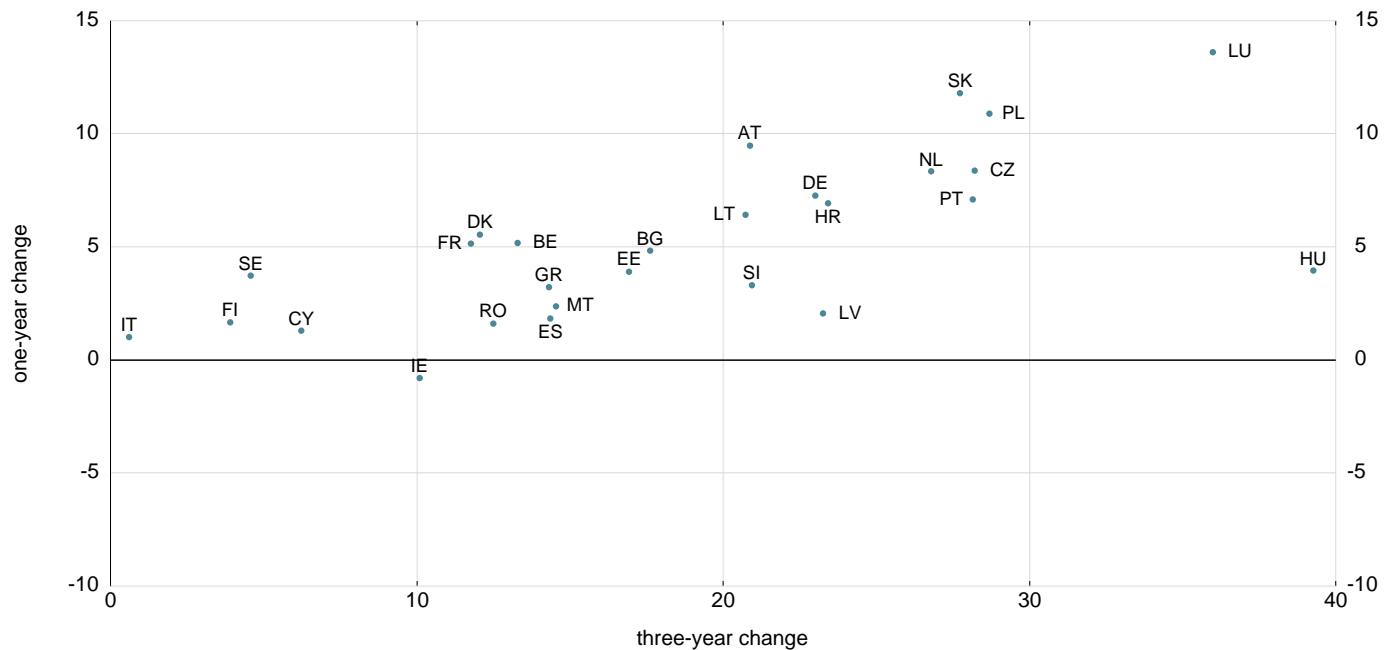


Sources: Eurostat, national sources, ECB and ECB calculations.

Notes: Estimates based on four different valuation methods: price-to-rent ratio, price-to-income ratio, asset pricing approach and a Bayesian estimated inverted demand model. For further details see Box 3, Financial Stability Review, ECB, June 2011; and box 3, Financial Stability Review, ECB, November 2015. For each country, the blue bars represent the range of estimates across the four valuation methods. Estimates are up to Q2 2020 for CY and up to Q3 2020 for all the other countries.

#### 3.13 Change in nominal residential property prices

(EU; percentages; last observation: Q3 2020)



Sources: ECB, national sources and ECB calculations.