

Miriam Anderson and Esther Arroyo Amayuelas (Eds.), *The Impact of the Mortgage Credit Directive in Europe. Contrasting Views from Member States*. Groningen: Europa Law Publishing, 2018. 460 pages. ISBN: 9789089521989. EUR 95.

This book originates from a workshop organized by the University of Barcelona in 2016 and has been expanded to include contributions by experts from Member States not represented at the conference. It has two goals: it aims to explain what triggered the financial and economic crisis in the housing market in different EU Member States, and what prevented it in others. Its ultimate goal is to analyse what changes have been introduced by the Mortgage Credit Directive (MCD) and to find out whether the European legislature's dual objective has been attained or not, and whether the (mostly) minimum harmonization that the MCD proposes has actually promoted a stable financial sector as well as enhancing consumer protection.

The book consists of three parts. Part I contains an introductory chapter on the financial and housing crisis and the content of the MCD (Arroyo Amayuelas), and an introductory chapter on mortgage credit as such (Sparks). It also includes the Spanish national report (Anderson and Simón Moreno). Part II contains the other national reports: on Belgium and France; England; Germany; Greece; Ireland; Italy; Malta; the Netherlands; Poland; and Portugal. Part III concludes with further comparative remarks (Milo), in addition to those found in the first chapter. The book addresses a wide range of mortgage credit aspects, including the impact of unfair terms, foreign currency loans and other types of mortgage loans, irresponsible lending, various practices to circumvent consumer protection rules, the assessment of creditworthiness, property appraisal systems, assignment of secured credits to investment funds and the effects of mortgage enforcement. The reason why Spain is dealt with first is, according to the editors, that the effects of mortgage enforcement were devastating in Spain, and that almost all of the issues addressed in the book were relevant in the Spanish mortgage market, so that the chapter "sets a general picture of one of the jurisdictions where a European effective legislative intervention was eagerly awaited".

The book is worthy of attention for two main reasons. First, it addresses the financial and housing crisis and its aftermath from a property (housing) perspective. In doing so, it provides an insight into the legal and policy mechanisms that caused this crisis. Coming from the Netherlands, where the housing crisis has been an important part of the financial and economic crisis, and where the national legislature has undertaken various measures to prevent another crisis, the book shares the experience of other Member States, such as Spain and Ireland, where similar housing crises have taken place, yet in different ways, which is most fascinating to read. The national reports show how in some instances only certain products (such as foreign currency loans) or practices (irresponsible lending, home-ownership promoting policies, the use of unfair terms) were factors that triggered the property crash; in other cases, the system completely failed to address an exceptional situation; and, finally, in some instances, prudent lending explains why the market was virtually not hit at all. These problems and demands for changes are in fact the benchmark for the evaluation of the MCD. By doing so, the book opens a discussion on, and presents a view on, EU housing policy. It also looks forward to the future,

signalling new problems in the housing market, such as new housing bubbles, empty houses that have not been foreclosed by banks, the difficulty for young consumers to acquire property because of stricter rules, and the shift from owning to renting housing and need for rental protection. Most interesting to read are the chapters which describe such problems. Many of these chapters have clearly been written with compassion for the consumers who suffered from the financial and housing crisis, although there is criticism as well throughout the book towards opportunistic consumers and irresponsible borrowing. The chapters lacking an analysis of the housing crisis, and which are more confined to a strictly legal analysis of the implementation of the MCD, raise the question of whether these Member States have had a housing crisis at all, and if not, why not. In some of these chapters this aspect could have been explained in more detail, so as to give a greater insight into the different developments within the EU and perhaps also to provide a road map for other Member States to learn from each other. The more principal, question of what a European Union should do on a policy level when addressing problems that are apparently so nationally different within the EU could here be raised as well. The book, confined to West European and Mediterranean Member States, could have been more comprehensive by including (more) Eastern European Member States, such as the Czech Republic, Latvia and Romania, and Scandinavian Member States, which are not represented. On the other hand, it covers twelve jurisdictions in Europe, both civil law and common law, in which the housing market responded in different ways to the financial crisis.

The second reason why the book is interesting to read is that it provides an insight into the more technical, legal effects of the implementation of the MCD per Member State. According to the editors, the book aims to find out whether the two goals of Directive 2014/17 (financial sector stability and enhanced consumer protection) can be achieved in light of its provisions and the transposition carried out by the different Member States, and whether the changes it introduces have a significant impact in the jurisdictions here considered. The book actually does more. The MCD contains various rules, including rules on assessing creditworthiness, property appraisal, information duties and foreign currency loans, but no sanctions, and the book informs us in great detail to which extent these rules have actually been implemented, and how, and to what extent other rules, also from other directives (such as the Directive on unfair contract terms), have been used by the courts to solve problems. The national reports not only show differences in the implementation of the MCD, but also, generally, a lack of the clear private law sanctions. This aspect of the book raises questions as to the effectiveness of the MCD in light of both consumer protection and harmonization, which deserve further attention. In comparing the specific outcomes presented by the various national reports, more uniformity and consistency in the description of the implementation would have helped in making a legal comparative analysis for the reader, despite the two helpful chapters with comparative remarks.

The book is a significant lawyers' contribution to a better understanding of the financial housing crisis in Europe and the impact (or the lack thereof) of the Directive which is supposed to resolve or prevent such a (future) crisis. As a whole, the book contains much academic and practical information on the subject, and is thus indispensable for anyone interested in the subject. As the housing market in Europe continues to develop in sometimes problematic ways, this project is probably still work in progress.

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