

**The full text
of Decree No 10/2016 of Národná banka Slovenska of 13 December 2016
laying down detailed provisions on the assessment of
a consumer's ability to repay a housing loan (Notification No 373/2016),
as amended by Decree No 7/2018 of 29 May 2018 (Notification No 169/2018),
by Decree No 10/2019 of 17 December 2019 (Notification No 503/2019),
and by Decree No 5/2022 of 23 August 2022 (Notification No 309/2022)**

Národná banka Slovenska, after consultation with the Ministry of Finance of the Slovak Republic and in accordance with Section 8(16)(a) to (c), (f) and (g) of Act No 90/2016 on housing loans (and amending certain laws), as amended (hereinafter 'the Act'), has adopted this Decree:

**Section 1
Subject matter**

This Decree applies to creditors as defined in Section 2(1)(a) of the Act (hereinafter referred to collectively as 'creditors' and individually as a 'creditor') and specifies details about:

- (a) the method for calculating the indicator of a consumer's ability to repay a housing loan;
- (b) taking into account a potential increase in the interest rate on a housing loan (hereinafter 'borrowing rate');
- (c) what is meant by significantly increasing the total amount of a housing loan and by significantly exceeding the sum of existing housing loans' outstanding amounts;
- (d) requirements for submitting evidence of a consumer's income and for the verification of information on a consumer's income;
- (e) the maximum term of a housing loan;
- (f) the maximum limit on the loan-to-value ratio for a housing loan;
- (g) conditions for the valuation of residential immovable property collateral;
- (h) the maximum limit on the debt-to-income (DTI) ratio, the level of this limit and the method for calculating the ratio.

Section 2

The method for calculating the indicator of a consumer's ability to repay a housing loan

(1) The indicator of a consumer's ability to repay a housing loan (hereinafter 'debt service-to-income (DSTI) ratio') shall be calculated as the ratio of the consumer's total financial obligations under paragraph 3 to the consumer's total income under paragraph 4 less the consumer's total expenditure on basic necessities under paragraph 5. All items of the calculation of the DSTI ratio are calculated for a period of one month.

(2) The maximum limit on the DSTI ratio calculated in accordance with paragraph 1 is 1.

(3) For the purposes of paragraph 1, a consumer's total financial obligations shall be determined as the sum of:

- (a) the amount of the housing loan instalment under Section 8(4)(c) of the Act, subject to the provisions of paragraph 9 and Section 4 of this Decree; and
- (b) the consumer's income-reducing financial obligations under Section 8(4)(d) of the Act, subject to the provisions of paragraphs 10 to 15 of this Decree.

(4) A consumer's total income under Section 8(4)(a) of the Act means the arithmetic average of the consumer's regular net real income for a specific period of time, normally the six calendar months immediately preceding the assessment of the consumer's ability to repay the housing loan.

(5) For the purposes of paragraph 1, the consumer's total expenditure on basic necessities under Section 8(4)(b) of the Act shall not be set lower than the sum of the consumer's minimum subsistence

amount, the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ the total minimum subsistence amounts of all other persons towards whom the consumer has a court-ordered maintenance obligation, and 40% of the difference between, on the one hand, the consumer's total income and, on the other hand, the sum of the consumer's minimum subsistence amount,² the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ and all other persons to whom the consumer has a court-ordered maintenance obligation, unless paragraph 6 provides otherwise.

(6) The volume of housing loans subject to the DSTI ratio limit under other legislation^{2b} and in respect of which the expenditure increase referred to in paragraph 5 is determined to be not less than 30% and less than 40%, plus the volume of consumer loans subject to the DSTI ratio limit under other legislation^{2c} and in respect of which the expenditure increase referred to in other legislation^{2d} is determined to be not less than 30% and less than 40%, may not exceed 7% of the total volume of new housing loans and consumer loans which are subject to the DSTI ratio limits under other legislation^{2e} and which were provided under agreements concluded in the previous calendar quarter, nor may it exceed 5% of the total volume of new housing loans and consumer loans which are subject to the DSTI ratio limits under other legislation^{2e} and which were provided under agreements concluded in the previous calendar half-year.

(7) If, within the previous three months, the creditor provided a housing loan or consumer loan to the consumer in addition to the new loan, or topped up a housing loan that the same creditor had previously provided to the consumer, the cumulative value of all such loans shall be included in the total volume of housing loans and consumer loans for the purposes of paragraphs 6. This does not apply to existing loans that will be repaid by the housing loan applied for.

(8) Unless Section 8 of the Act stipulates otherwise, the DSTI ratio limit under paragraphs 1 to 5 does not apply to housing loans that are to be used to refinance one or more existing housing loans or consumer loans, or to existing housing loans that are to be topped up by amending the housing loan agreement, provided that the amount of the housing loan applied for does not exceed by the lower of the following amounts the sum of the outstanding amounts of the loans to be refinanced or topped up:

- a) €2,000;
- b) 5% of the sum of the outstanding amounts of these existing loans.

(9) For the purposes of Section 8(4)(c) of the Act, in respect of housing loans which are subject to a fixed borrowing rate mentioned in Section 2(1)(j) of the Act and to repayment in varied instalment amounts, the DSTI ratio shall be calculated using whichever instalment amount is the highest. In the calculation mentioned in the previous sentence, the first housing loan instalment shall not be taken into account.

(10) For the purposes of Section 8(4)(d) of the Act, in respect of housing loans which are not subject to a fixed borrowing rate as defined in Section 2(1)(j) of the Act and which at the same time have a residual term of more than eight years and will not be repaid by the provision of the housing loan

¹ Sections 62 to 65 and Section 71 of Act No 36/2005 on family (and amending certain laws), as amended.

² Act 601/2003 on the minimum subsistence amount (and amending certain laws), as amended.

^{2b} Section 8(3) of Act No 90/2016 on housing loans (and amending certain laws), as amended by Act No 279/2017.

^{2c} Section 7(19) of Act No 129/2010 on consumer credit and on other credit and loans for consumers (and amending certain laws), as amended.

^{2d} Section 2(5) of Decree No 10/2017 of Národná banka Slovenska of 14 November 2017 laying down detailed provisions on the assessment of a consumer's ability to repay a consumer loan (Notification No 306/2017), as amended by Decree No 9/2019 of 17 December 2019 (Notification No 502/2019).

^{2e} Section 7(19) of Act No 129/2010, as amended.

Section 8(3) of Act No 90/2016, as amended by Act No 279/2017.

applied for, the amount of the income-reducing financial obligation included in the calculation of the consumer's DSTI ratio indicator shall be the higher of the following two amounts:

- (a) the current instalment amount;
- (b) what the instalment would be if the borrowing rate were at least two percentage points higher than the borrowing rate currently stipulated in the loan agreement and if the loan had a maximum term in accordance with Section 6(1), first sentence, (4) and (5); or, alternatively, if the instalment were higher by a percentage whose numerical value is equal to the loan's residual term expressed in calendar years.

(11) For housing loans under other legislation,³ the borrowing rate used in the calculation of the DSTI ratio under paragraph 10 shall not include any reduction by the amount of the state interest subsidy under other legislation⁴ and by the amount by which the creditor reduces the borrowing rate under other legislation⁵ in respect of mortgage loans for young people under other legislation;⁴ or, alternatively, it shall assume that the instalment amount is higher by a percentage whose numerical value is equal to three times the numeric value of the loan's residual term expressed in calendar years.

(12) For housing loans which over the term of the loan are not subject to a fixed borrowing rate as defined in Section 2(1)(j) of the Act and at the same time are subject to a borrowing rate fixed for more than ten years, the calculation under paragraphs 10 and 11 shall assume a stressed borrowing rate that is at least one percentage point higher than the current borrowing rate; or, alternatively, it shall assume that the instalment amount is higher by a percentage whose numerical value is equal to half of the loan's residual term expressed in calendar years.

(13) If a housing loan agreement stipulates that the maximum cumulative increase in the borrowing rate over the term of the loan shall be lower than two percentage points, the calculation under paragraphs 10 and 11 shall assume a stressed borrowing rate at that maximum level.

(14) For housing loans secured by immovable property under Section 6(2) and (3), the stressed borrowing rate under paragraphs 10 to 13 shall not exceed 6%.

(15) For the purposes of Section 8(4)(d) of the Act, the amount included in the calculation under paragraph 3(b) shall be at least equal to 3% of the total amount of the consumer's authorised overdraft and credit card facilities.

Section 3

Requirements for submitting evidence of a consumer's income and for the verification of information on a consumer's income

(1) For the purposes of submitting documents certifying a consumer's income, internal sources of information on a consumer's income refers to information from any payment accounts⁶ that the consumer holds with the creditor, where the creditor is a bank, foreign bank or foreign bank branch.

(2) For the purposes of submitting documents certifying a consumer's income, external sources of information on a consumer's income are deemed to include, but are not limited to, the following:

- (a) a document confirming the consumer's income which is issued by the consumer's employer and is not older than three months;
- (b) a statement of any payment account⁶ which the consumer does not hold with the creditor and to which income of the consumer is credited on a regular basis;
- (c) the consumer's employment agreement including all its addenda;

³ Section 85a of Act No 483/2001 on banks (and amending certain laws), as amended.

⁴ Section 85a(2) of Act No 483/2001 on banks (and amending certain laws), as amended.

⁵ Section 85a(3)(b) of Act No 483/2001 on banks (and amending certain laws), as amended.

⁶ Section 2(9) of Act No 492/2009 on payment services (and amending certain laws).

- (d) the consumer's most recent income tax return and a document proving the consumer's income for the period between the filing date of that tax return and the assessment of the consumer's ability to repay the housing loan; and
- (e) a document, not older than three months, confirming the amount of benefits that the consumer receives under other legislation.⁷

(3) A consumer's declaration of honour on his or her income is not proof of income.

(4) The information on a consumer's income mentioned in paragraph 2(a) to (c) shall be verified with the consumer's employer or on the basis of other sources independent of the consumer.

Section 4

Taking into account the potential impact of an increase in the borrowing rate on a consumer's ability to repay a housing loan

(1) For housing loans which over the term of the loan are not subject to a fixed borrowing rate as defined in Section 2(1)(j) of the Act, the calculation of the DSTI ratio shall assume the possibility of an increase in the borrowing rate mentioned in paragraphs 2 to 6.

(2) For housing loans which over the term of the loan are not subject to a fixed borrowing rate as defined in Section 2(1)(j) of the Act, the calculation of the consumer's DSTI ratio shall include the higher of the following two amounts:

- (a) the instalment amount stipulated in the housing loan agreement;
- (b) what the instalment would be if the borrowing rate were at least two percentage points higher than the current borrowing rate currently stipulated in the loan agreement and if the loan had a maximum term in accordance with Section 6(1), first sentence, (4) and (5).

(3) For housing loans under other legislation,³ the borrowing rate used in the calculation of the DSTI ratio under paragraph 2 shall not include any reduction by the amount of the state interest subsidy under other legislation⁴ and by the amount by which the creditor reduces the borrowing rate under other legislation⁵ in respect of mortgage loans for young people under other legislation.⁴

(4) For housing loans which over the term of the loan are not subject to a fixed borrowing rate as defined in Section 2(1)(j) of the Act and which, at the same time, are subject to a borrowing rate fixed for a period of more than ten years, the calculation mentioned in paragraphs 2 and 3 shall assume a stressed borrowing rate that is at least one percentage point higher than the current borrowing rate of the loan.

(5) If a housing loan agreement stipulates that the maximum cumulative increase in the borrowing rate over the term of the loan shall be lower than two percentage points, the calculation under paragraphs 2 to 4 shall assume a stressed borrowing rate at that maximum level.

(6) For housing loans secured by immovable property in accordance with Section 6(2) and (3), the stressed borrowing rate under paragraphs 2 to 5 shall not exceed 6%.

⁷ Act No 328/2002 on social security for police officers and soldiers (and amending certain laws), as amended. Act No 461/2003 on social insurance, as amended.

Section 5
Significantly increasing the total amount of a housing loan and significantly exceeding the sum of existing housing loans' outstanding amounts

(1) For the purposes of Section 8(1), (8) and (17) of the Act, significantly increasing the total amount of a housing loan means increasing that amount by more than the lower of the following two amounts:

- (a) €2,000;
- (b) 5% of the outstanding amount of the housing loan.

(2) For the purposes of Section 8(1), (8) and (14) of the Act, significantly exceeding the sum of the outstanding amounts of existing housing loans and consumer loans means exceeding that sum by more than the lower of the following two amounts:

- (a) €2,000;
- (b) 5% of the sum of the outstanding amounts of these existing loans.

(3) If a creditor refinances or increases the total amount of a housing loan mentioned in paragraphs 1 or 2 after refinancing or topping up the same loan within the previous twelve months, the criteria for significantly increasing the total amount of the loan, or for significantly exceeding the sum of existing housing loans' outstanding amounts, shall be assessed on a cumulative annual basis.

Section 6
Maximum terms of housing loans

(1) The term of a housing loan that is secured in accordance with paragraphs 2 and 3 shall not exceed 30 years. This does not apply if housing loans secured in accordance with paragraphs 2 and (3) and having a term of more than 30 years do not constitute more than 10% of the volume of new housing loans which are secured in accordance with paragraphs 2 and 3 and are provided under loan agreements concluded in the previous calendar quarter.

(2) For the purposes of this Decree, residential immovable property pledged as collateral or otherwise encumbered in accordance with paragraph 3 means immovable property which is recorded in the Land Register,⁹ or in an equivalent register in accordance with the law of another country, and which meets the following conditions:

- (a) the immovable property is
 - 1. a flat, or a property that is by its nature residential, or a block of flats as defined in other legislation;¹⁰
 - 2. an unfinished block of flats recorded in the Land Register,⁹ a flat in an unfinished block of flats, or a non-residential immovable property that is in the process of being converted into a flat or house;
 - 3. building land¹¹ which under a municipality's town planning is reserved for the development of residential immovable properties or which is subject to planning permission for the development of residential immovable properties;
 - 4. built-up areas and other land and structures which together with a property mentioned in points 1 and 2 constitute a whole; this is without prejudice to the provisions of other legislation;¹²

⁹ Act No 162/1995 on the Land Register and on the registration of ownership and other rights in immovable property (the Land Register Act), as amended.

¹⁰ Section 43b of Act No 50/1976 on land planning and building regulations (the Building Act), as amended by Act No 237/2000.

¹¹ Section 43h of Act No 50/1976, as amended by Act No 237/2000.

¹² Article 125 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013), as amended.

- (b) when the application for the housing loan is assessed, the immovable property is valued in accordance with Sections 7 and 8;
- (c) the immovable property can be sold in its entirety;
- (d) the immovable property will over the term of the loan serve as collateral for the whole, or part, of the creditor's claim on the consumer which must be secured by immovable property.

(3) Housing loans under paragraph 1 are secured by a pledge of, or other security interest in, residential immovable property meeting the conditions set out in paragraph 2 if such right in favour of the creditor is established by a contract to that effect and is recorded in the Land Register⁹ or in an equivalent register in accordance with the law of another country, and either has seniority over all other claims on the immovable property or is subordinate to a right of pledge which:

- (a) is in favour of the same creditor;
- (b) is securing a claim arising from a transfer of ownership of a flat or non-residential premises under other legislation;¹²
- (c) is in favour of the State Housing Development Fund;¹³ or
- (d) is in favour of another creditor whose claim will be repaid by the housing loan being applied for.

(4) For housing loans under other legislation¹⁴ which are not secured in accordance with paragraphs 2 and 3, the following conditions apply:

- (a) the term of the loan shall not exceed 30 years;
- (b) the volume of such loans whose term is more than 20 years shall not constitute more than 20% of the volume of new housing loans under other legislation¹⁵ which are provided under loan agreements concluded in the previous calendar quarter; and
- (c) the volume of such loans whose term is more than 25 years shall not constitute more than 10% of the volume of new housing loans under other legislation¹⁵ which are provided under loan agreements concluded in the previous calendar quarter.

(5) For housing loans not secured in accordance with paragraphs 2 and 3 and not meeting the conditions mentioned in paragraph 4, the maximum term of the loan shall not exceed eight years.

Section 7

Loan-to-value ratio limits for housing loans

(1) The loan-to-value (LTV) ratio for a housing loan means the ratio of the consumer's housing-loan-related debt under paragraphs 4 to 6 to the value of the loan collateral under paragraphs 7 to 12; the LTV ratio for a housing loan shall not exceed 0.9.

(2) The volume of housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and for which the LTV ratio exceeds 0.8, excluding housing loans under paragraph 3, shall not constitute more than 22% of the volume of new housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and are provided under loan agreements concluded in the previous calendar quarter, excluding housing loans under paragraph 3, nor shall that volume constitute more than 20% of the total volume of new housing loans which are secured by immovable property in accordance with Sections 6(2) and (3) and provided under loan agreements concluded in the previous calendar half-year, excluding loans referred to in paragraph 3.

(3) The LTV ratio limits under paragraphs 1 and 2 do not apply to housing loans that are to be used to refinance one or more existing housing loans, or to existing housing loans that are to be topped up by amending the loan agreement, provided that the amount of the housing loan applied for does not exceed by the lower of the following amounts the sum of the outstanding amounts of the loans to be refinanced or topped up:

¹³ Sections 15 to 18b of Act No 182/1993 on the ownership of flats and non-residential premises, as amended.

¹⁴ Act No 150/2013 on the State Housing Development Fund, as amended by Act No 276/2015.

¹⁵ Section 7(6) of Act No 310/1992 on home savings, as amended.

- (a) €2,000;
- (b) 5% of the sum of the outstanding amounts of the loans to be refinanced or topped up.

(4) The amount of a consumer's housing-loan-related debt means the sum of the amount of the housing loan applied for and the outstanding principals of any other housing loans provided to the consumer, regardless of date of the first drawdown, which are secured by a pledge of the same residential immovable property that will be used to secure the loan applied for.

(5) The amount of a consumer's total housing-loan-related debt also includes the sum of all encumbrances on the immovable property as stated in the ownership certificate recorded in the Land Register,⁹ or in an equivalent register in accordance with law of another country, which constitute senior claims and which were established in favour of:

- (a) the same creditor, if the encumbrances will not be repaid by the loan applied for; and
- (b) the State Housing Development Fund.

(6) The amount of a consumer's total housing-loan-related debt may be reduced by the amount of any deposit¹⁶ that will be used partly or fully to secure the housing loan applied for, in accordance with other legislation,¹⁷ for:

- (a) the duration of the loan; or
- (b) for five years if the relevant amount of the deposit is not more than 10% of the amount of the housing loan.

(7) Where a housing loan is secured by residential immovable property that is the subject matter of a purchase agreement, the valuation of the collateral shall be the lowest of the following amounts: the purchase price of the immovable property; the valuation of the immovable property made by an external appraiser; the valuation of the immovable property made in accordance with the creditor's internal valuation process under Section 8(2). If information on the purchase price of the residential immovable property collateral is not available or if the purchase price of the collateral does not correspond to the market value, for example because the agreement was made between related parties, the purchase price shall not be taken into account for the purposes of this paragraph.

(8) Where a housing loan is secured by residential immovable property that is under construction, the valuation of the collateral shall be the lower of the following amounts: the projected general valuation of the completed immovable property made in accordance with the creditor's internal valuation process under Section 8(2); the price of the immovable property as stated in the contract on the financing of its construction, if such information is available.

(9) Where a housing loan is secured by residential immovable property other than that mentioned in paragraphs 7 and 8, either the valuation of the collateral shall be made in accordance with the creditor's internal valuation process under Section 8(2), or the valuation shall be made by an external appraiser and be not older than three years.

(10) The valuation of collateral that is being valued shall comply with the provisions of Section 6(2) and (3). The value of residential immovable property collateral may not be reduced by the sum of all encumbrances on the immovable property which are stated in the ownership certificate recorded in the Land Register⁹ and which constitute senior claims in accordance with Section 6(3).

(11) If a housing loan is secured by more than one immovable property, the valuation of the collateral shall be the sum of the valuations of these properties made in accordance with paragraphs 7 to 10.

¹⁶ Section 5(a) of Act No 483/2001 Coll., as amended.

¹⁷ Article 197 and 198 of Regulation (EU) No 575/2013, as amended.

(12) The valuation of collateral shall not take into account any adjustments that the creditor makes as part of its risk management procedures. Such adjustments may include, but are not limited to, insurance against foreclosure losses on housing loans with elevated LTV ratios.

Section 8

Conditions for the internal valuation of residential immovable property pledged as collateral

(1) For the purpose of monitoring LTV ratios for existing housing loans, residential immovable property pledged as collateral shall be revalued by the creditor's internal appraiser:

- (a) at least once every three years;
- (b) if market conditions change significantly or if it is assumed that the value of the residential immovable property could decline markedly in comparison with general market prices; the revaluation shall be made within one year from when the market conditions change or the value of the property declines as assumed;
- (c) after the residential immovable property becomes certified for occupancy if the immovable property differs in significant respects from the original project for its construction.

(2) Internal valuations for the purposes of Section 7(7) to (9) and the internal revaluations under paragraph 1 shall be made:

- (a) by the creditor's internal appraiser and shall be an expert estimate of the price for which the residential immovable property could be sold under normal market conditions; or
- (b) by a procedure that includes monitoring the value of the residential immovable property, identifying whether the immovable property needs to be revalued, and revaluing the immovable property.

(3) For the purposes of this Decree, 'internal appraiser' means a person who is:

- (a) independent of the decision on providing the housing loan;
- (b) professionally qualified to make an internal valuation by virtue of being a natural person who is a graduate in civil engineering and has at least two years of professional experience in that field;
- (c) authorised to make valuations of residential immovable property.

(4) The procedure mentioned in paragraph 2(b) shall include a statistical technique; any substantial difference between the estimated price of the residential immovable property and the normal market price for such property shall be reviewed by an internal appraiser.

(5) A statistical technique shall be used to monitor and identify whether residential immovable property pledged as collateral needs to be revalued, and the statistical dataset used shall meet conditions that include, but are not limited to, the following:

- (a) it includes information about the residential immovable property specified in the loan documentation;
- (b) the information it includes about the residential immovable property is stated only once;
- (c) it takes into account the value of the residential immovable property, including three different attributes deemed relevant to its valuation;
- (d) it includes a sufficient quantity and variety of survey information; and
- (e) it contains a sufficient time series of survey information.

(6) The accuracy of the expert estimate of the residential immovable property's value mentioned in paragraph 2(a) shall be verified by comparing the estimate with price for which the immovable property could be sold under normal conditions.

(7) When cooperating with external appraisers, creditors shall take a prudent approach towards those appraisers who in the past have provided valuations that differed significantly from the sale price of the immovable property or from valuation made by an internal appraiser.

(8) The provisions of paragraphs 1 to 7 are without prejudice to the provisions of other legislation.¹²

Section 8a
The DTI ratio limit, the level of the limit,
and the method for calculating the DTI ratio

(1) The DTI ratio shall be calculated as the ratio of a consumer's total debt under paragraph 7 to 12 times the consumer's total income as defined in Section 2(4).

(2) The maximum limit on the DTI ratio is 8. For consumers who as at the date on which their housing loan application is assessed have attained 41 years of age and who are scheduled to make the final payment on their loan after attaining 65 years of age, this value is reduced from 8 by 0.25 times the difference between their current age, rounded down to the nearest whole number, and the value of 40. The DTI ratio limit may not be lower than 3. The DTI ratio limit shall be calculated separately for each co-borrower whose income is included in the calculation of the DSTI ratio and, when granting the housing loan, account shall be taken of the weighted average of the limits calculated in this way, with the weights being the individual income of each co-borrower.

(3) The volume of housing loans subject to the DTI ratio limit under other legislation^{2b} and in respect of which the DTI ratio exceeds the limit under paragraph 2, plus the volume of consumer loans subject to the DTI ratio limit under other legislation^{2c} and in respect of which the DTI ratio exceeds the limit under other legislation,^{17a} may not exceed 7% of the total volume of new housing loans and consumer loans which are subject to the DTI ratio limit under other legislation^{2e} and which were provided under agreements concluded in the previous calendar quarter, nor may it exceed 5% of the total volume of new housing loans and consumer loans which are subject to the DTI ratio limit under other legislation^{2e} and which were provided under agreements concluded in the previous calendar half-year.

(4) The volume of housing loans satisfying the conditions for the application of a tax bonus under other legislation¹⁹ which are subject to the DTI ratio limit under other legislation^{2b} and in respect of which the DTI ratio exceeds the limit under paragraph 2, but does not exceed 9, may not exceed 7% of the total volume of new housing loans and consumer loans which are subject to the DTI ratio limit under other legislation^{2e} and which were provided under agreements concluded in the previous calendar quarter, nor may it exceed 5% of the total volume of new housing loans and consumer loans which are subject to the DTI ratio limit under other legislation^{2e} and which were provided under agreements concluded in the previous calendar half-year.

(5) If, within the previous three months, the creditor provided a housing loan to the consumer in addition to the new loan, or topped up a housing loan that the same creditor had previously provided to the consumer, the cumulative value of all such loans shall be included in the total volume of housing loans for the purposes of paragraphs 3 and 4. This does not apply to existing loans that will be repaid by the loan applied for.

(6) Unless Section 8 of the Act stipulates otherwise, the DTI ratio limit under paragraphs 1 and 2 does not apply to housing loans that are to be used to refinance one or more existing housing loans or consumer loans, or to existing housing loans that are to be topped up by amending the loan agreement, provided that the amount of the loan applied for does not exceed by the lower of the following amounts the sum of the outstanding amounts of the loans to be refinanced or topped up:

^{17a} Section 6a(2) of Decree No 10/2017 of 14 November 2017 (Notification No 306/2017), as amended by Decree No 4/2022 of 23 August 2022 (Notification No 308/2022).

¹⁹ Section 33a(1) of Act No 595/2003, as amended by Act No 279/2017.

(a) €2,000;

(b) 5% of the sum of the outstanding amounts of the loans to be refinanced or topped up.

(7) For the purposes of this Decree, a consumer's total debt means the sum of the new housing loan provided to the consumer and the outstanding amounts of the consumer's existing housing loans and consumer loans, verified against the information from a register of consumer loans and housing loans; it shall be calculated as the sum of the following: the outstanding amounts of the consumer's existing housing loans, consumer loans, overdraft credit and credit card credit; and the amount equal to 20% of the undrawn amount of the consumer's authorised overdraft and credit card facilities. A consumer's total debt may be lowered by the outstanding amount of the existing loans, or part thereof, which will be repaid upon the drawdown of the housing loan provided to the consumer if the drawdown of that loan is conditional on the repayment of that outstanding amount or part thereof.

(8) For the purposes of calculating a consumer's total debt in accordance with paragraph 7, the consumer shall be treated as the sole consumer in respect of any existing loan agreements under which the consumer is a co-borrower. If a co-borrower under another loan agreement applies for a loan together with the consumer, the outstanding amount of the other loan shall be included only once.

(9) The accuracy and currency of the information on the outstanding amount of existing loans which is required for calculating a consumer's total debt under paragraphs 7 and 8 shall be verified against information obtained from a register of information on consumer loans and housing loans; this verification shall be based on information available when the provision or topping-up of the housing loan is being assessed.

Section 9 Transitional provisions

(1) From 1 March 2017 to 30 June 2017, the provision of Section 2(5) applies as follows: for the purposes of Section 2(1), the consumer's total expenditure on basic necessities shall not be set lower than the sum of the consumer's minimum subsistence amount, the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ the total minimum subsistence amounts of all other persons towards whom the consumer has a court-ordered maintenance obligation, and 5% of the difference between, on the one hand, the consumer's total income and, on the other hand, the sum of the consumer's minimum subsistence amount,² the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ and all other persons to whom the consumer has a court-ordered maintenance obligation.

(2) From 1 July 2017 to 31 December 2017, the provision of Section 2(5) applies as follows: for the purposes of Section 2(1), the consumer's total expenditure on basic necessities shall not be set lower than the sum of the consumer's minimum subsistence amount, the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ the total minimum subsistence amounts of all other persons towards whom the consumer has a court-ordered maintenance obligation, and 10% of the difference between, on the one hand, the consumer's total income and, on the other hand, the sum of the consumer's minimum subsistence amount,² the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ and all other persons to whom the consumer has a court-ordered maintenance obligation.

(3) From 1 January 2018 to 30 June 2018, the provision of Section 2(5) applies as follows: for the purposes of Section 2(1), the consumer's total expenditure on basic necessities shall not be set lower than the sum of the consumer's minimum subsistence amount, the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ the total minimum subsistence amounts of all other persons towards whom the consumer has a court-ordered maintenance obligation, and 15% of the difference between, on the

one hand, the consumer's total income and, on the other hand, the sum of the consumer's minimum subsistence amount,² the total minimum subsistence amounts of all persons living with the consumer in a common household to whom the consumer has a maintenance obligation,¹ and all other persons to whom the consumer has a court-ordered maintenance obligation.

(4) From 1 January 2017 to 30 June 2017, the limit mentioned in Section 7(3) applies as follows: the volume of housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and for which the LTV ratio exceeds 0.8, excluding housing loans under Section 7(4), shall not constitute more than 50% of the volume of new housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and which are provided under loan agreements concluded in the same calendar quarter, excluding housing loans under Section 7(4).

Section 9a Transitional provisions for regulations in effect from 1 July 2018

(1) From 1 July 2018 to 30 September 2018, the limit set out in Section 7(2) applies as follows: the volume of housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and for which the LTV ratio exceeds 0.8, excluding housing loans provided under Section 7(3), shall not constitute more than 35% of the total volume of new housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and are provided under loan agreements concluded in the same calendar quarter, excluding housing loans provided under Section 7(3).

(2) From 1 October 2018 to 31 December 2018, the limit set out in Section 7(2) applies as follows: the volume of housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and for the which the LTV ratio exceeds 0.8, excluding housing loans provided under Section 7(3), shall not constitute more than 30% of the total volume of new housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and are provided under loan agreements concluded in the same calendar quarter, excluding housing loans provided under Section 7(3).

(3) From 1 January 2019 to 30 June 2019, the limit set out in Section 7(2) applies as follows: the volume of housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and for the which the LTV ratio exceeds 0.8, excluding housing loans provided under Section 7(3), shall not constitute more than 25% of the total volume of new housing loans which are secured by immovable property in accordance with Section 6(2) and (3) and are provided under loan agreements concluded in the same calendar quarter, excluding housing loans provided under Section 7(3).

(4) From 1 July 2018 to 30 September 2018, the limit set out in Section 8a(3) applies as follows: the volume of housing loans and consumer loans which have a DTI ratio higher than 8, excluding loans provided under Section 8a(6) and under other legislation,¹⁸ shall not constitute more than 20% of the total volume of new housing loans and consumer loans provided under loan agreements concluded in the same calendar quarter, excluding loans provided under Section 8a(6) and under other legislation.¹⁸

(5) From 1 October 2018 to 31 December 2018, the limit set out in Section 8a(3) applies as follows: the volume of housing loans and consumer loans which have a DTI ratio higher than 8, excluding loans provided under Section 8a(6) and under other legislation,¹⁸ shall not constitute more than 15% of the total volume of new housing loans and consumer loans provided under loan agreements concluded in the same calendar quarter, excluding loans provided under Section 8a(6) and under other legislation.¹⁸

¹⁸ Section 6a(5) of Decree No 10/2017 of Národná banka Slovenska laying down detailed provisions on the assessment of a consumer's ability to repay a consumer loan (Notification No 306/2017), as amended.

(6) From 1 January 2019 to 30 June 2019, the limit set out in Section 8a(3) applies as follows: the volume of housing loans and consumer loans which have a DTI ratio higher than 8, excluding loans provided under Section 8a(6) and under other legislation,¹⁸ shall not constitute more than 10% of the total volume of new housing loans and consumer loans provided under loan agreements concluded in the same calendar quarter, excluding loans provided under Section 8a(6) and under other legislation.¹⁸

Section 9b

Transitional provisions for regulations in effect from 1 January 2020

(1) From 1 January 2020 to 31 March 2020, the provision of Section 2(6) applies as follows: the volume of housing loans and consumer loans provided to consumers whose expenditure under Section 2(5) is increased by at least 20% and less than 40%, excluding housing loans referred to in paragraph 3, housing loans referred to in Section 2(8) and loans provided under other legislation,^{2a} shall not constitute more than 15% of the total volume of new housing loans and consumer loans provided under loan agreements concluded in the same calendar quarter, excluding housing loans referred to in Section 2(8) and loans provided under other legislation.^{2a}

(2) From 1 April 2020 to 30 June 2020, the provision of Section 2(6) applies as follows: the volume of housing loans and consumer loans provided to consumers whose expenditure under Section 2(5) is increased by at least 20% and less than 40%, excluding housing loans referred to in Section 2(8) and loans provided under other legislation,^{2a} shall not constitute more than 5% of the total volume of new housing loans and consumer loans provided under loan agreements concluded in the same calendar quarter, excluding housing loans referred to in Section 2(8) and loans provided under other legislation.^{2a}

(3) Where a housing loan agreement is concluded after 31 December 2019 but the creditor has duly assessed the consumer's DSTI ratio on or before 31 December 2019, the housing loan is subject to Section 2(5) as in force until 31 December 2019.

Section 9c

Transitional provision for regulations in effect from 1 January 2023

Where, before 31 December 2022, a creditor has with professional care assessed a consumer's ability to repay a housing loan, that loan is subject to Section 8a(3) and (4) as in effect until 31 December 2022 even if the housing loan agreement is concluded after 31 December 2022.

Section 10

Date of effect

Decree No 10/2016 took effect on 1 January 2017, with the exception of Sections 2(4) to (12), 3(2)(d) and 5(3), which took effect on 1 March 2017.

Decree No 7/2018 took effect on 1 July 2018, with the exception of the following: Article I, point 9 (in respect of Section 8a(7) to (9)), which took effect on 1 October 2018; Article I, point 9 (Section 8a(5)), which took effect on 1 January 2019; and Article I, point 9 (Section 8a(4)), which took effect on 1 July 2019.

Decree No 10/2019 took effect on 1 January 2020.

Decree No 5/2022 takes effect on 1 January 2023.

^{2a} Section 2(11) of Decree No 10/2017 of Národná banka Slovenska (Notification No 306/2017), as amended by Decree No 9/2019.