



< Financial Education versus Costly Counseling: How to Dissuade Borrowers from Choosing Risky Mortgages?



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# Financial Education versus Costly Counseling: How to Dissuade Borrowers from Choosing Risky Mortgages?

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### Article Information

#### Abstract

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mortgages did so, decreasing their propensity for high-risk contracts between 10 and 40 percent. In the event, one of the key goals of the legislation—curtailment of high-risk mortgage products—was only achieved among the population that was not counseled.

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## JEL Classification

**D14** Household Saving; Personal Finance

**D18** Consumer Protection

**G21** Banks; Depository Institutions; Micro Finance Institutions; Mortgages

**R21** Urban, Rural, Regional, Real Estate, and Transportation Economics: Housing Demand

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