



IBF/PwC Mortgage Market Profile New Lending – Quarterly Report

	Number	Value
New Mortgage Lending Quarter 2, 2008:	35,154	€7,566m
Quarter 1, 2008	28,508	€6,266m
Quarter 4, 2007	37,719	€8,282m
Quarter 3, 2007	40,992	€8,984m
Quarter 2, 2007	41,151	€8,733m
% change, Q2 2008 Vs. Q1 2008	+23.3%	20.7%
% change, Q2 2008 Vs. Q2 2007	-14.6%	-13.4%

The total value of mortgage loans issued in the second quarter of 2008 was €7,566 million.

The value of new lending for the second quarter of 2008 increased by 20.7% on the previous quarter and was 13.4% less than in the same period of 2007.

» The full data series for the IBF/PwC Mortgage Market Profile is available on the IBF website at www.ibf.ie/researchset.html.

Market size:

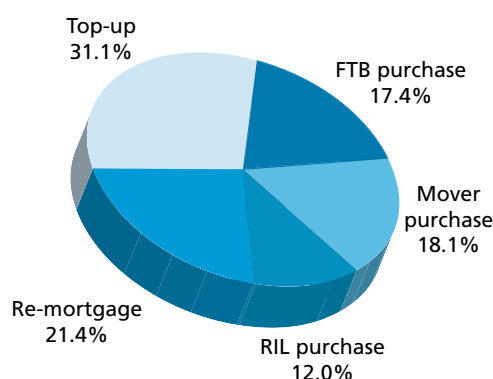
- These figures relate to all new lending secured by residential property (for further details regarding the basis for this data, see page 4).
- The total of outstanding residential mortgage debt is published on a monthly basis by the Central Bank and Financial Services Authority of Ireland.

Loan Volumes

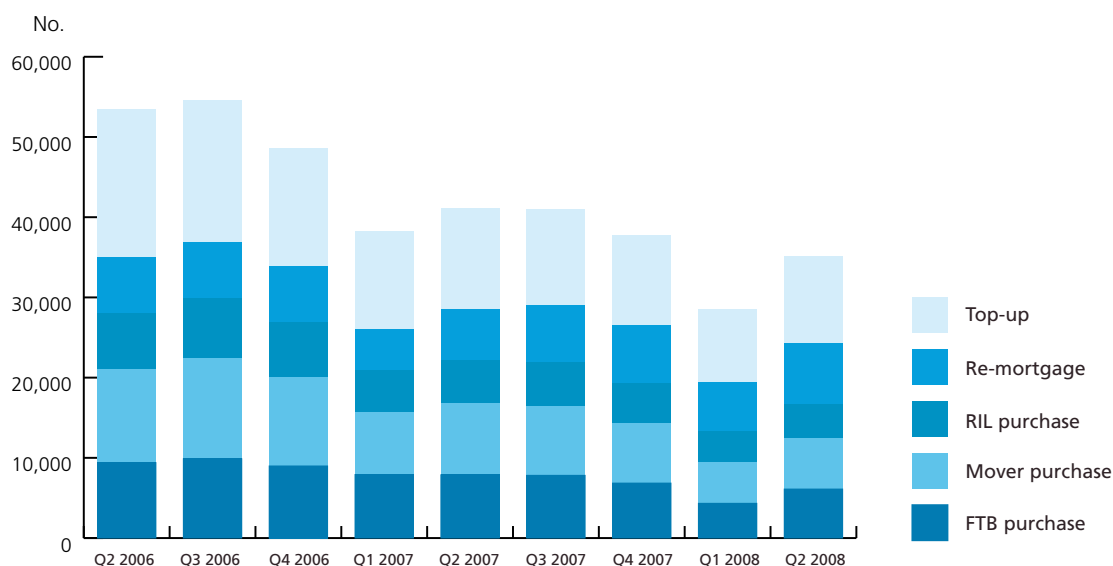
A total of 35,154 mortgages were drawn down in the second quarter of 2008. This represents an increase of 23.3% on the previous quarter which is in part explained by the seasonal lending patterns that give rise to weaker Q1 volumes. The volume of mortgages issued was 14.6% less than for the same period in 2007.

- First-time buyers increased their market share by 2.2 percentage points in the second quarter of 2008.
- All segments grew compared with the first quarter of 2008, while the re-mortgage (switching) segment was the only segment to experience growth in year-on-year terms.
- Top-ups remain the largest segment with 10,929 loans issued in the second quarter of 2008.

Quarter 2 2008: 35,154 Mortgage Loans



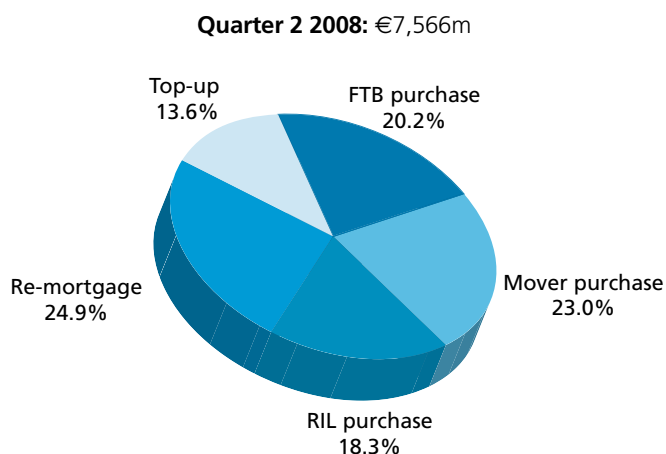
		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		No.	%	No.	%	No.	%	No.	%	No.	%	No.
2008	Q2	6,106	17.4%	6,353	18.1%	4,235	12.0%	7,531	21.4%	10,929	31.1%	35,154
	Q1	4,329	15.2%	5,169	18.1%	3,801	13.3%	6,133	21.5%	9,076	31.9%	28,508
2007	Q4	6,850	18.2%	7,489	19.9%	4,925	13.0%	7,330	19.4%	11,125	29.5%	37,719
	Q3	7,817	19.1%	8,609	21.0%	5,452	13.3%	7,152	17.4%	11,962	29.2%	40,992
	Q2	7,883	19.2%	8,947	21.7%	5,256	12.8%	6,369	15.5%	12,696	30.9%	41,151
	Q1	7,919	20.7%	7,819	20.4%	5,228	13.7%	5,086	13.3%	12,184	31.9%	38,236
2006	Q4	8,984	18.5%	11,065	22.7%	6,881	14.1%	6,883	14.2%	14,824	30.5%	48,637
	Q3	9,884	18.1%	12,470	22.8%	7,530	13.8%	6,981	12.8%	17,758	32.5%	54,623
	Q2	9,407	17.6%	11,598	21.7%	7,083	13.3%	6,949	13.0%	18,412	34.4%	53,449



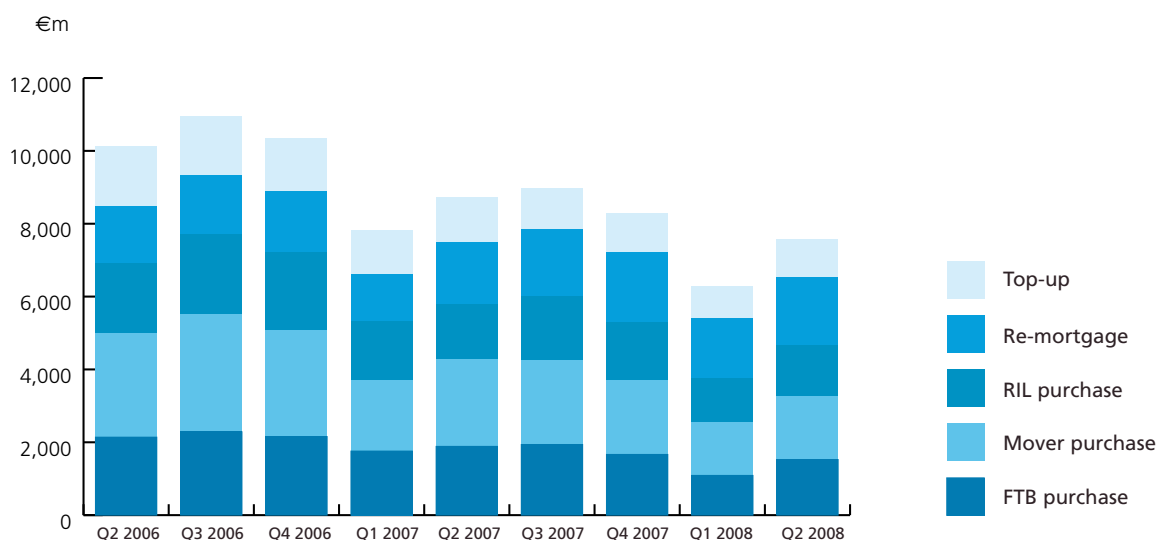
Loan Values

Some €7,566 million mortgages was advanced in the second quarter of 2008. This was an increase of 20.7% on the first quarter of 2008 and a decrease of 13.4% in year-on-year terms.

- The value of loans issued to first-time buyers increased on the previous quarter, increasing their market share to 20.2%.
- All segments grew in value terms compared with the first quarter of 2008.
- The re-mortgage (switching) segment was the only segment to experience year-on-year growth (of 11.9%) and it remains the largest segment in terms of market share.



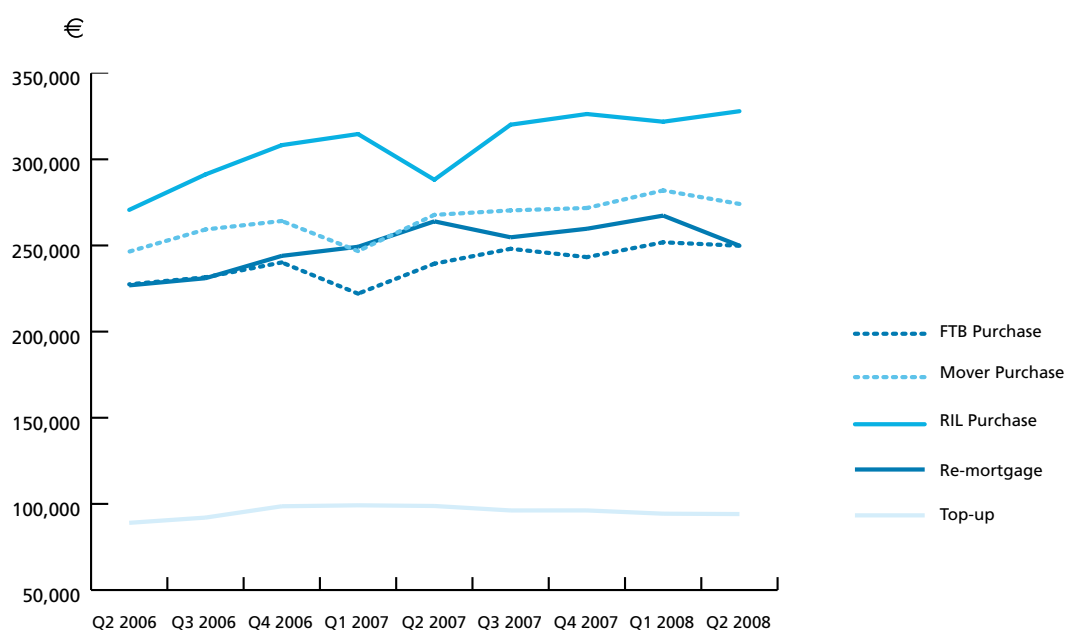
		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		€m	%	€m	%	€m	%	€m	%	€m	%	
2008	Q2	1,526	20.2%	1,741	23.0%	1,389	18.3%	1,882	24.9%	1,028	13.6%	7,566
	Q1	1,090	17.4%	1,457	23.2%	1,223	19.5%	1,640	26.2%	856	13.7%	6,266
2007	Q4	1,666	20.1%	2,035	24.6%	1,607	19.4%	1,904	23.0%	1,070	12.9%	8,282
	Q3	1,939	21.6%	2,327	25.9%	1,745	19.4%	1,822	20.3%	1,151	12.8%	8,984
	Q2	1,887	21.6%	2,396	27.4%	1,515	17.3%	1,681	19.3%	1,254	14.4%	8,733
	Q1	1,758	22.5%	1,929	24.7%	1,645	21.1%	1,268	16.2%	1,209	15.5%	7,809
2006	Q4	2,157	20.9%	2,924	28.3%	2,121	20.5%	1,679	16.2%	1,462	14.1%	10,343
	Q3	2,288	20.9%	3,233	29.5%	2,193	20.0%	1,613	14.7%	1,635	14.9%	10,962
	Q2	2,140	21.1%	2,858	28.2%	1,917	18.9%	1,576	15.6%	1,639	16.2%	10,130



Average Loan

		FTB Purchase	Mover Purchase	RIL Purchase	Re-mortgage	Top-up
		€	€	€	€	€
2008	Q2	249,844	274,104	327,927	249,870	94,102
	Q1	251,831	281,944	321,822	267,327	94,317
2007	Q4	243,232	271,751	326,300	259,700	96,210
	Q3	248,068	270,355	320,092	254,735	96,194
	Q2	239,416	267,762	288,141	263,995	98,789
	Q1	222,023	246,730	314,675	249,228	99,177
2006	Q4	240,151	264,209	308,234	243,962	98,624
	Q3	231,514	259,286	291,230	230,991	92,050
	Q2	227,454	246,444	270,657	226,847	89,007

- The average loan size for first-time buyers, mover purchasers and the re-mortgage (switching) segment fell, while the average top-up was static compared with the previous quarter.
- The average loan size in the residential investment letting segment increased and continues to have the highest average loan size.



The Irish Banking Federation (IBF) is the leading representative body for banking and financial services in Ireland. The Irish Mortgage Council (IMC) is an affiliate of IBF and represents mortgage lending institutions.

Data

This data relates to loans granted by IBF/IMC member institutions listed which are secured by a mortgage on residential Irish property. We estimate that the data covers well in excess of 95% of the mortgage market and includes residential mortgage lending data from the following institutions:

AIB group
 Bank of Ireland Mortgage Bank
 Bank of Scotland (Ireland)/Halifax
 EBS Building Society
 First Active
 Haven Mortgages Limited
 ICS Building Society
 IIB Homeloans Ltd
 Irish Nationwide Building Society
 Permanent TSB
 Ulster Bank

Whilst every effort is made to ensure accurate classification of loans, some exceptions will always arise. The following are the market segment definitions in use in IMC data.

- First-time Buyer (FTB) Purchase - a loan issued for the purchase of residential property which is to be owner-occupied, where none of the borrowers have ever been an owner occupier (or part owner occupier) of a residential property in Ireland or elsewhere.
- Mover purchase - a loan issued for the purchase of residential property which is to be owner-occupied, where at least one of the borrowers has been an owner occupier (or part owner occupier) of a residential property in Ireland or elsewhere.
- Residential Investment Letting (RIL) purchase - a loan issued for the purchase of residential investment property or a holiday home
- Re-mortgage - a loan which is issued by one lender to refinance an existing mortgage with another lender. This may or may not include further equity release.
- Top-up - a further mortgage advance to an existing borrower which is issued to finance expenditure other than house purchase.

Disclaimer:

This report is based on statistical information supplied to IBF/IMC by the mortgage lending institutions listed herein. PricewaterhouseCoopers has reviewed the collation of this report by IBF/IMC. While every effort has been made to ensure the accuracy of information included in this report, IBF and PricewaterhouseCoopers can accept no responsibility for errors contained herein. This report is not to be reproduced in whole or in part without prior permission.

The full data series will be maintained on the IBF website (www.ibf.ie).

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