



IBF/PwC Mortgage Market Profile New Lending – Quarterly Report

	Number	Value
New Mortgage Lending Quarter 4, 2008:	18,706	€3,539m
Total, 2008	110,305	€23,049m
Quarter 3, 2008	27,937	€5,678m
Quarter 2, 2008	35,154	€7,566m
Quarter 1, 2008	28,508	€6,266m
Quarter 4, 2007	37,719	€8,282m
% change, Q4 2008 Vs. Q3 2008	-33.0%	-37.7%
% change, Q4 2008 Vs. Q4 2007	-50.4%	-57.3%

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- » The total value of mortgage loans issued in the fourth quarter of 2008 was €3,539 million.
 - » The value of new lending for 2008 was €23,049 million, 31.8% less than the total for 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:

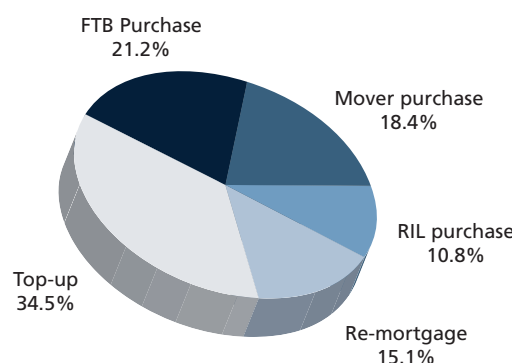
- These figures relate to all new lending secured by residential property (for further details regarding the basis for this data, see page 4).
- The total of outstanding residential mortgage debt is published on a monthly basis by the Central Bank and Financial Services Authority of Ireland.

Loan Volumes

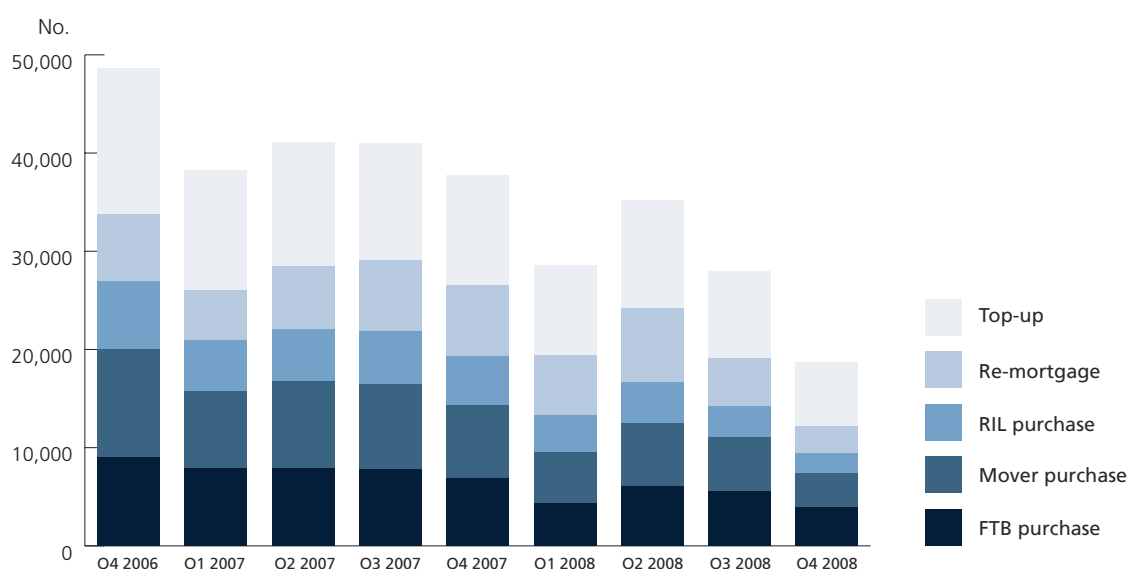
A total of 110,305 mortgage loans were issued in 2008, with 18,706 mortgage loans issued in the fourth quarter. This represents 33% fewer loans drawn down compared with the previous quarter, and 50.4% less than in the same period in 2007.

- In volume terms, first-time buyers (FTBs) increased their market share to 21.2% of new mortgage loans drawn down in the fourth quarter, up from 19.9% in the previous quarter and the highest relative level on record.
- Compared with the third quarter, the market shares of the mover-purchaser, residential investment letting (RIL) and re-mortgage segments contracted.
- Top-ups retained the largest share of the market, with a new proportionate high of 34.6% of mortgage loans drawn down.

Quarter 4 2008: 18,706 Mortgage Loans



		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		No.	%	No.	%	No.	%	No.	%	No.	%	
2008	Q4	3,958	21.2%	3,437	18.4%	2,020	10.8%	2,823	15.1%	6,468	34.5%	18,706
	Q3	5,553	19.9%	5,485	19.6%	3,170	11.4%	4,887	17.5%	8,842	31.6%	27,937
	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

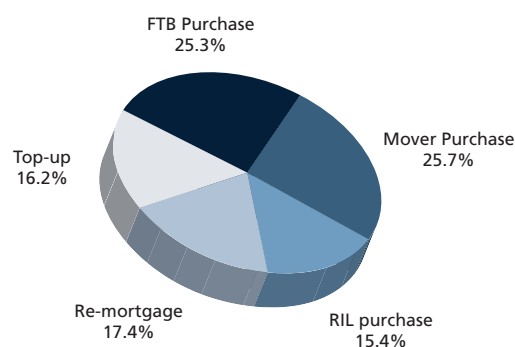


Loan Values

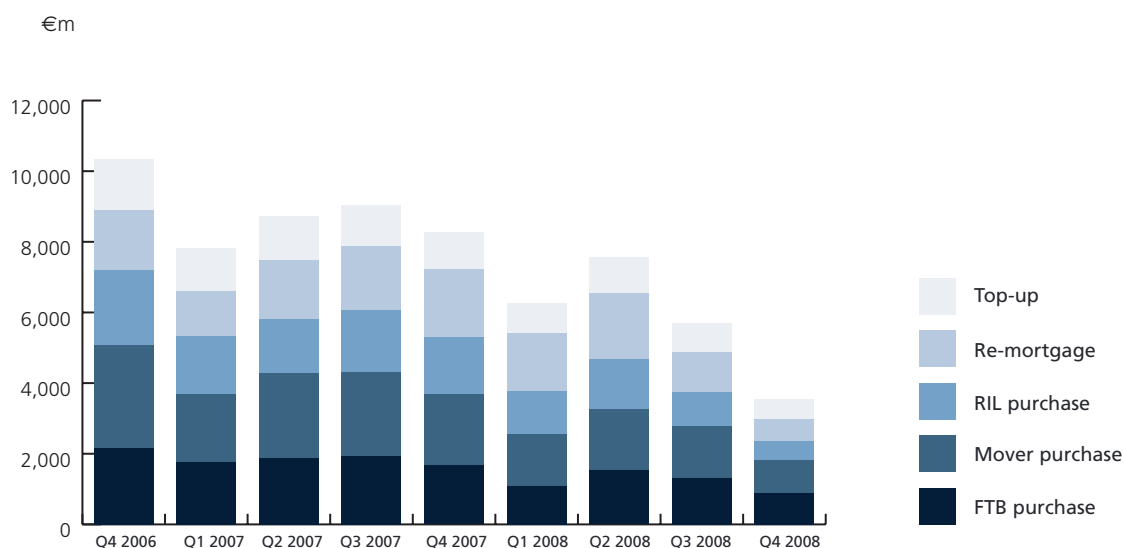
Some €23,049 million in mortgages was advanced in 2008, with €3,539 million in the fourth quarter. The value of loans issued decreased 37.7% compared with the previous quarter and 57.3% compared with the same period in 2007.

- FTBs increased their share of the value of new mortgages drawn down to 25.3% in the fourth quarter, up from 23.3% in the third quarter.
- Top-ups was the only other segment that grew its market share, increasing its share by 2.2 percentage points quarter-on-quarter to 16.2%.
- The mover-purchaser segment retained the largest share at 25.7% of the market, down 0.1 percentage points on the previous quarter.

Quarter 4 2008: €3,539m



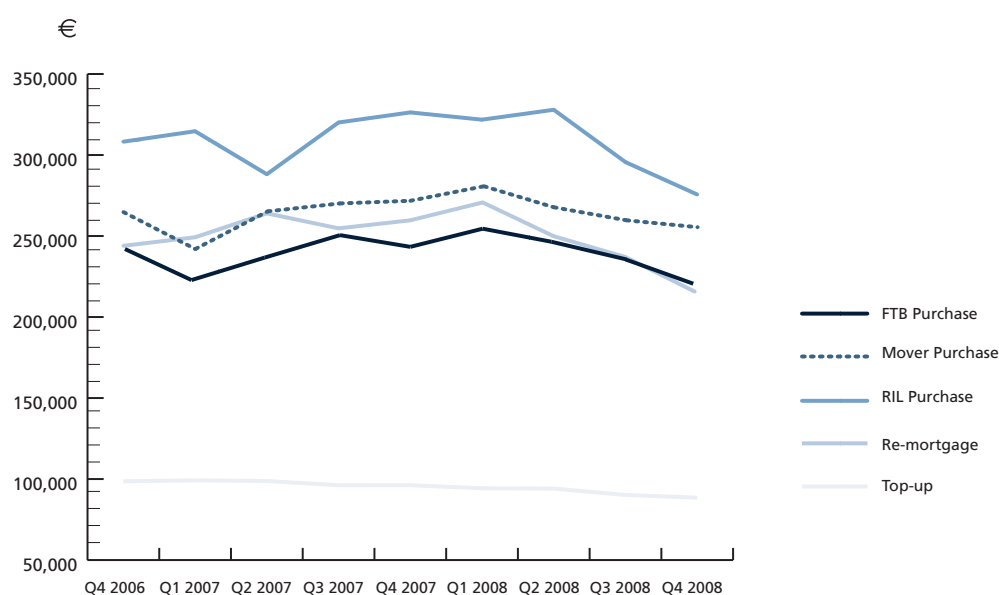
		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		€m	%	€m	%	€m	%	€m	%	€m	%	€m
2008	Q4	895	25.3%	910	25.7%	547	15.4%	615	17.4%	572	16.2%	3,539
	Q3	1,322	23.3%	1,464	25.8%	937	16.5%	1,158	20.4%	797	14.0%	5,678
	Q2	1,526	20.2%	1,741	23.0%	1,389	18.3%	1,882	24.9%	1,028	13.6%	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



Average Loan

		FTB Purchase	Mover Purchase	RIL Purchase	Re-mortgage	Top-up
		€	€	€	€	€
2008	Q4	226,041	264,796	270,662	217,847	88,498
	Q3	238,064	266,840	295,621	237,010	90,173
	Q2	249,844	274,104	327,927	249,870	94,102
	Q1	251,831	281,944	321,822	267,327	94,317
2007	Q4	243,323	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

- The average loan size fell across all segments for the second successive quarter.
- Loans for residential investment letting retained the largest average size, despite the largest quarterly drop, at 8.4%. The average re-mortgage loan size declined down by 8.1%.



The Irish Banking Federation (IBF) is the leading representative body for banking and financial services in Ireland. 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
 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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