



IBF/PwC Mortgage Market Profile Quarterly Report – New Lending

	Number	Value
New Mortgage Lending Quarter 4, 2010:	5,624	€982m
TOTAL 2010	27,666	€4,746m
Quarter 3, 2010	7,261	€1,239m
Quarter 2, 2010	7,827	€1,305m
Quarter 1, 2010	6,954	€1,220m
Quarter 4, 2009	9,946	€1,760m
% change, Q4 2010 vs. Q3 2010	-22.5%	-20.8%
% change, Q4 2010 vs. Q4 2009	-43.5%	-44.2%

- The total value of new mortgage lending in the final quarter of 2010 was €982m.
- For 2010 as a whole, 27,666 new mortgage loans were drawn down at a value of €4,746m.
- The full data series for the IBF/PwC Mortgage Market Profile is available on the IBF website at www.ibf.ie.

Market size:

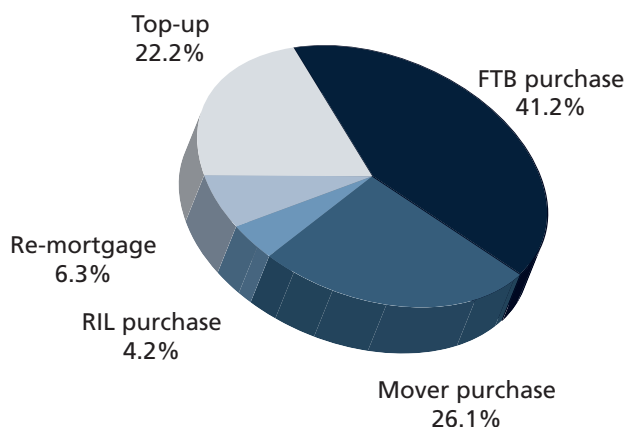
- These figures relate to all new lending secured by residential property (for further details regarding the basis for this data, see page 4).
- The total of outstanding residential mortgage debt is published on a monthly basis by the Central Bank and Financial Services Authority of Ireland.

Loan Volumes

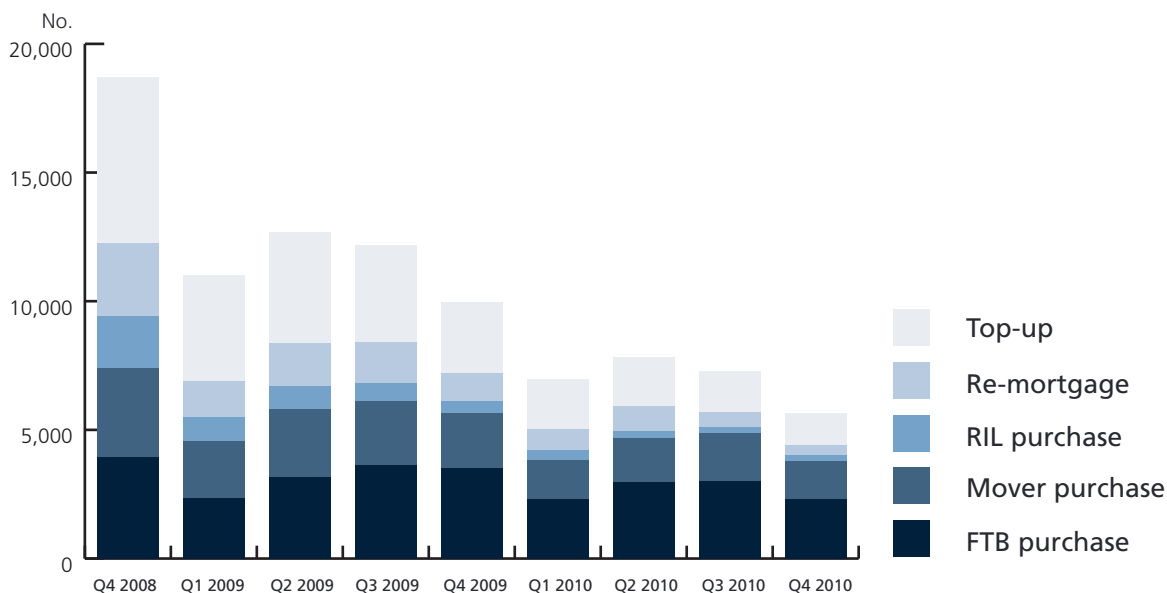
In 2010, 27,666 mortgages were drawn down, 39.6% fewer than in 2009. In the fourth quarter, 5,624 mortgages were drawn down, 22.5% fewer than in Q3 2010 and 43.5% fewer than in Q4 2009.

- Although all five segments contracted in the fourth quarter, first-time buyers (FTBs) and mover-purchasers showed continued comparative resilience.
- The FTB segment remained the largest according to the number of mortgage loans drawn down although its market share fell by 0.1 percentage points and the number of loans drawn down decreased by 22.8%.
- While the volume of mortgage loans issued to mover-purchasers declined by 21.2%, the segment grew its market share by 0.4 percentage points, increasing the combined market share of FTBs and mover-purchasers to 67.3%.
- The residential investment letting (RIL) and top-up segments increased their market shares despite a fall off in absolute new drawdowns.

Quarter 4 2010: 5,624 Mortgage Loans issued



		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		No.	%	No.	%	No.	%	No.	%	No.	%	
2010	Q4	2,318	41.2%	1,468	26.1%	238	4.2%	351	6.3%	1,249	22.2%	5,624
	Q3	3,001	41.3%	1,863	25.7%	254	3.5%	581	8.0%	1,562	21.5%	7,261
	Q2	2,973	38.0%	1,690	21.6%	284	3.6%	984	12.6%	1,896	24.2%	7,827
	Q1	2,327	33.5%	1,512	21.7%	385	5.5%	806	11.6%	1,924	27.7%	6,954
2009	Q4	3,511	35.3%	2,116	21.3%	480	4.8%	1,099	11.1%	2,740	27.5%	9,946
	Q3	3,633	29.8%	2,472	20.3%	699	5.7%	1,602	13.2%	3,783	31.0%	12,189
	Q2	3,184	25.1%	2,621	20.7%	873	6.9%	1,681	13.2%	4,327	34.1%	12,686
	Q1	2,356	21.4%	2,186	19.9%	966	8.8%	1,392	12.6%	4,097	37.3%	10,997
2008	Q4	3,958	21.2%	3,437	18.4%	2,020	10.8%	2,823	15.1%	6,468	34.5%	18,706

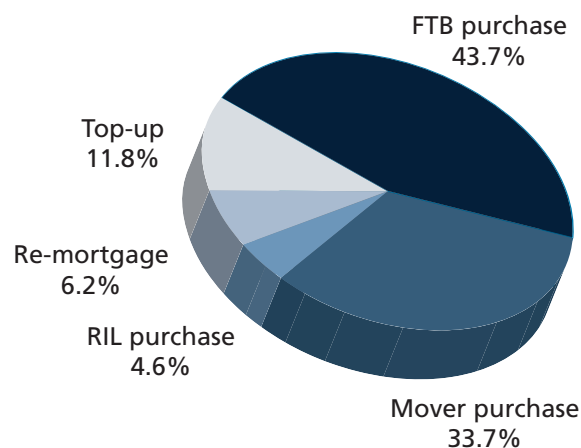


Loan Values

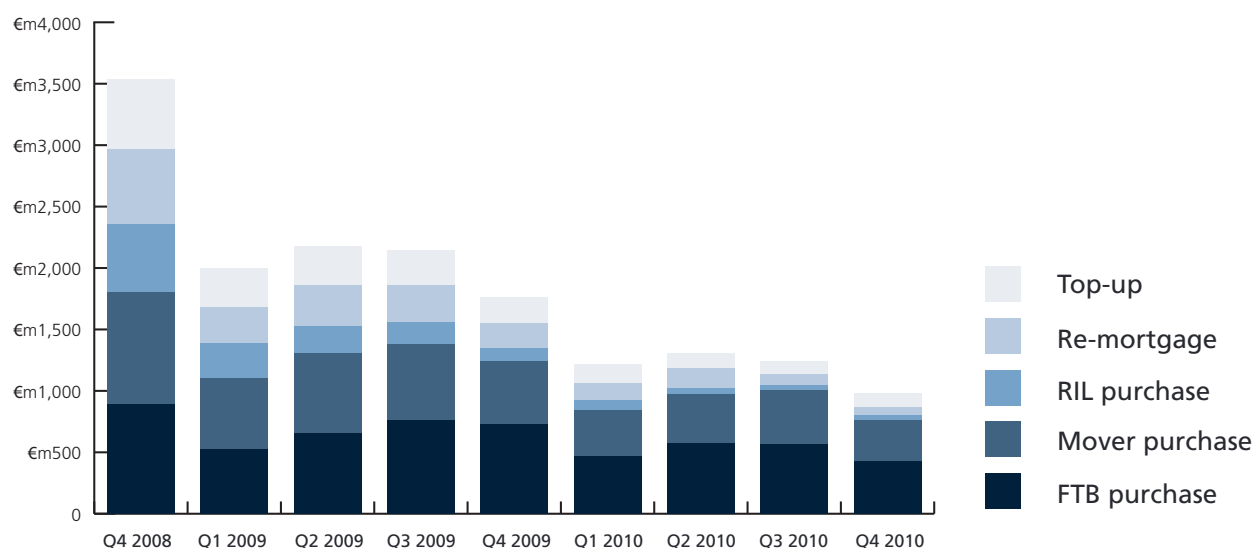
Mortgage loans totalling €4,746 million were issued in 2010, a decrease of 41.2% on 2009. Some €982 million in mortgage loans was drawn down in the fourth quarter, 20.8% less than in Q3 2010 and 44.2% less than in Q4 2009.

- Mortgage loans to the RIL and top-up segments increased in the fourth quarter – the first time both segments have increased since Q2 2008.
- The RIL and top-up segments also increased their market shares of the value of mortgage drawdowns by 1.2 and 3.7 percentage points, respectively.
- The FTB, mover-purchaser and re-mortgage segments all shrank in terms of their market shares and the value of mortgage credit drawn down in the fourth quarter. FTBs and mover-purchasers combined still account for over three-quarters of the market in value terms.

Quarter 4 2010: €982m issued in Mortgage Loans



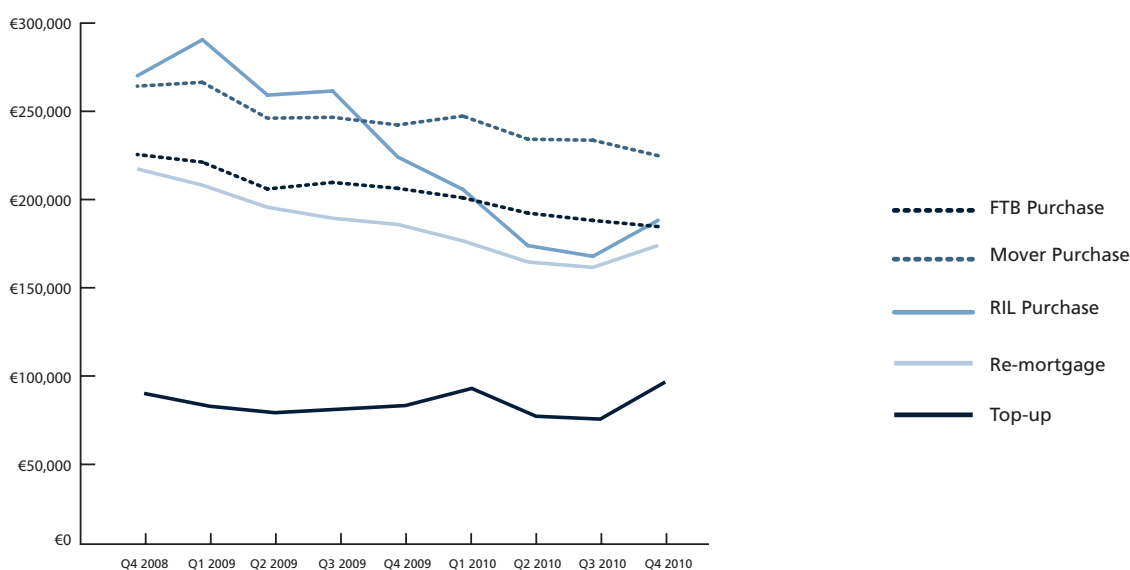
		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		€m	%	€m	%	€m	%	€m	%	€m	%	
2010	Q4	429	43.7%	331	33.7%	45	4.6%	61	6.2%	116	11.8%	982
	Q3	566	45.7%	436	35.2%	43	3.4%	94	7.6%	100	8.1%	1,239
	Q2	573	43.9%	397	30.4%	49	3.8%	163	12.5%	123	9.4%	1,305
	Q1	469	38.5%	375	30.7%	79	6.5%	143	11.7%	154	12.6%	1,220
2009	Q4	726	41.3%	514	29.2%	108	6.1%	205	11.6%	207	11.8%	1,760
	Q3	764	35.6%	611	28.5%	183	8.5%	304	14.2%	283	13.2%	2,145
	Q2	658	30.3%	646	29.7%	226	10.4%	330	15.2%	313	14.4%	2,173
	Q1	523	26.2%	584	29.2%	281	14.1%	290	14.5%	320	16.0%	1,998
2008	Q4	895	25.3%	910	25.7%	547	15.4%	615	17.4%	572	16.2%	3,539



Average Loan

		FTB Purchase	Mover Purchase	RIL Purchase	Re-mortgage	Top-up
		€	€	€	€	€
2010	Q4	185,193	225,384	188,743	174,510	92,498
	Q3	188,680	234,122	168,346	162,083	64,085
	Q2	192,848	234,735	174,418	165,119	65,009
	Q1	201,516	247,844	206,294	177,101	80,036
2009	Q4	206,865	242,793	224,649	186,414	75,480
	Q3	210,210	247,127	262,037	189,936	74,895
	Q2	206,517	246,644	259,714	196,119	72,288
	Q1	221,734	266,958	291,110	208,687	78,118
2008	Q4	226,041	264,796	270,662	217,847	88,498

- The average value of FTB and mover-purchaser loans fell by 1.8% and 3.7%, respectively, in the fourth quarter.
- The average FTB loan at €185,193 is the lowest since the research began in 2005.
- The average value of RIL, re-mortgage and top-up loans all increased significantly in the fourth quarter.



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
 Haven Mortgages
 ICS Building Society
 KBC Homeloans
 Irish Nationwide Building Society
 Permanent TSB
 Ulster Bank

*Not included in data series after Q1 2010.

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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