



IBF/PwC Mortgage Market Profile Quarterly Report – New Lending

	Number	Value
New Mortgage Lending 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
Quarter 3, 2009	12,189	€2,145m
% change, Q3 2010 vs. Q2 2010	-7.2%	-5.0%
% change, Q3 2010 vs. Q3 2009	-40.4%	-42.2%

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- » The total value of new mortgage lending in the third quarter of 2010 was €1,239 million.
 - » The full data series for the IBF/PwC Mortgage Market Profile is available on the IBF website at www.ibf.ie.

Market size:

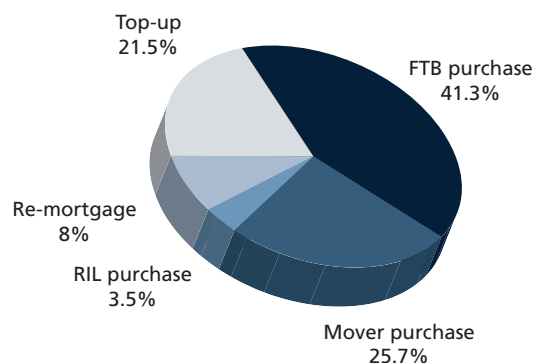
- These figures relate to all new lending secured by residential property (for further details regarding the basis for this data, see page 4).
- The total of outstanding residential mortgage debt is published on a monthly basis by the Central Bank and Financial Services Authority of Ireland.

Loan Volumes

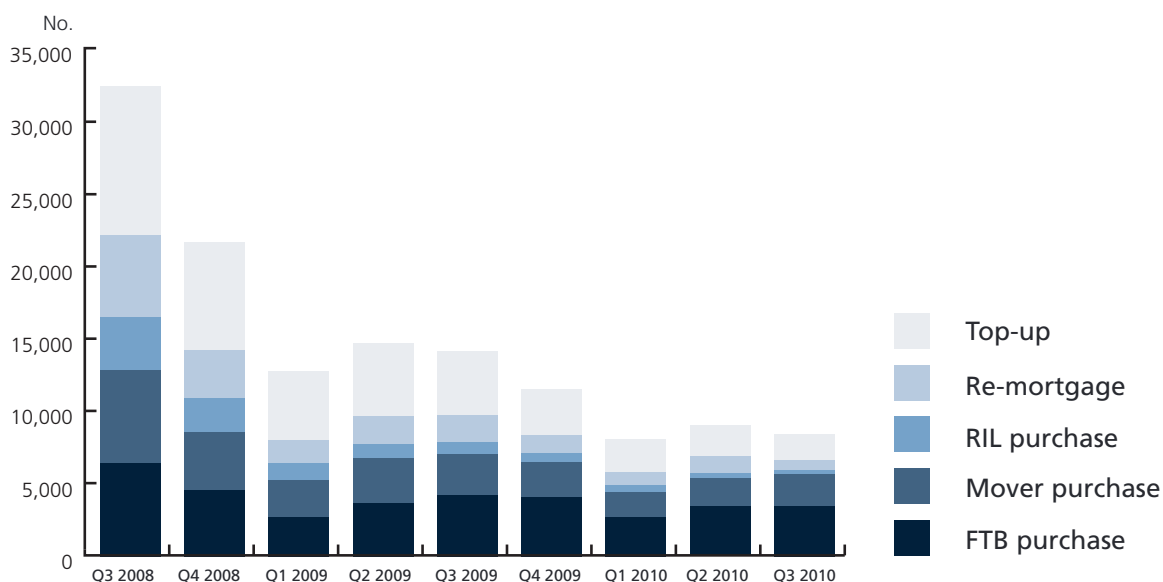
In Q3 2010, 7,261 mortgage loans were drawn down. Compared with Q2, 7.2% fewer loans were issued, and 40.4% less than in the same period in 2009.

- First-time buyers (FTBs) and mover-purchasers showed continued resilience with both segments growing for the second consecutive quarter.
- FTBs and mover-purchasers both increased their market shares so that the segments combined commanded 67% of the market in volume terms.
- The FTB segment remained the largest according to the number of mortgage loans drawn down.
- The residential investment letting (RIL) and top-up segments shrank in market share and volume terms, as did the re-mortgage segment, the latter, following a period of growth in the previous quarter.

Quarter 3 2010: 7,261 Mortgage Loans issued



		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		No.	%	No.	%	No.	%	No.	%	No.	%	No.
2010	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
	Q3	5,553	19.9%	5,485	19.6%	3,170	11.4%	4,887	17.5%	8,842	31.6%	27,937

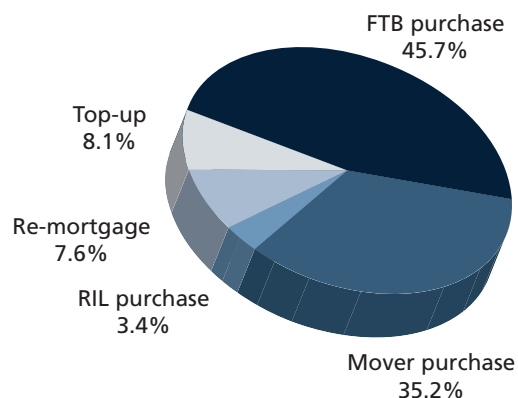


Loan Values

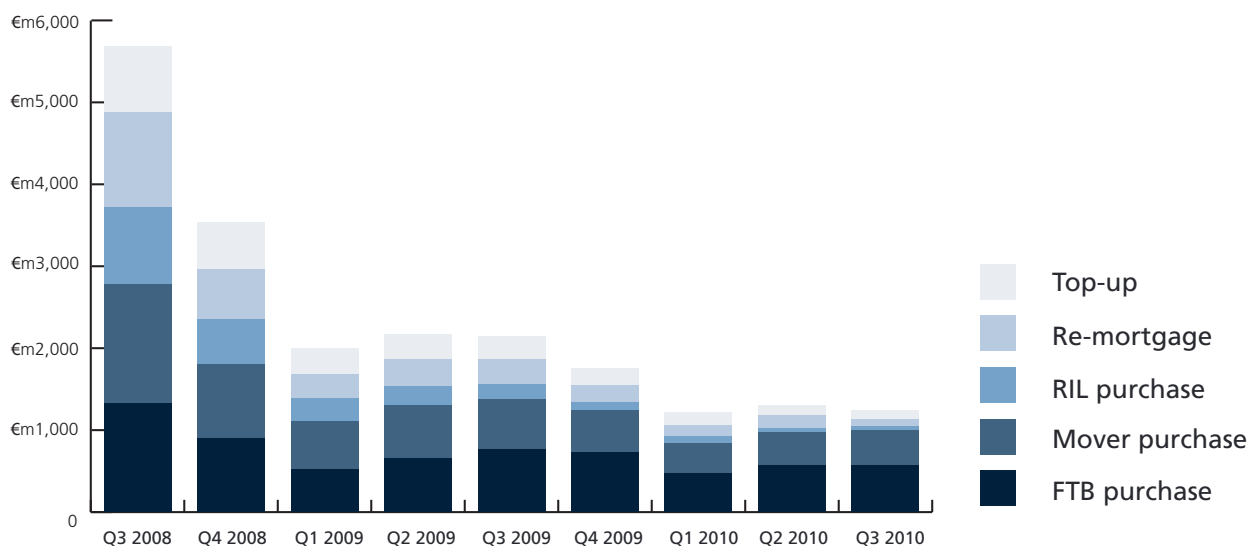
The value of mortgage loans issued in the third quarter totalled €1,239 million, decreasing by 5% compared to the previous quarter and 42.2% when compared to Q3 2009.

- Mortgage loans issued to mover-purchasers increased by 9.9% in value terms compared to the previous quarter.
- FTBs and mover-purchasers both increased their market shares - the two segments combined accounted for over 80% of the value of mortgage drawdowns.
- FTBs increased their share to almost half of the market (45.7%), even though the value of loans drawn down by FTBs decreased by 1.2%.
- The RIL, re-mortgage and top-up segments decreased in both their market shares and the amount of mortgage credit drawn down in Q3.

Quarter 3 2010: €1,239m issued in Mortgage Loans



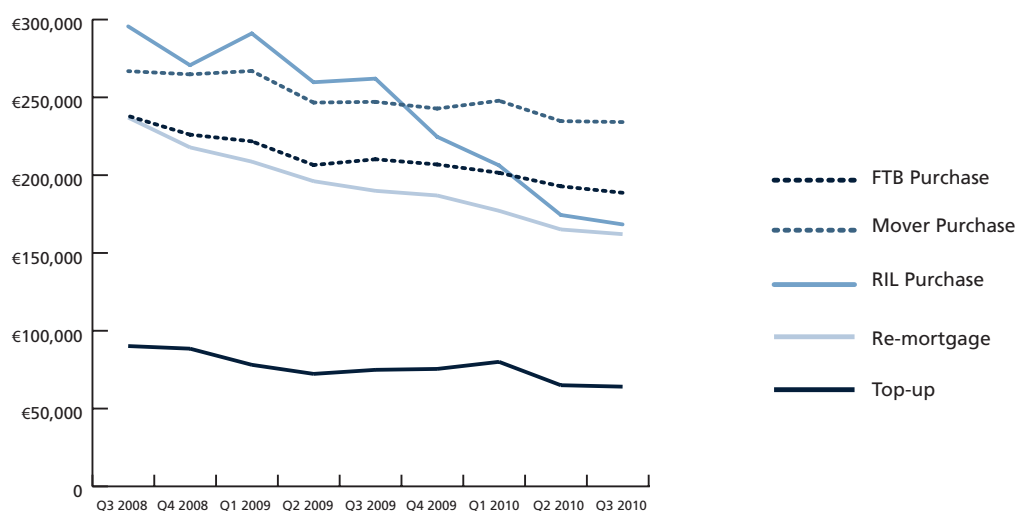
		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		Total Drawdowns
		€m	%	€m	%	€m	%	€m	%	€m	%	€m
2010	Q3	566	45.7%	436	35.2%	43	3.4%	94	7.6%	100	8.1%	1,239
	Q2	573	43.9%	397	30.4%	49	3.8%	163	12.5%	123	9.4%	1,305
	Q1	469	38.5%	375	30.7%	79	6.5%	143	11.7%	154	12.6%	1,220
2009	Q4	726	41.3%	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
	Q3	1,322	23.3%	1,464	25.8%	937	16.5%	1,158	20.4%	797	14.0%	5,678



Average Loan

		FTB Purchase	Mover Purchase	RIL Purchase	Re-mortgage	Top-up
		€	€	€	€	€
2010	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
	Q3	238,064	266,840	295,621	237,010	90,173

- While the average loan value of each segment declined during Q3 2010, the size of the average loan issued overall increased by 2.4% to €170,697. This was due to the significantly increased shares of segments with higher average loan values (FTBs and mover-purchasers).
- The average FTB loan decreased in Q3 by 2.2% reaching €188,680.
- The RIL and re-mortgage segments both dipped to historic lows.



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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