IRISH BANKING FEDERATION

PRICEWATERHOUSECOOPERS

IBF/PwC Mortgage Market Profile
Quarterly Report – New Lending

	Number	Value
New Mortgage Lending Quarter 1, 2012	**2,630**	**€450m**
Quarter 4, 2011	3,856	€639m
Quarter 3, 2011	3,607	€623m
Quarter 2, 2011	3,551	€624m
Quarter 1, 2011	3,259	€577m
% change, Q1 2012 vs. Q4 2011	*-31.8%*	*-29.6%*
% change, Q1 2012 vs. Q1 2011	*-19.3%*	*-22.0%*

- The total value of new mortgage lending in the first quarter of 2012 was €450 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 of Ireland.

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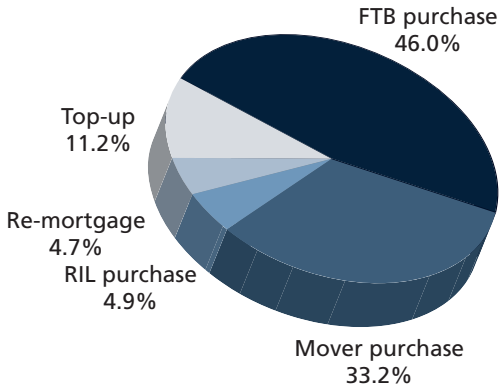
Loan Volumes

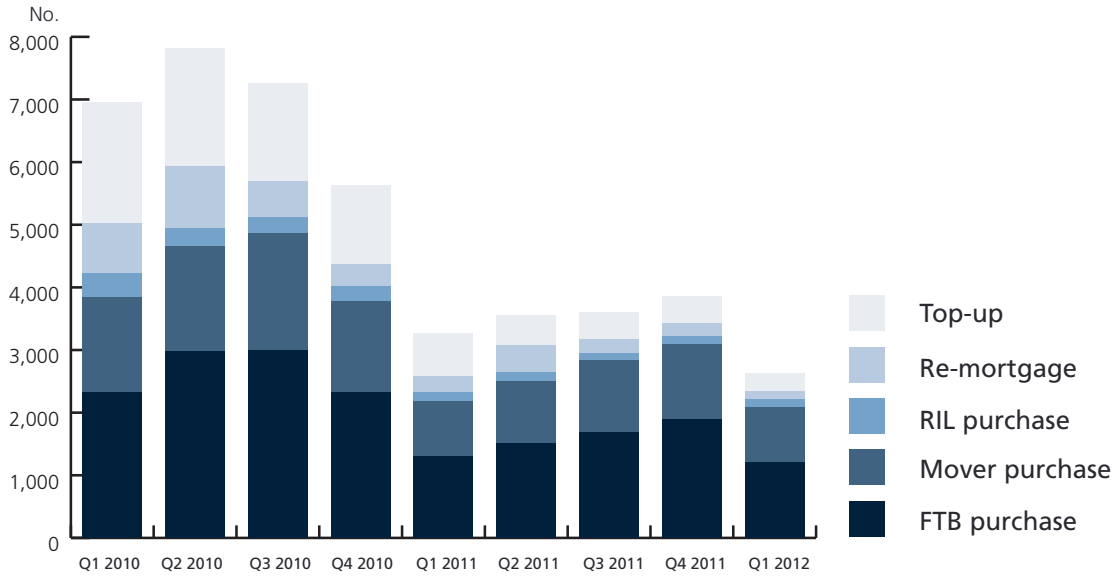
In Q1 2012, 2,630 mortgage loans were issued. This represents a decrease in lending of 19.3% compared with Q1 2011 and a decrease of 31.8% compared with the previous quarter.

- **The number of mortgage loans issued in each segment decreased on both a year-on-year and a quarter-on-quarter basis.**
- First-time buyers (FTBs) remained the largest segment, although its share contracted to 46%. FTBs and mover-purchasers combined accounted for 79.2% of the market by volume.
- The mover-purchaser, residential investment letting (RIL) and top-up segments all increased their market share quarter-on-quarter.

Quarter 1 2012: 2,360 Mortgage Loans Issued



		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		**Total Drawdowns**
		No.	%	No.	%	No.	%	No.	%	No.	%	No.
2012	**Q1**	**1,211**	**46.0%**	**873**	**33.2%**	**129**	**4.9%**	**123**	**4.7%**	**294**	**11.2%**	**2,630**
2011	Q4	1,887	48.9%	1,206	31.3%	131	3.4%	204	5.3%	428	11.1%	3,856
	Q3	1,690	46.8%	1,151	31.9%	98	2.7%	233	6.5%	435	12.1%	3,607
	Q2	1,503	42.3%	999	28.1%	141	4.0%	441	12.4%	467	13.2%	3,551
	Q1	1,301	39.9%	885	27.2%	139	4.3%	259	7.9%	675	20.7%	3,259
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

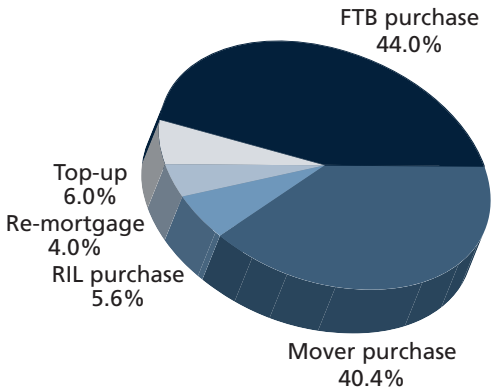


Loan Values

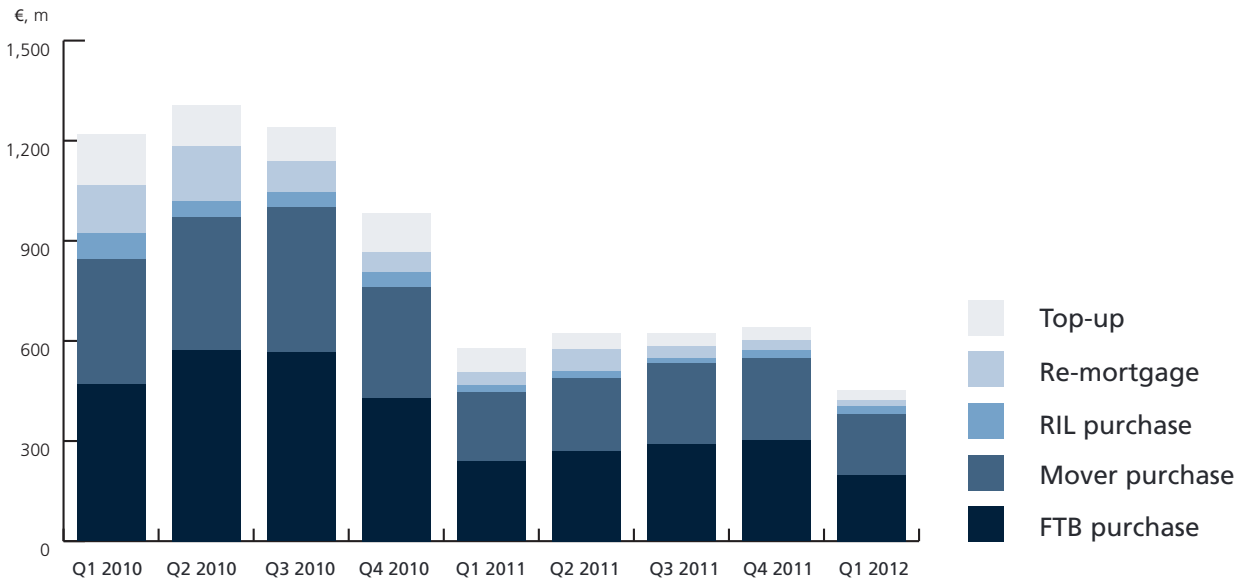
In the first quarter of 2012, a total of €450m in mortgages were drawn down. This was 22.0% less than in the same period in 2011 and 29.6% less than in Q4 2011.

- **The value of mortgage loans issued to the RIL segment increased on both a quarter-on-quarter and a year-on-year basis. All other segments contracted compared with Q1 2011 and Q4 2011.**
- The FTB and re-mortgage segments lost market share, while the mover-purchase, RIL and top-up segments each increased their market shares.
- FTBs and mover-purchasers together made up more than 84% of the market in value terms.

Quarter 1 2012: €450m Issued in Mortgage Loans



		FTB Purchase		Mover Purchase		RIL Purchase		Re-mortgage		Top-up		**Total Drawdowns**
		€m	%	€m	%	€m	%	€m	%	€m	%	€m
2012	**Q1**	**198**	**44.0%**	**182**	**40.4%**	**25**	**5.6%**	**18**	**4.0%**	**27**	**6.0%**	**450**
2011	Q4	301	47.1%	248	38.8%	22	3.5%	32	5.0%	36	5.6%	639
	Q3	290	46.5%	243	39.0%	15	2.4%	36	5.8%	39	6.3%	623
	Q2	270	43.3%	218	34.9%	21	3.3%	66	10.6%	49	7.9%	624
	Q1	239	41.4%	207	35.9%	20	3.5%	40	6.9%	71	12.3%	577
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



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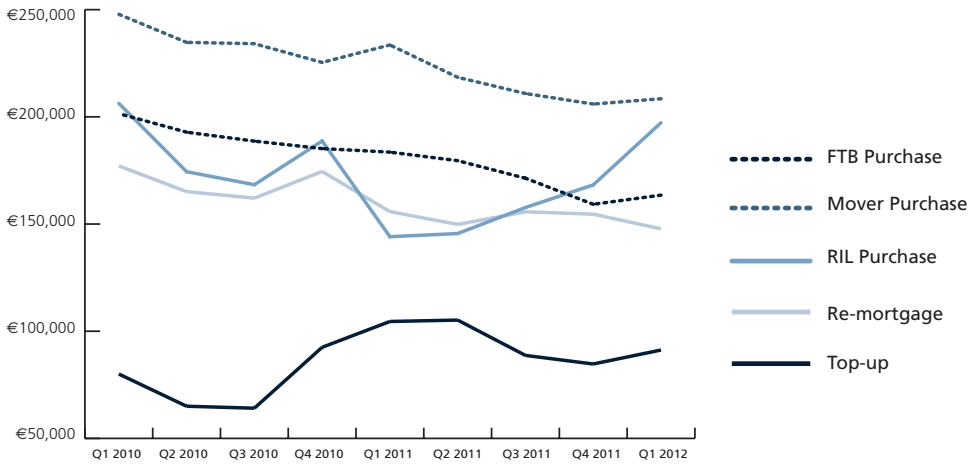
Average Loan

		FTB Purchase	Mover Purchase	RIL Purchase	Re-mortgage	Top-up
		€	€	€	€	€
2012	**Q1**	**163,470**	**208,439**	**197,262**	**147,772**	**91,227**
2011	Q4	159,220	205,971	168,252	154,603	84,708
	Q3	171,357	210,876	157,695	155,693	88,711
	Q2	179,552	218,447	145,555	149,823	105,193
	Q1	183,543	233,519	144,093	155,796	104,544
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

- **The average loan size rose to €171,244 (up 3.4%) in Q1 2012.**
- The average size of loans drawn down increased on a quarterly basis in each of the segments except the re-mortgage segment, where the average loan size fell by 4.4% to the lowest level since the series began in 2005.
- The average RIL loan drawn down increased for the third successive quarter, rising by 17.2% to €197,262, the highest average value since Q1 2010.



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.*
***Not included in data series after Q1 2011.*

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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