

VIC

**BIGGEST MONTH FOR MORTGAGES IN 21 YEARS:
MARCH FIGURES**

Embargo until 2 April 2015

AFG, Australia's largest mortgage broker, processed \$5.2 billion in mortgages last month – the biggest volume in any single month for the company in its 21 years in business.

The \$5.2 billion figure represents a 29% increase on March last year. It equates to a total of 11,235 mortgages. AFG has approximately 10% of the total mortgage market.

Volumes were particularly strong in NSW which recorded a 47% increase on March 2014 (\$1.9 billion processed) and VIC, where a 30% greater volume was processed (\$1.2 billion). Increases reported for other states were SA (23%), QLD (16%) and WA (11%).

Property investment nudged to a new record high of 41.7%, driven by especially strong activity in NSW, where 52.9% of all mortgages were processed for investors. This investor loan figure compares with 37.7% in SA, 36.7% in Victoria, 33.6% in WA and 33.3% in QLD.

Mark Hewitt, General Manager of Sales and Operations says: 'What happened in March is really the story of Sydney and Melbourne. Volumes in other cities were strong but unspectacular. The combination of rate expectations, with a traditionally buoyant month for property sales, made March a stand-out month.'

Fixed rate loans comprised 14.2% of the mortgage mix, with 68.8% of borrowers opting for standard variable loans.

Loan to value ratios (LVRs), loans stated as a proportion of the value of a property, remained steady at 67% nationally, relatively lower in NSW (64%) than in VIC and WA (71% in both cases) on account of the typically higher levels of equity provided by investors seeking loans.

First home buying continues at very low levels – 7.4% nationally – especially low in NSW where first home buyers comprise just 2.4% of new borrowers, SA (4.6%) and QLD (5.0%).

More information for each state can be found at www.afgonline.com.au under Media Hub – News and Data.

CONTACT DETAILS

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AFG MORTGAGES SOLD

TABLE 1: ALL AUSTRALIA

MONTH	TOTAL NUMBER	TOTAL AMOUNT	AVERAGE SIZE	PROPERTY INVESTORS	FIRST TIME BUYERS	% REFINANCE
Jan 14	6,297	\$2,585 m	\$410k	38.9%	11.8%	33.1%
Feb 14	8,740	\$3,759 m	\$430k	38.9%	9.9%	33.6%
Mar 14	9,264	\$4,048 m	\$436k	39.6%	10.7%	33.9%
Apr 14	8,517	\$3,674 m	\$431k	39.0%	10.1%	34.1%
May 14	9,815	\$4,218 m	\$429k	40.0%	10.2%	34.7%
June 14	8,745	\$3,794 m	\$433k	39.2%	10.8%	36.7%
July 14	9,300	\$4,122 m	\$443k	38.0%	9.8%	36.1%
Aug 14	9,087	\$3,959 m	\$435k	39.0%	9.5%	35.3%
Sep 14	9,839	\$4,365 m	\$443k	40.3%	8.4%	36.0%
Oct 14	10,463	\$4,755 m	\$454k	38.7%	7.2%	34.7%
Nov 14	9,806	\$4,455 m	\$454k	40.7%	7.3%	33.6%
Dec 14	8,510	\$3,778 m	\$443k	39.4%	6.9%	37.3%
Jan 15	6,562	\$2,763 m	\$421k	38.5%	8.3%	32.8%
Feb 15	9,799	\$4,368 m	\$445k	39.6%	8.2%	35.0%
Mar 15	11,235	\$5,236 m	\$466k	41.7%	7.4%	34.9%

AFG MORTGAGES SOLD

TABLE 2 : VIC

MONTH	TOTAL NUMBER	TOTAL AMOUNT	AVERAGE SIZE	FIRST TIME BUYERS	PROPERTY INVESTORS
Jan 14	1,494	\$625 m	\$418k	11.2%	37.4%
Feb 14	2,111	\$885 m	\$419k	10.3%	38.4%
Mar 14	2,242	\$936 m	\$417k	12.2%	36.5%
Apr 14	2,146	\$875 m	\$408k	10.9%	36.9%
May 14	2,399	\$999 m	\$416k	10.7%	40.2%
June 14	2,046	\$859 m	\$419k	11.3%	36.6%
July 14	2,333	\$1,095 m	\$469k	9.6%	34.9%
Aug 14	2,158	\$910 m	\$422k	9.4%	36.9%
Sept 14	2,414	\$1,030 m	\$426k	9.1%	37.2%
Oct 14	2,561	\$1,088 m	\$425k	8.3%	35.9%
Nov 14	2,423	\$1,079 m	\$445k	7.4%	39.8%
Dec 14	2,086	\$915 m	\$438k	6.9%	36.8%
Jan 15	1,603	\$664 m	\$414k	9.6%	39.3%
Feb 15	2,448	\$1,070m	\$437k	9.2%	38.4%
Mar 15	2,790	\$1,225m	\$439k	10.7%	36.7%

MAJOR VS NON MAJOR LENDER MARKET SHARE

TABLE 3: BY BUYER TYPE

MONTH	TOTAL MORTGAGES		REFINANCE		FIRST HOME BUYERS		INVESTORS	
	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR
2014 02	73.1%	26.9%	66.7%	33.3%	72.8%	27.2%	75.8%	24.2%
2014 03	74.6%	25.4%	68.2%	31.8%	68.4%	31.6%	76.8%	23.2%
2014 04	75.2%	24.8%	68.9%	31.1%	72.2%	27.8%	76.9%	23.1%
2014 05	74.7%	25.3%	69.2%	30.8%	70.4%	29.6%	77.2%	22.8%
2014 06	74.9%	25.1%	70.3%	29.7%	72.6%	27.4%	76.9%	23.1%
2014 07	74.7%	25.3%	67.9%	32.1%	71.4%	28.6%	77.5%	22.5%
2014 08	73.8%	26.2%	68.0%	32.0%	69.3%	30.7%	76.8%	23.2%
2014 09	73.2%	26.8%	64.9%	35.1%	68.1%	31.9%	75.5%	24.5%
2014 10	71.7%	28.3%	67.5%	32.5%	69.1%	30.9%	73.8%	26.2%
2014 11	70.1%	29.1%	63.0%	37.0%	64.3%	35.7%	75.5%	24.5%
2014 12	67.5%	32.5%	58.6%	41.4%	68.4%	31.6%	73.2%	26.8%
2015 01	74.9%	25.1%	68.6%	31.4%	73.4%	26.6%	78.7%	21.3%
2015 02	73.9%	26.1%	66.4%	33.6%	73.1%	26.9%	77.3%	22.7%
2015 03	72.5%	27.5%	66.2%	33.8%	70.9%	29.1%	76.2%	23.8%

AVERAGE MORTGAGE SIZE IN DOLLARS

TABLE 4: STATE BY STATE

MONTH	AUSTRALIA	NSW	QLD	SA	VIC	WA	NT
2014 01	410,543	485,268	350,785	326,646	418,752	416,173	380,723
2014 02	430,194	518,145	357,754	333,958	419,253	430,772	378,874
2014 03	436,983	529,763	372,809	339,568	417,604	435,643	367,476
2014 04	431,484	528,674	364,432	334,894	408,827	439,959	423,630
2014 05	429,794	524,009	369,926	323,841	416,521	423,236	391,383
2014 06	433,960	526,954	373,126	335,919	419,893	424,349	425,155
2014 07	443,244	506,696	373,911	335,791	469,672	434,707	397,685
2014 08	435,782	532,105	365,571	338,525	422,125	428,916	401,888
2014 09	443,729	545,048	359,100	325,999	426,979	450,527	379,036
2014 10	454,516	577,439	367,670	352,569	425,011	437,373	408,427
2014 11	454,414	561,445	368,898	352,269	445,458	440,347	409,732
2014 12	443,986	544,281	374,391	349,146	438,934	427,983	374,898
2015 01	421,147	508,347	356,631	327,827	414,585	429,854	346,308
2015 02	445,848	547,256	370,853	336,830	437,473	428,421	396,566
2015 03	466,048	576,992	382,291	349,813	439,090	447,861	437,107

LOAN VALUE RATIOS (loan stated as % of property value)

TABLE 5 : ALL AUSTRALIA

	AUSTRALIA	NSW	QLD	SA	VIC	WA	NT
2014 02	68.0%	65.6%	69.0%	67.8%	72.0%	71.0%	62.3%
2014 03	68.0%	64.6%	68.0%	70.9%	71.9%	71.3%	61.3%
2014 04	66.7%	64.2%	65.0%	70.3%	72.4%	70.5%	58.1%
2014 05	68.8%	65.7%	68.0%	68.5%	71.4%	70.5%	68.6%
2014 06	66.6%	64.1%	66.7%	68.6%	70.6%	69.8%	59.8%
2014 07	68.2%	63.3%	67.3%	67.3%	71.2%	71.5%	68.4%
2014 08	69.5%	64.3%	67.8%	70.4%	70.9%	71.1%	72.5%
2014 09	66.9%	65.1%	66.3%	67.4%	72.6%	70.3%	60.0%
2014 10	67.9%	65.8%	67.5%	71.7%	72.0%	69.4%	61.1%
2014 11	69.6%	64.9%	67.6%	69.0%	72.3%	72.4%	71.2%
2014 12	68.2%	65.1%	68.1%	68.0%	71.3%	68.4%	68.5%
2015 01	69.0%	65.5%	68.7%	70.7%	72.0%	71.5%	65.6%
2015 02	67.7%	64.6%	68.7%	66.5%	71.5%	71.7%	63.5%
2015 03	67.8%	64.2%	66.8%	67.4%	72.0%	69.3%	67.3%

LOAN TYPE

TABLE 6 : ALL AUSTRALIA

MONTH	BASIC	EQUITY	FIXED	INTRO	STANDARD
Jan 14	6.4%	4.6%	17.5%	6.7%	64.8%
Feb 14	6.0%	5.1%	18.3%	5.3%	65.3%
Mar 14	6.1%	5.1%	17.2%	5.6%	66.0%
Apr 14	5.9%	5.3%	17.5%	5.5%	65.9%
May 14	6.9%	5.1%	17.6%	5.3%	65.1%
June 14	6.2%	5.0%	17.2%	5.1%	66.6%
July 14	6.3%	4.8%	16.8%	6.6%	65.5%
Aug 14	6.5%	4.2%	17.8%	6.3%	65.2%
Sept 14	6.2%	4.3%	18.2%	5.9%	65.3%
Oct 14	5.2%	4.1%	18.2%	5.6%	66.9%
Nov 14	5.3%	4.6%	17.1%	4.9%	68.0%
Dec 14	5.3%	4.5%	14.5%	5.8%	69.8%
Jan 15	6.5%	3.9%	15.4%	7.5%	66.5%
Feb 15	6.6%	3.8%	13.6%	7.9%	68.2%
Mar 15	6.6%	3.7%	14.2%	6.6%	68.8%

DEFINITIONS

1. **Standard Variable:** includes the full range of features available.
2. **Basic Variable:** without some features, lower fees and rates.
3. **Intro:** also known as 'honeymoon' where the borrower is offered a very cheap initial rate (fixed or variable) before the loan reverts to a Standard Variable.
4. **Fixed:** interest rate is fixed for a nominated period before it reverts to a Standard Variable.
5. **Equity:** also known as 'line of credit' allows the borrower to draw out money up to a specified limit. Generally more expensive than Standard Variable loans.

NOTE TO EDITORS

AFG is Australia's largest mortgage broking group and one of the country's largest financial services companies. Established in 1994, the company now provides more than 20% of brokers nationwide with access to Australia's leading lending institutions, and has a mortgage book in excess of \$100 billion.