

NATIONAL

\$4 BILLION RECORD-BREAKER FOR OCTOBER – AFG'S BIGGEST MONTH EVER

4 November 2013

AFG, Australia's largest mortgage broker, processed over \$4 billion in home loans last month – its biggest month ever, and the first time the company's national 1,900 brokers have collectively broken through the \$4 billion mark.

The \$4,057 million figure is 12% higher than the \$3,624 million processed the month before, which was itself a record. The October 2013 figure is also 30% higher than that recorded by the company for October 2012, and 61% higher than for October 2011, showing how far the mortgage market, and broader economy, has recovered over the past two years.

Across the nation there were significant variations in different markets. South Australia's figures were 19% higher than the month before and Victoria's 18.8%. Queensland and NSW occupied the middle ground with increases of 11.8% and 10.9% respectively, while WA's volumes were up only 5% on September. The WA figure did come off a high base, and the relatively large number of first home buyers in the state was another reason why uplift was less dramatic than elsewhere.

Mark Hewitt, General Manager of Sales and Operations says: 'Low rates and intense competition amongst lenders are making the home loan market not only more attractive, but also more complex. Consumers are increasingly turning to brokers to help locate the overall package best suited to them.'

Fixed home loans held steady, accounting for 27.7% of all home loans processed.

AFG's Mortgage Index again records huge disparities in the proportion of first home buyers across the different states: WA – 23%, SA – 16%, VIC – 11%, QLD – 6%, NSW 4%, in particular reflecting the withdrawal of first home grants in QLD and NSW.

Full figures for each state are available at: www.afgonline.com.au in the News.

ENDS

CONTACT DETAILS

Mark Hewitt, AFG General Manager Sales & Operations

Mob 0414 801 251 | Tel(08) 9420 7888

David Michie, Mosaic Reputation Management

Tel (08) 9381 4494 | Mob 0411 453 404



AFG MORTGAGES SOLD
TABLE 1: ALL AUSTRALIA

MONTH	TOTAL NUMBER	TOTAL AMOUNT	AVERAGE SIZE	PROPERTY INVESTORS	FIRST TIME BUYERS	% REFINANCE
Aug 12	7,730	\$3,071 m	\$397k	36.4%	15.9%	35.4%
Sept 12	6,882	\$2,708 m	\$393k	35.5%	13.2%	35.2%
Oct 12	7,719	\$3,103 m	\$402k	35.8%	15.4%	34.8%
Nov 12	7,831	\$3,094 m	\$395k	33.9%	12.9%	34.9%
Dec 12	5,912	\$2,376 m	\$402k	38.0%	12.5%	36.3%
Jan 13	5,893	\$2,261 m	\$383k	36.0%	13.2%	34.1%
Feb 13	7,480	\$2,956 m	\$395k	34.7%	12.9%	34.4%
Mar 13	7,898	\$3,181 m	\$402k	37.1%	12.9%	35.7%
Apr 13	8,005	\$3,200 m	\$399k	35.9%	12.4%	35.6%
May 13	8,921	\$3,608 m	\$404k	36.5%	13.6%	34.0%
June 13	7,575	\$3,079 m	\$406k	37.9%	12.8%	36.6%
July 13	8,482	\$3,407 m	\$401k	35.9%	11.6%	35.2%
Aug 13	8,767	\$3,613 m	\$412k	38.7%	11.3%	33.5%
Sept 13	8,660	\$3,624 m	\$418k	38.1%	11.3%	31.5%
Oct 13	9,597	\$4,057 m	\$422k	38.4%	11.1%	34.3%

MAJOR VS NON MAJOR LENDER MARKET SHARE
TABLE 2: BY BUYER TYPE

MONTH	TOTAL MORTGAGES		REFINANCE		FIRST HOME BUYERS		INVESTORS	
	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR	MAJOR	NON-MAJOR
2012 09	76.0%	24.0%	75.2%	24.8%	74.3%	25.7%	81.3%	18.7%
2012 10	77.1%	22.9%	73.7%	26.3%	71.7%	28.3%	80.9%	19.1%
2012 11	78.4%	21.6%	74.0%	26.0%	74.9%	25.1%	80.8%	19.2%
2012 12	77.4%	22.6%	74.0%	26.0%	77.6%	22.4%	80.7%	19.3%
2013 01	76.5%	23.5%	73.6%	26.4%	75.2%	24.8%	80.5%	19.5%
2013 02	78.1%	21.9%	73.7%	26.3%	78.2%	21.8%	80.1%	19.9%
2013 03	79.3%	20.7%	74.2%	25.8%	77.8%	22.2%	80.5%	19.5%
2013 04	78.9%	21.1%	74.7%	25.4%	75.2%	24.8%	80.4%	19.6%
2013 05	77.2%	22.8%	72.9%	27.1%	74.3%	25.7%	79.7%	20.3%
2013 06	75.1%	24.9%	70.4%	29.6%	74.6%	25.4%	77.9%	22.0%
2013 07	73.6%	26.4%	68.2%	31.8%	71.9%	28.1%	75.2%	24.8%
2013 08	74.9%	25.1%	66.8%	33.2%	73.7%	26.3%	77.9%	22.1%
2013 09	73.7%	26.2%	67.1%	32.9%	73.2%	26.8%	76.1%	23.9%
2013 10	74.9%	25.1%	69.6%	30.4%	73.1%	26.9%	76.3%	23.7%



AVERAGE MORTGAGE SIZE IN DOLLARS
TABLE 3 : STATE BY STATE

MONTH	AUSTRALIA	NSW	QLD	SA	VIC	WA	NT
2012 08	397,303	476,061	348,579	325,877	385,407	402,290	373,628
2012 09	393,625	454,687	347,953	304,005	380,811	419,076	412,581
2012 10	402,120	478,148	347,026	320,793	396,997	412,952	375,339
2012 11	395,149	473,172	348,444	315,773	379,949	403,944	365,993
2012 12	402,060	471,157	340,237	310,840	392,193	431,685	426,906
2013 01	383,810	443,931	342,836	325,629	376,871	394,396	355,608
2013 02	395,270	453,231	356,581	340,407	379,198	409,385	397,702
2013 03	402,848	477,063	349,322	333,937	385,252	414,583	352,875
2013 04	399,830	479,400	341,419	320,214	388,968	406,558	377,217
2013 05	404,452	486,232	348,914	308,103	382,428	420,735	399,894
2013 06	406,573	494,423	344,075	322,774	388,630	408,832	435,456
2013 07	401,749	487,312	341,665	321,050	387,300	397,351	435,998
2013 08	412,125	505,365	352,671	315,098	391,988	410,861	392,414
2013 09	418,550	507,859	357,343	324,148	397,162	421,761	374,346
2013 10	422,758	512,192	355,836	353,916	414,923	410,299	383,306

LOAN VALUE RATIOS (loan stated as % of property value)
TABLE 4 : STATE BY STATE

	AUSTRALIA	NSW	QLD	SA	VIC	WA	NT
2012 09	69.0%	68.0%	68.6%	69.2%	69.3%	70.7%	68.6%
2012 10	70.5%	69.3%	70.5%	70.1%	72.4%	73.6%	67.1%
2012 11	69.0%	67.5%	68.3%	72.1%	69.8%	71.6%	64.4%
2012 12	68.5%	66.7%	68.1%	66.9%	69.2%	70.8%	69.1%
2013 01	67.9%	64.9%	69.0%	67.3%	70.9%	70.8%	64.2%
2013 02	68.9%	67.3%	68.3%	68.8%	69.8%	71.2%	68.1%
2013 03	68.8%	66.8%	67.8%	68.3%	70.7%	70.0%	69.4%
2013 04	68.6%	67.3%	68.0%	68.9%	72.0%	70.0%	65.6%
2013 05	68.5%	66.5%	69.1%	68.1%	70.1%	70.8%	66.1%
2013 06	68.6%	66.3%	67.2%	69.9%	70.1%	71.4%	66.5%
2013 07	68.4%	66.2%	68.4%	68.9%	71.0%	70.9%	64.8%
2013 08	68.2%	66.6%	70.3%	67.8%	71.0%	71.8%	61.4%
2013 09	68.5%	68.0%	69.0%	68.5%	71.2%	73.8%	60.5%
2014 10	69.1%	66.4%	70.1%	71.1%	70.7%	71.7%	64.6%



LOAN TYPE

TABLE 5: ALL AUSTRALIA

MONTH	BASIC	EQUITY	FIXED	INTRO	STANDARD
Sept 12	9.0%	6.6%	21.5%	5.7%	57.2%
Oct 12	9.5%	5.9%	20.8%	5.5%	58.2%
Nov 12	8.7%	5.7%	21.6%	4.8%	59.2%
Dec 12	9.1%	6.3%	18.7%	2.6%	63.3%
Jan 13	9.0%	5.6%	16.3%	2.9%	66.0%
Feb 13	8.7%	5.2%	24.1%	4.3%	57.6%
Mar 13	6.1%	5.6%	29.6%	5.0%	53.7%
Apr 13	4.9%	6.2%	30.7%	4.9%	53.2%
May 13	5.3%	5.4%	28.5%	5.0%	55.8%
June 13	4.4%	5.8%	27.4%	5.2%	57.2%
July 13	4.5%	5.1%	28.9%	5.8%	55.6%
Aug 13	4.2%	5.6%	26.1%	5.6%	58.5%
Sept 13	3.4%	4.7%	27.3%	6.0%	58.5%
Oct 13	3.8%	4.6%	27.7%	5.3%	58.5%

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 broker. 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 \$65 billion.

