

Loan Market Group data shows Sydney's split and Melbourne's woes as the rest of Australia booms.

We have undertaken a detailed review of mortgage flows at both a national and regional level. Loan Market Group has a 15% share of the Australian mortgage flows and this data is highly correlated with official ABS statistics. This data is also very timely, up to the end of March 2025.

Key findings:

- 1. Seasonally adjusted mortgage approvals (ex refi) plateaued in the March quarter, but remained up 15% YoY.
- 2. The RBA rate cut does not appear to have materially stimulated loan demand. Approvals fell 4.5% in month of March MoM.
- 3. Loan approval growth YoY is strongest in SA (24%), NSW (24%), QLD (21%), TAS (15%) and WA (12%) have slowed, while VIC is weak (3%).
- 4. Coastal Sydney, NSW regional cities, Brisbane, Sunshine Coast, Far North Queensland & Adelaide are enjoying strong growth. Inner and West Melbourne remain weak.

With a series of rate cuts now likely given global uncertainty, we expect the increase in borrowing capacity to stimulate activity.

Table of Contents

Drilling into the Loan Market Group data.....	2
Housing approvals plateau in the March quarter.....	2
Breaking down the regions. Where is hot and where is not?.....	2
Key findings (by \$ value, ex refi):.....	2
Housing approvals to accelerate.....	3
What stood out in the Loan Market Group regional statistics.....	7
Breakdown by State.....	9
Breaking Down the Regions.....	17
New South Wales.....	17
Victoria.....	21
Queensland.....	25
South Australia.....	29
Western Australia.....	33
Tasmania.....	37

Drilling into the Loan Market Group data

We have undertaken a detailed review of Loan Market Group data for lending flows through to the end of March. Back-testing to 2017 found Loan Market Group approvals growth to be ~87% correlated with ABS data (seasonally adjusted, ex refi), with growth slightly above system due to market share gains. As a result, this gives us a timely sample of the mortgage market. In NSW, VIC & QLD, we have broken the data into five regions. SA & WA are broken into two regions.

Housing approvals plateau in the March quarter

At a national level, mortgage approvals (seasonally adjusted values, ex refi) were flat during the March quarter. However, lending volumes remain 15% up on March 2024.

However, when we look at month-by-month growth, there appears to have been limited benefit from the RBA rate cut, with March approvals -4.5% MoM. This may have been impacted by Cyclone Alfred, so a broadly flat period for mortgage approvals appears to be a fair conclusion.

Breaking down the regions. Where is hot and where is not?

We have looked at the Loan Market Group regional data over two periods, year-on-year since 3Q22 (when this data series began), which takes into account the rate hiking cycle.

Key findings (by \$ value, ex refi):

Reduced borrowing capacity has hurt Sydney, especially owner-occupiers

Coastal Sydney is enjoying robust lending growth, with approvals up 34% YoY and +29% since 3Q22. However, this is heavily skewed to investors (+74% since 3Q22), with owner-occupiers (+7%).

Greater Western Sydney is experiencing a similar situation. Since 3Q22 investors (+56%) vs owner occupied (+6%).

While **Sydney** represents 20% of the Australian population, it only accounts for 16% of owner-occupied applications by value and just 11% by number. This reflects affordability and borrowing capacity constraints.

Regional Metro NSW is more balanced with a good flow of owner-occupied (+31% since 3Q22) vs investors (+17%). **Northern NSW** has seen strong investor flows (+60%, albeit -11% YoY) and reasonable owner-occupied (+21%), while **Western NSW** has been strong with owner-occupied (+27%) and Investors (+36%).

Victoria is unambiguously soft given weak sentiment and the impact of land tax

Melbourne has fallen from 22% of national approvals in mid-2022 to 17% in March 2025.

Melbourne Inner has seen owner occupied -4% and investor approvals -12% since 3Q22, reflecting the soft housing market. **Melbourne East** owner occupied -14%, while investor bucked the trend, +11%. **Melbourne West** has been very weak with owner occupied -7% and investors -43%.

Regional VIC Cities are seeing a post-pandemic reversal, with owner occupied -18% and investors -24%. **Rural VIC** has seen a pick-up in owner occupied over the last year, but since 3Q22 owner occupied +21% and investors -5%.

Queensland is booming across the board

Greater Brisbane has seen solid growth in both owner-occupied +27% and investors +54% since 3Q22. While **Gold Coast** is even stronger with owner-occupied +51% and investors +69%. **Sunshine Coast** makes it a SE QLD trifecta, seeing balanced growth, with owner-occupied +62% and investors +64%. **Far North QLD** has seen the strongest growth with 88% growth in investors and 68% in owner-occupied. Even the rest of QLD is up strongly, with owner-occupied +24% and investors +97%.

Very strong growth in South Australia and Western Australia. Tasmania has slowed. SA has been a big winner in more affordable housing. Since 3Q22 **Adelaide** has seen owner-occupied approvals +38% and investors +59%. While investors are flooding back into WA. **Perth** has seen a 22% increase in owner-occupied flow (lower than we expected), while investors are up a remarkable 119%. **TAS** has seen solid owner-occupied +20% and investors +58% since 2Q22. Although investor lending is down 23% YoY.

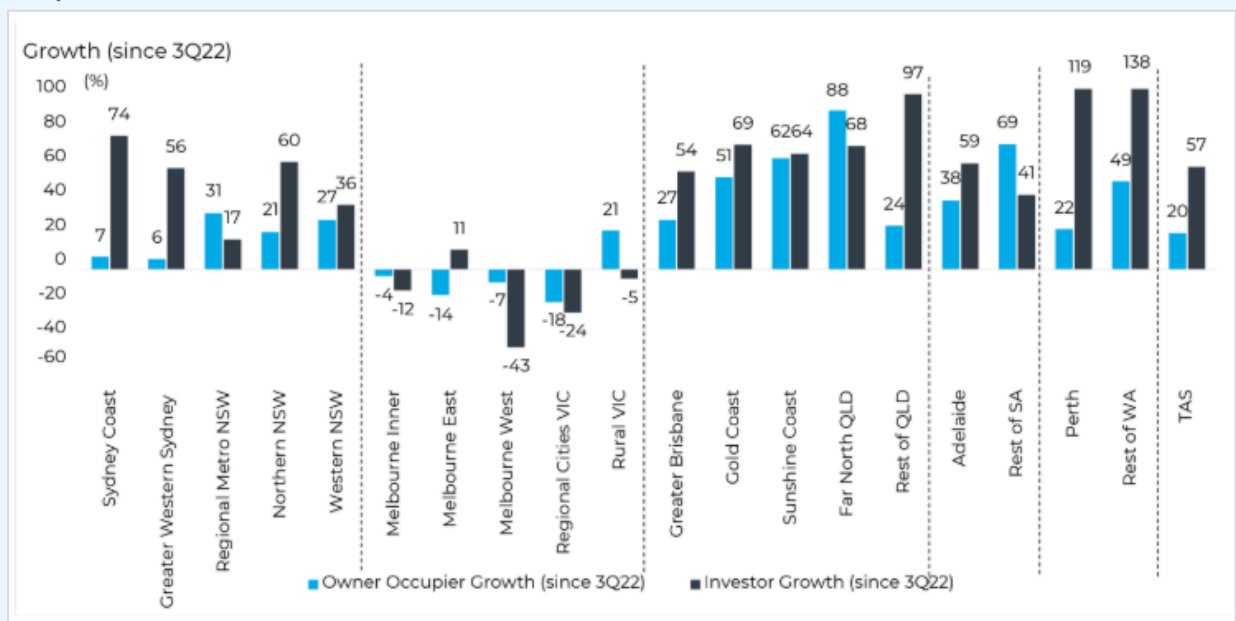
Very strong growth in South Australia and Western Australia. Tasmania has slowed.

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Housing approvals to accelerate

With the RBA likely to embark on a series of rate cuts we anticipate improved borrowing capacity and underlying housing demand will lead to a further acceleration in housing lending across Australia.

Figure 1 - Loan Market Group mortgage originations growth 1Q25 vs 3Q22 (%) - investor vs owner occupied



Source: Loan Market Group

We have compared a longer time series of Loan Market Group mortgage approvals data (pre-merger) against the ABS mortgage commitments. Both series exclude refinancing and are seasonally adjusted (SA).

We found a high degree of correlation between the Loan Market Group and ABS series at 87%. However, Loan Market Group growth is slightly stronger given market share gains through this period.

This gives us confidence that Loan Market Group data is a good indicator of mortgage activity across Australia.

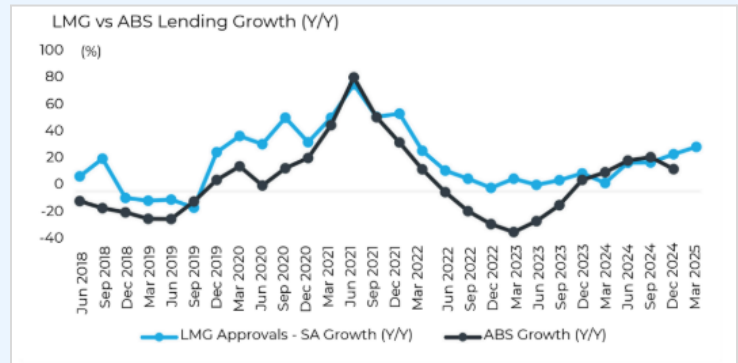
Looking at the Loan Market Group data for the Group (i.e. post-merger in 2022) the correlation to the ABS data is very high.

With 15% market share well diversified across Australia, we believe this is a very good and timely sample.

Loan Market Group data suggests seasonally adjusted growth in mortgage approvals (by value, ex refi) was broadly flat in 1Q25.

ABS data is now only reported on a quarterly basis. Data for 1Q25 will be released in early May.

Figure 2 - Loan Market Group vs ABS mortgage approvals growth (SA, YoY)



Source: Loan Market Group

Figure 3 - Loan Market Group (post-merger) vs ABS housing commitments -ex refi (SA, A\$m)



Source: Loan Market Group

Figure 4 - Loan Market Group (post-merger) vs ABS housing commitments -ex refi growth (QoQ SA, %)

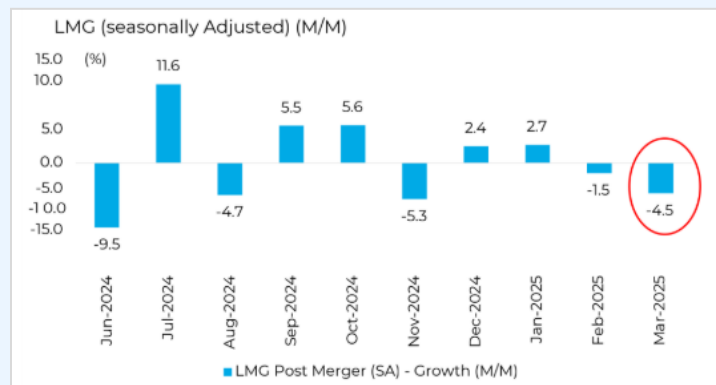


Source: Loan Market Group

Loan Market Group data suggests there was no bounce in approvals following the RBA rate cut in February.

This may be a timing issue given the lagged impact of Monetary Policy. However, it is consistent with house price data which has once again softened in recent weeks.

Figure 5 - Loan Market Group approvals - ex refi growth (MoM SA, %)



Source: Loan Market Group

Seasonally adjusted mortgage approvals ex refi have been broadly stable since around September 2024.

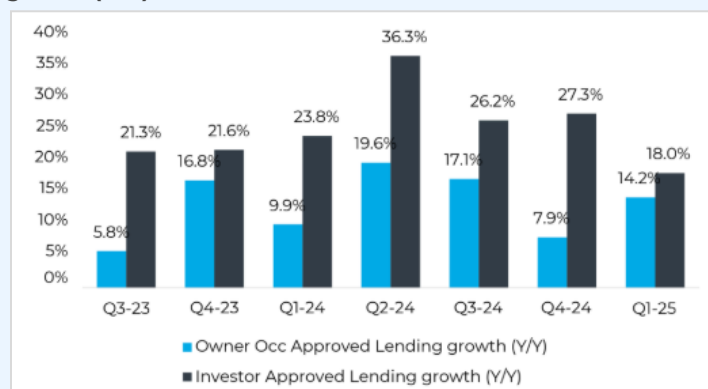
Figure 6 - Loan Market Group approvals, ex refi (SA, A\$bn)



Source: Loan Market Group

During 1Q25, investor-approved lending grew 18% and owner occ 14%.

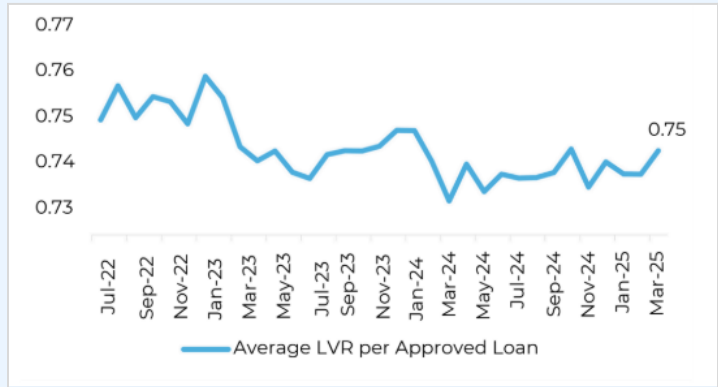
Figure 7 - Total Approved lending investor and owner occ growth (YoY)



Source: Loan Market Group

The average LVR has been broadly stable at 75%.

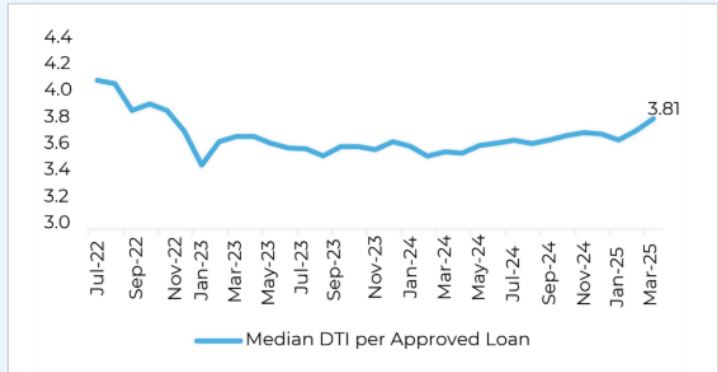
Figure 8 - Average LVR per approved loan (%)



Source: Loan Market Group

Median debt-to-income is the highest in 3 years at 3.81x.

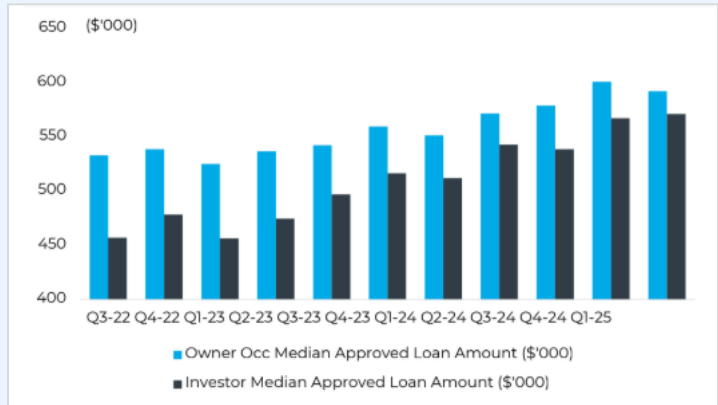
Figure 9 - Median debt-to-income per approved loan



Source: Loan Market Group

The median approved loan amount is increasing, particularly for investors.

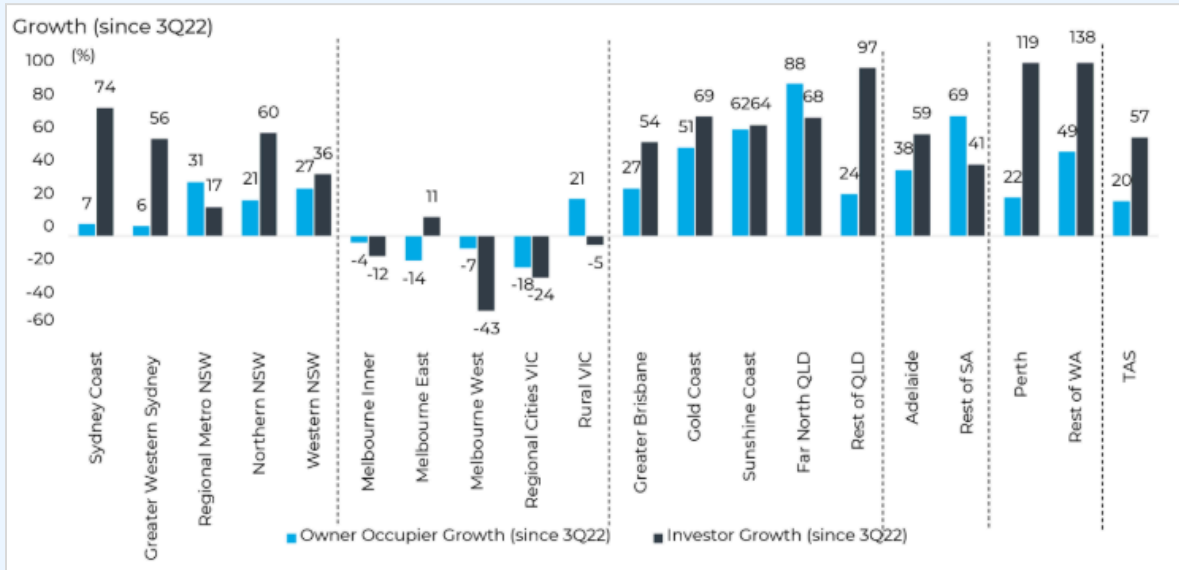
Figure 10 - Median approved loan amount investor and owner occ (\$'000)



Source: Loan Market Group

What stood out in the Loan Market Group regional statistics

Figure 11 - Loan Market Group mortgage originations growth 1Q25 vs 3Q22 (%) - investor vs owner-occupied

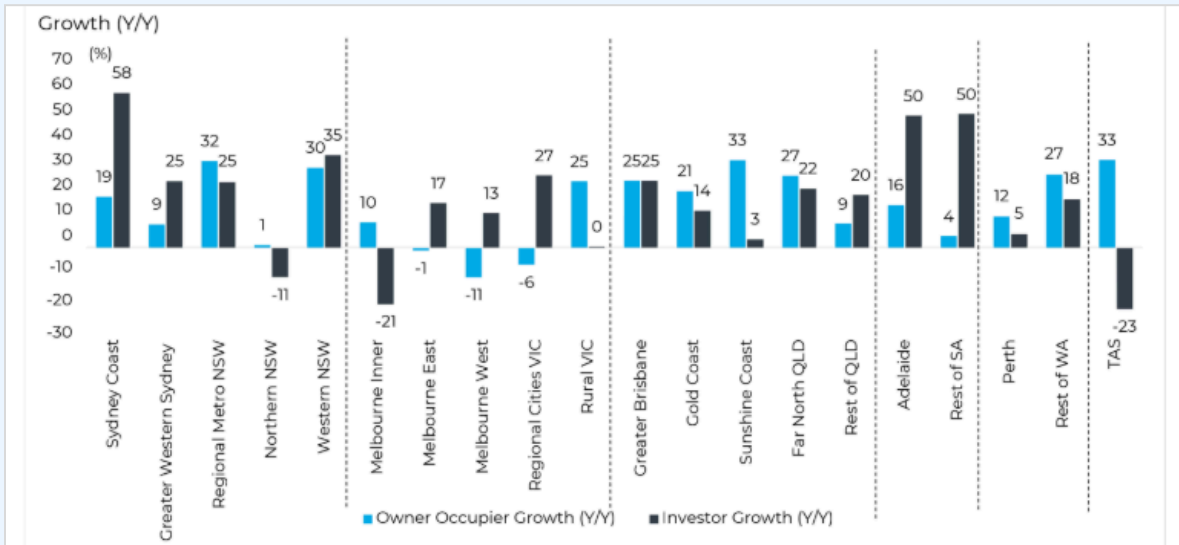


Source: Loan Market Group

There is a significant difference in the drivers of each region:

- Over the last three years, the Sydney market has been heavily driven by investors.
- Owner Occupiers have not been able to enter the Sydney market given affordability and reduced borrowing capacity.
- Melbourne has been weak across the board given sentiment and the impact of land tax
- Queensland has been booming, as have SA, WA and TAS

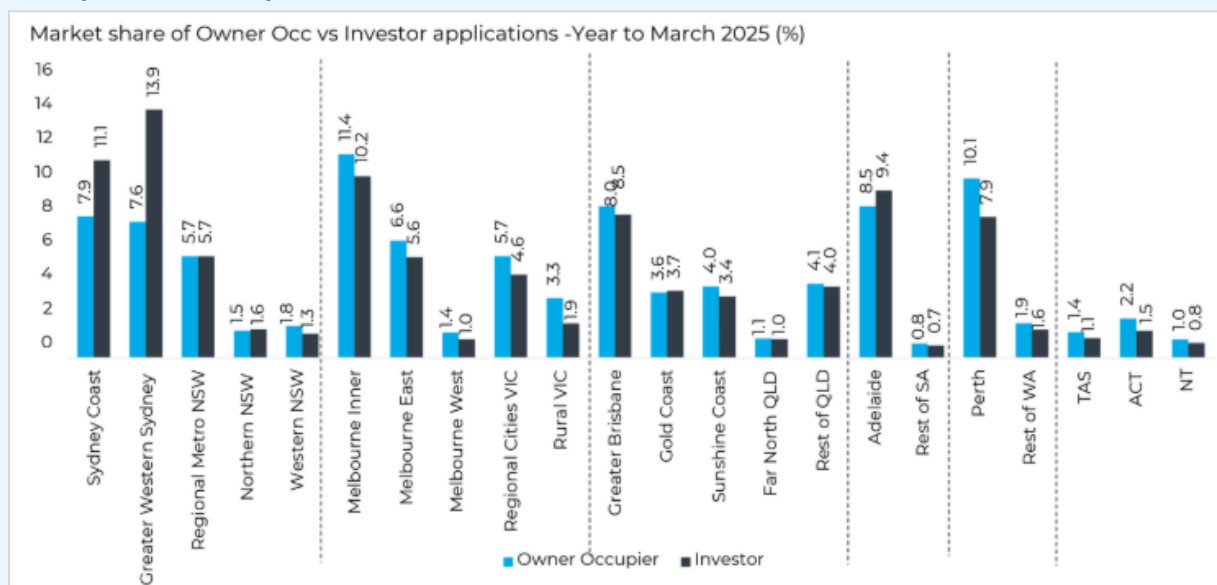
Figure 12 - Loan Market Group mortgage originations for 1Q25, growth YoY(%) - investor vs owner occupied



Source: Loan Market Group

Over the last 12 months to 1Q25 trends have been broadly similar. However, there has been a pick-up in investor activity in Melbourne East and West. Investor activity in Perth has also moderated from very high levels.

Figure 13 - Share of owner-occupied and investor mortgage applications by region (by value, ex refi). Year to 1Q25 (%)



Source: Loan Market Group

This chart shows the regional market share of owner-occupied lending and investor lending mortgage applications (in \$ terms, ex-refinancing) during the year to March 2025.

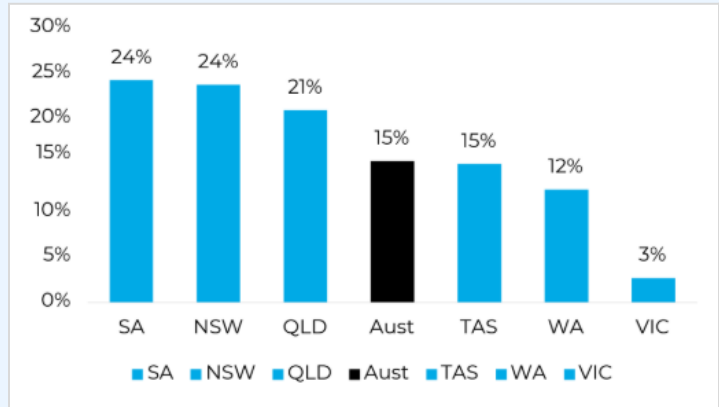
Coastal Sydney and GWS are heavily overweight investors (a combined 25% of Australia) relative to owner-occupiers (a combined 15.5% of Australia). This illustrates the challenges of owner-occupiers in entering the Sydney market given borrowing capacity and affordability issues.

The rest of Australia is much more balanced in its owner-occupied vs investor mix.

Breakdown by State

SA and NSW had the largest growth in approved lending in 1Q25 at 24%. This compares to national growth at 15%. Victoria lags behind the other states at just 3% growth in the quarter.

Figure 14 - Total approved lending by state growth 1Q25 (Y/Y)



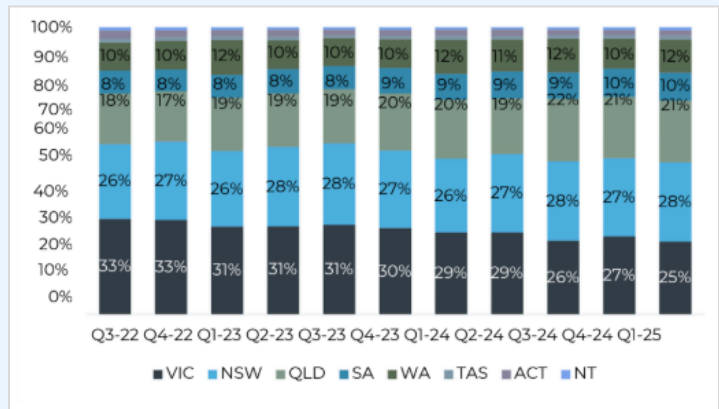
Source: Loan Market Group

Figure 15 - Total approved lending by State growth since Q3-2022



Source: Loan Market Group

Figure 16 - Share of total approvals in Australia by state



Source: Loan Market Group

VIC's share of approvals in Australia has reduced, from 33% in Q3-2022 to now 25%.

QLD and SA have been absorbing some of this share, with QLD increasing from 18% to 21% and SA 8% to 10%.

NSW has remained relatively flat.

During 1Q25, NSW and SA had stronger growth in investors at 32% and 50% respectively. Both NSW and SA had the strongest growth in approvals overall.

The remaining states saw larger growth in owner occ approvals during the quarter, with TAS the strongest at 33%, followed by QLD at 22%.

Since Q3-2022, all states (with the exception of VIC) have seen stronger growth in investor approvals over owner Occ.

WA saw the strongest growth at 122%, followed by QLD at 67%, TAS and SA at 57% and NSW at 52%.

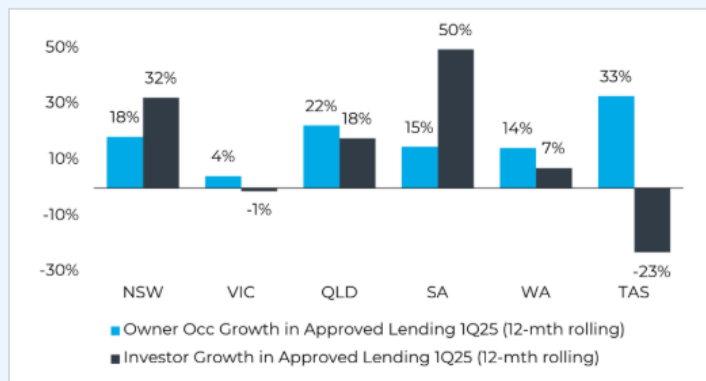
SA and QLD are also growing strongly in Owner Occ lending at 41% and 39% respectively.

VIC lags behind all states growing at -12% and -7% for Owner Occ and Investor respectively.

NSW and QLD have overall been increasing in total approved lending, while VIC lending amount appears to be flat.

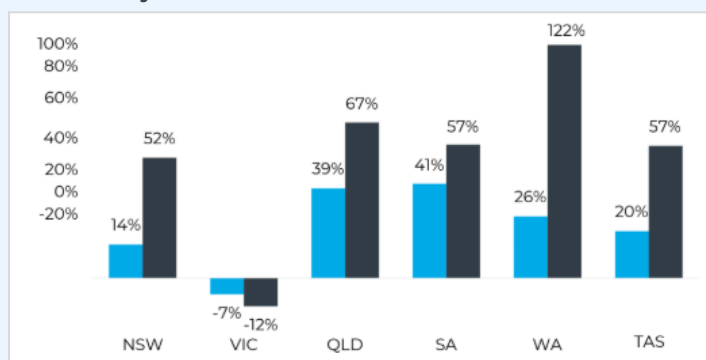
From Q3-2022 to Q1-2025, NSW increased its approved lending by 27%, QLD 46%, while VIC has declined by 8%.

Figure 17 - Total approved lending by state growth 1Q25 investor and owner Occ (YoY)



Source: Loan Market Group

Figure 18 - Growth in approvals since Q3-2022 investor and owner occ by state



Source: Loan Market Group

Figure 19 - Total approved lending by state (\$bn)

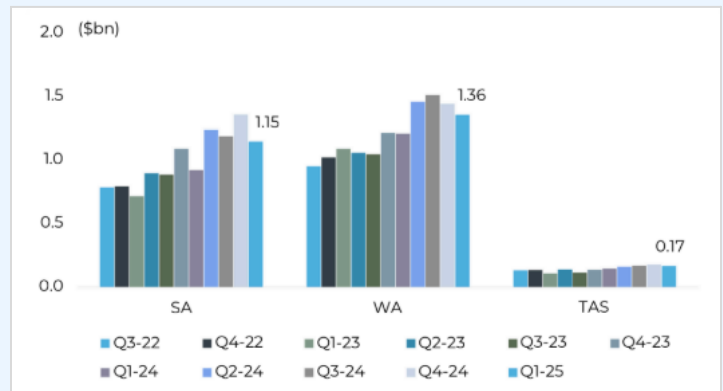


Source: Loan Market Group

SA, WA and TAS have all seen an increase in approved lending amount.

From Q3-2022 to Q1-2025, SA increased its approved lending by 46%, WA 43% and TAS 26%.

Figure 20 - Total approved lending by state (\$bn)

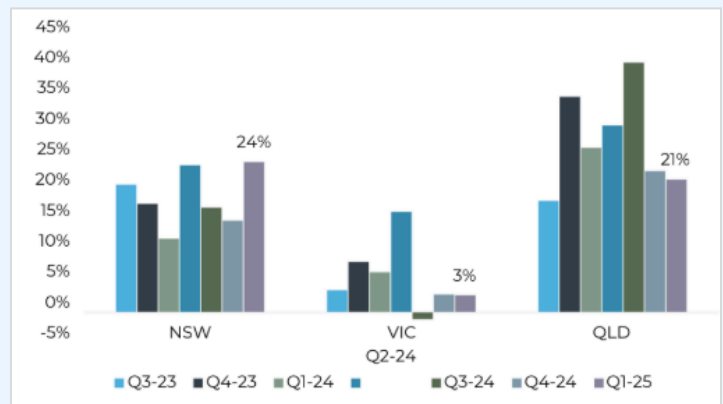


Source: Loan Market Group

During 1Q25, YoY growth for NSW and QLD was strong at 24% and 21% respectively.

Growth appears to be consistently strong in NSW and QLD (with some seasonality). VIC growth remains close to flat at 3%.

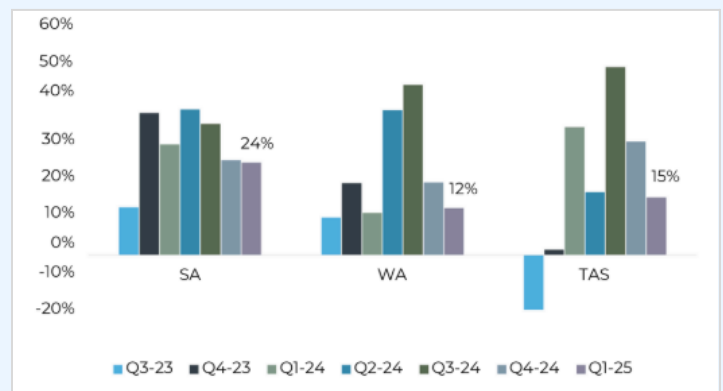
Figure 21 - Total approved lending growth (Y/Y)



Source: Loan Market Group

SA saw strong growth in 1Q25 at 24%, and has seen consistently strong growth. WA and TAS also had strong growth in total approved lending however growth has slowed.

Figure 22 - Total approved lending growth (YoY)

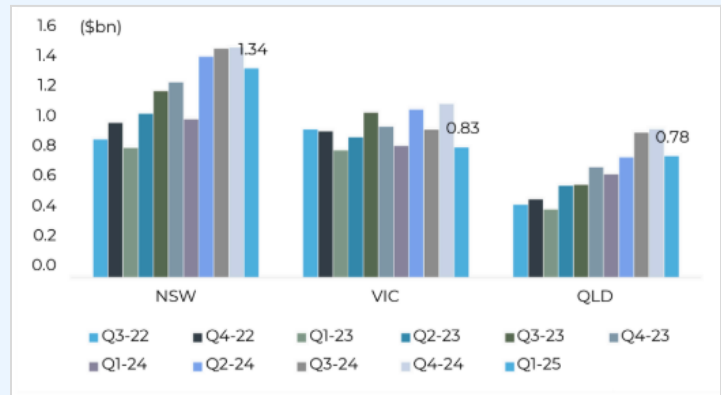


Source: Loan Market Group

NSW and QLD have seen an increase in lending for investors.

VIC has not seen much growth.

Figure 23 - Investor-approved lending (\$bn)



Source: Loan Market Group

SA and WA have also seen a strong increase in investor-approved lending. TAS has slowed recently.

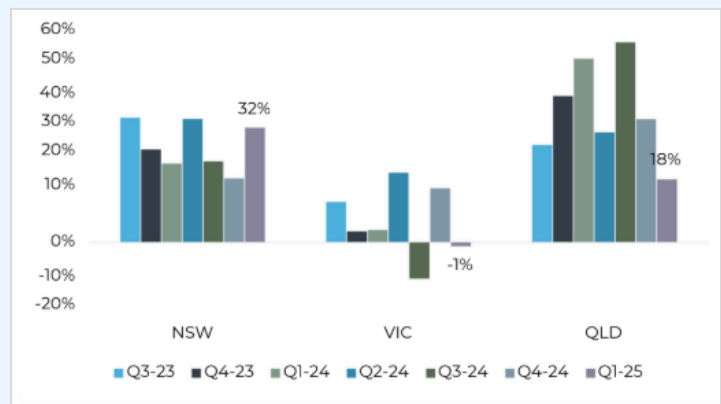
Figure 24 - Investor-approved lending (\$bn)



Source: Loan Market Group

NSW had strong growth in investor lending at 32% for 1Q25. VIC negative growth in investor lending at -1%. QLD growing strongly in Investor lending however the overall rate is moderating.

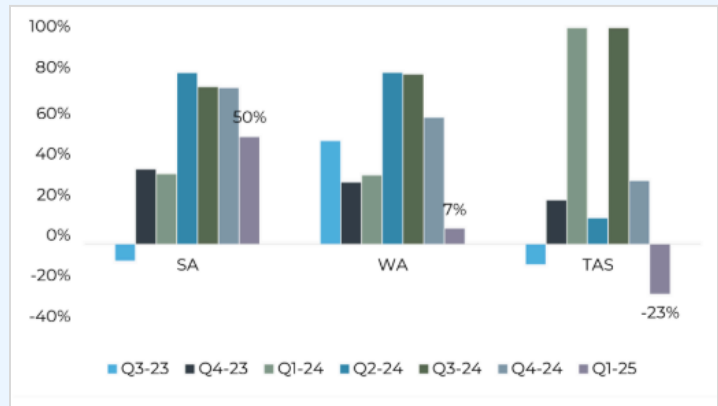
Figure 25 - Investor-approved lending growth (YoY)



Source: Loan Market Group

SA has strong growth in investor lending at 50%. Overall growth appears to be increasing. WA growth in investor lending slowed at 7% for this quarter however this is seasonal. TAS has no trend and growth is more volatile.

Figure 26 - Investor-approved lending growth (YoY)



Source: Loan Market Group

NSW and QLD seeing an overall increase in Owner Occ lending however, growth doesn't appear to be as steep as investor lending. VIC no growth trend shown.

Figure 27 - Owner occ approved lending (\$bn)

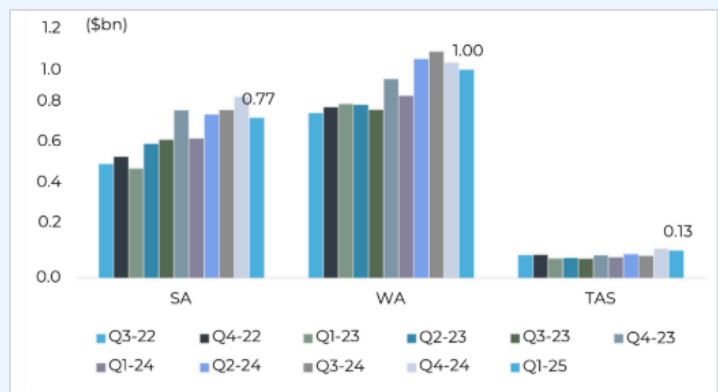


Source: Loan Market Group

SA grew strongly from Q3-2022 - Q2-2023 however, growth has appeared to slow.

WA and TAS have also expanded.

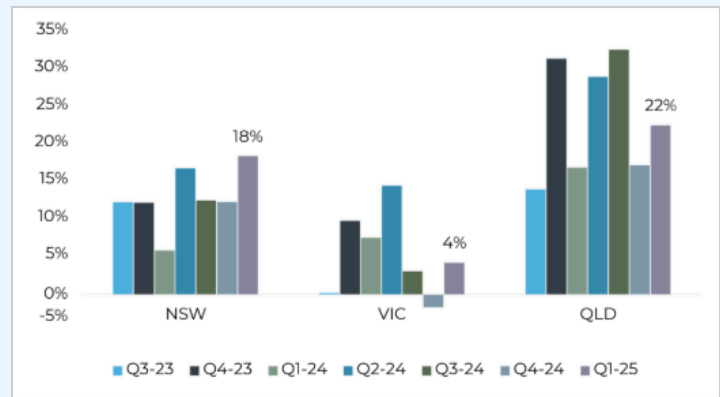
Figure 28 - Owner occ approved lending (\$bn)



Source: Loan Market Group

QLD appears to be consistently strong in Owner Occ growth with periods of seasonality. VIC growth slowing to now 4%.

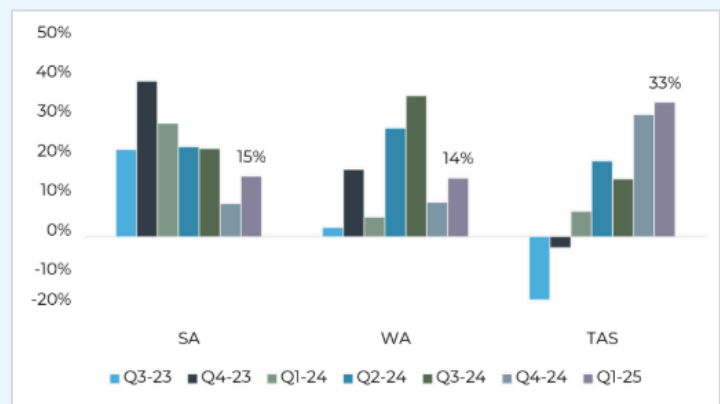
Figure 29 - Owner occ approved lending growth (YoY)



Source: Loan Market Group

TAS has seen overall growth increasing in Owner Occ lending, to now 33%. SA growth in Owner Occ slowing to now 15%.

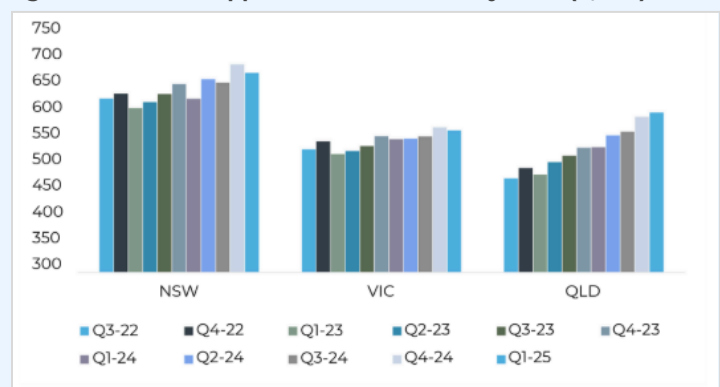
Figure 30 - Owner occ approved lending growth (YoY)



Source: Loan Market Group

The median approved loan amount has significantly increased in QLD. NSW seeing some growth. VIC growth has lagged.

Figure 31 - Median approved loan amount by state (\$,000)

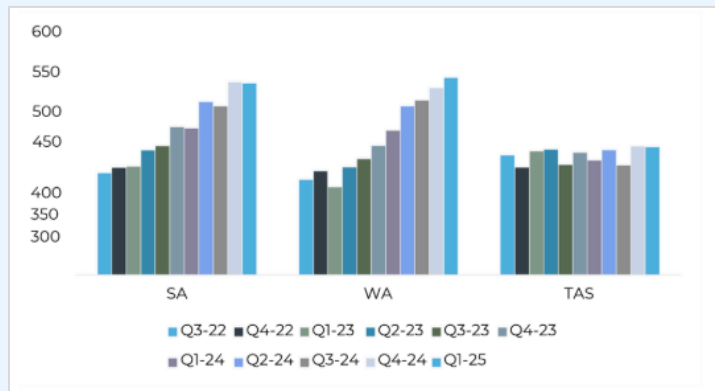


Source: Loan Market Group

SA and WA growth is significant in the median approved loan amount.

TAS is relatively flat.

Figure 32 - Median approved loan amount by state (\$,000)



Source: Loan Market Group

Average LVR in both NSW and VIC has increased to now 73% and 75% respectively. QLD LVR is relatively flat in the last quarter.

Figure 33 - Average LVR per approved loan

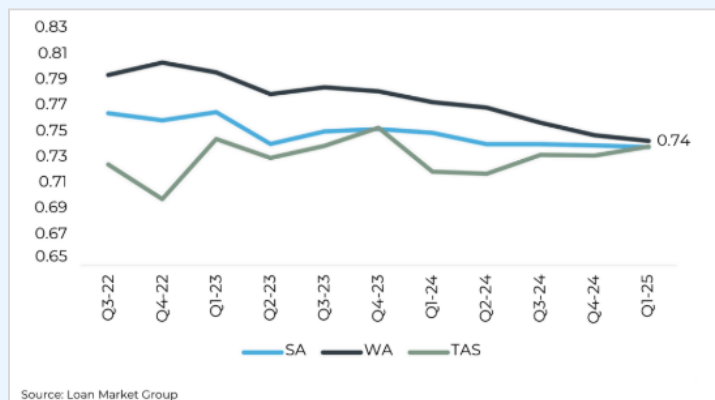


Source: Loan Market Group

SA, WA and TAS LVR are now all in line at 74%.

WA has seen a decrease, SA relatively flat and TAS has picked up.

Figure 34 - Average LVR per approved loan

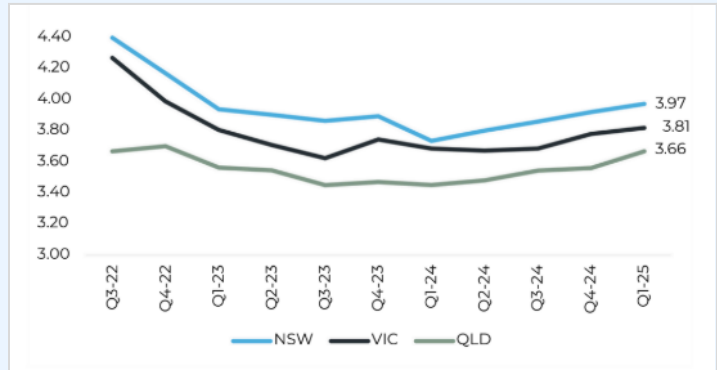


Source: Loan Market Group

Source: Loan Market Group

Median DTI picked up in the last quarter for NSW, VIC and QLD.

Figure 35 - Median DTI per approved loan

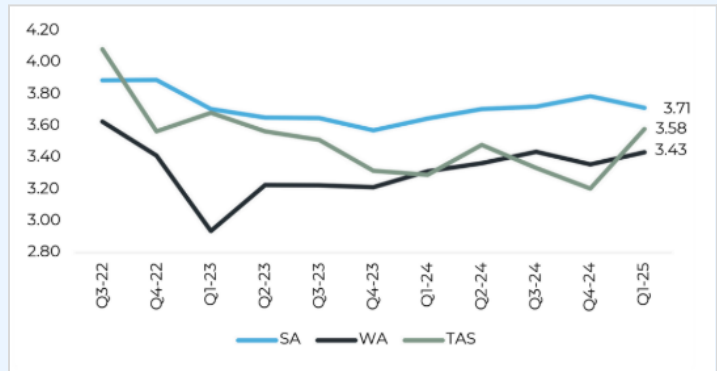


Source: Loan Market Group

TAS has seen the largest increase in The median DTI in the last quarter is now at 3.58.

WA picking up at 3.42 and SA trending down slightly in the last quarter to 3.71.

Figure 36 - Median DTI per approved loan



Source: Loan Market Group

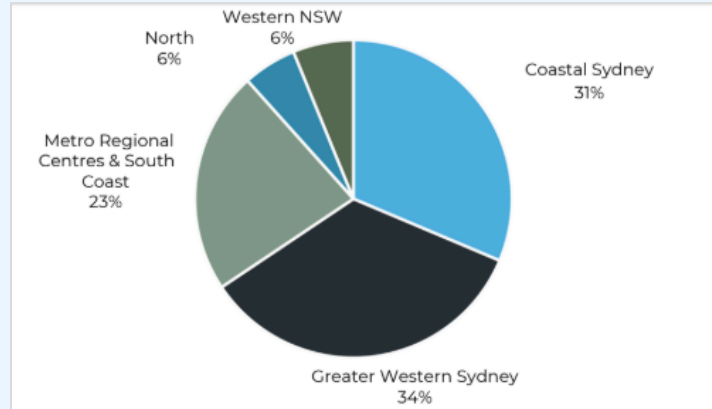
Breaking Down the Regions

New South Wales

During 1Q25, Greater Western Sydney had the largest value of approvals (ex refi) accounting for 34% of all NSW approvals in the quarter.

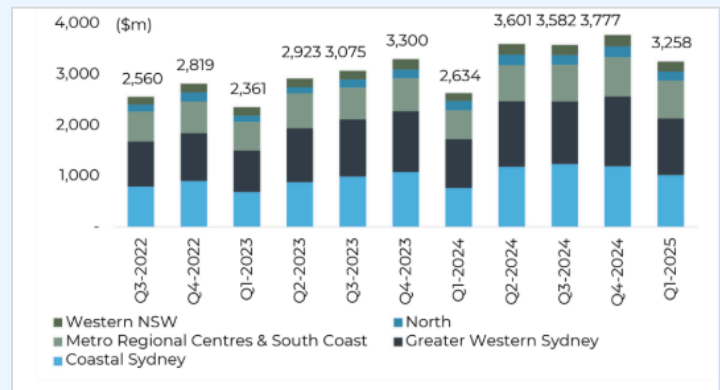
This was followed by Coastal Sydney at 31%, and Metro Regional Centres & South Coast at 23%.

Figure 37 - Regional share of total approvals in NSW during 1Q25



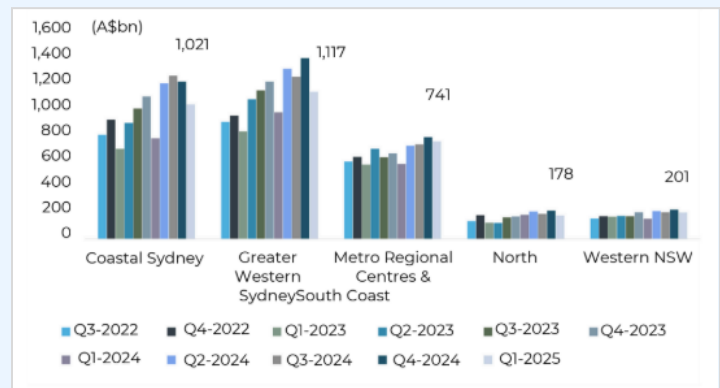
Source: Loan Market Group

Figure 38 - Total Approved Lending NSW by Region (\$m)



Source: Loan Market Group

Figure 39 - Total approved lending NSW by region (\$m)



Source: Loan Market Group

Overall total approvals have increased since Q3-2022. All regions of NSW have seen solid growth.

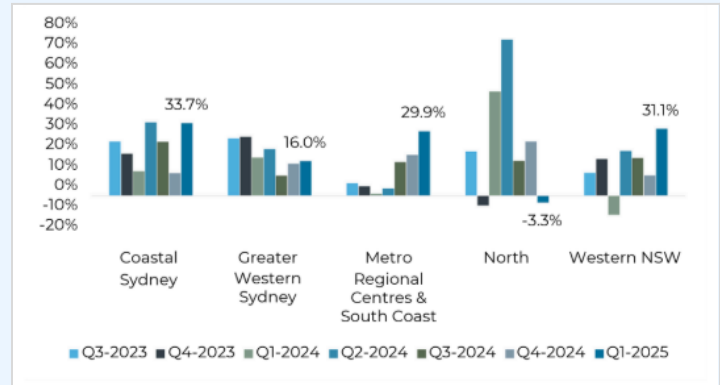
Approvals seasonally lower in March, however total approvals in each region have overall increased since Q3-2022.

Coastal Sydney had the largest growth in approvals in 1Q25 at 34%. Growth in Coastal Sydney appears to be consistently strong. Western Sydney and Metro Regional Centres & South Coast saw growth accelerate in the quarter to 31% and 30% respectively.

Greater Western Sydney is seeing growth moderate compared to previously strong periods.

North had negative growth in the quarter however, this is following very elevated levels in 2024.

Figure 40 - Total approved lending NSW by region growth (YoY)

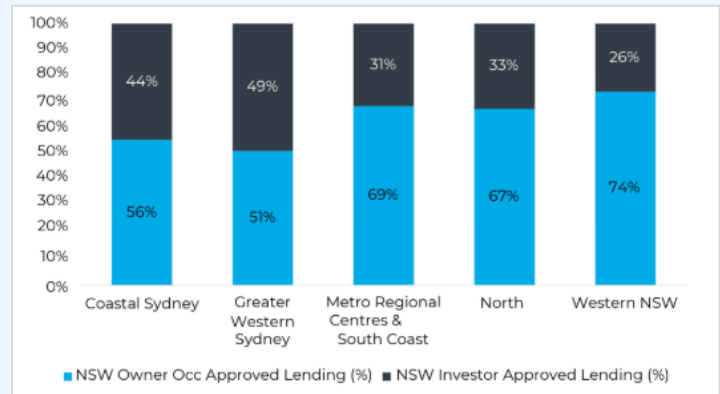


Source: Loan Market Group

Greater Western Sydney had the largest portion of its approvals in the quarter attributed to investors at 49% (by value), followed by Coastal Sydney at 44%.

Western NSW had the highest portion of its approved lending to owner occ at 74%.

Figure 41 - % of total approved lending in NSW from investor vs owner occ1Q25



Source: Loan Market Group

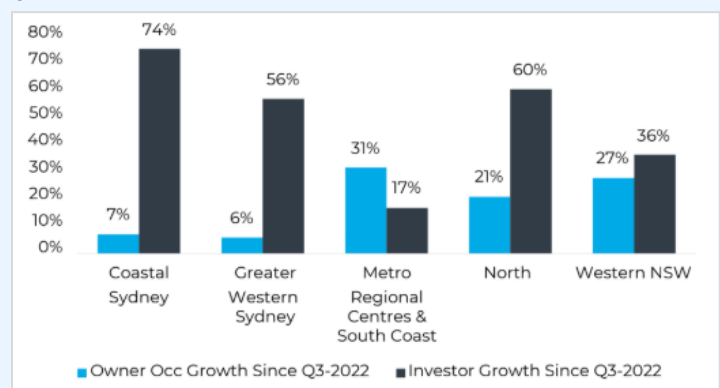
Since Q3-2022, all regions (with the exception of Metro Regional Centres & South Coast) have seen investor approvals grow faster than Owner Occ.

Coastal Sydney has had the strongest growth in investors at 74%, followed by North at 60% and Greater Western Sydney at 56%.

Metro Regional Centres had the strongest growth in Owner Occ.

Growth in Owner Occ approvals has been weak in Coastal Sydney and Greater Western Sydney.

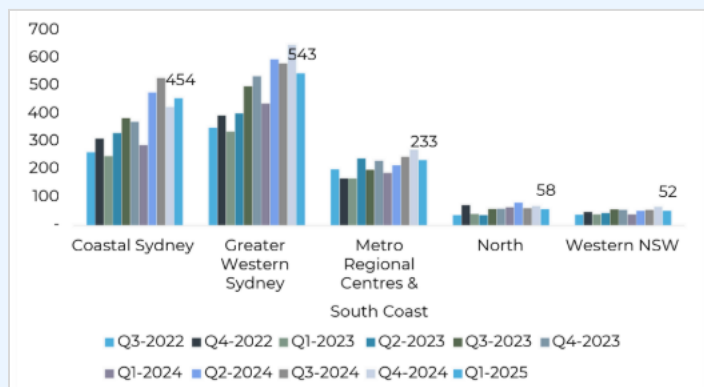
Figure 42 - Growth in approvals investor and owner occ since Q3-2022



Source: Loan Market Group

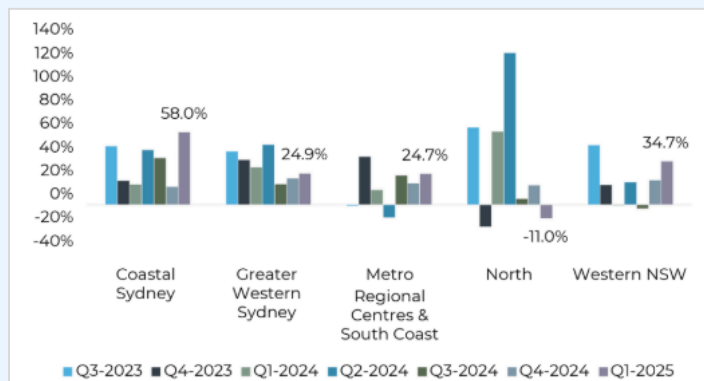
Investor lending has grown rapidly in Coastal Sydney, Greater Western Sydney and the North. Metro Regional Centres & South Coast and Western NSW are seeing slightly more modest growth in Investor.

Figure 43 - Investor-approved lending NSW by region (\$m)



Source: Loan Market Group

Figure 44 - Investor-approved lending NSW by region growth (YoY)



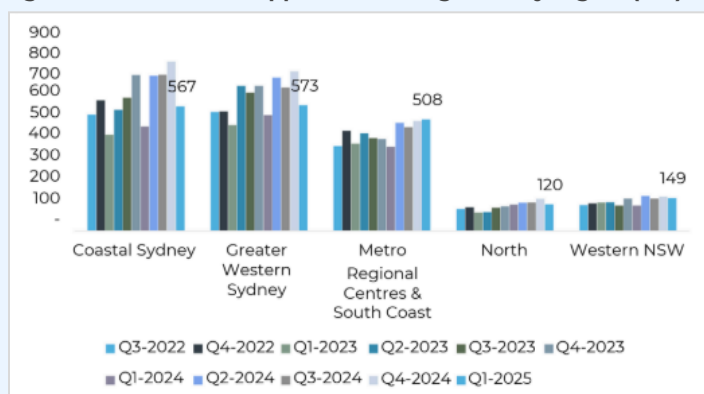
Source: Loan Market Group

During Q1-2025, Coastal Sydney grew investor approvals at 58% Y/Y. Growth was consistently strong in this region with some seasonality.

Greater Western Sydney, Metro Regional Centres & South Coast and Western NSW saw an increase in growth during the Quarter.

North region had -11% growth in the Quarter however, this is off very elevated levels in 2024.

Figure 45 - Owner occ approved lending NSW by region (\$m)



Source: Loan Market Group

All regions in NSW have grown in Owner Occ lending since Q3-2022, however growth trend has not been as strong as Investor.

Owner occ still remains the largest portion of approved lending however, growth has overall been moderate from Q3-2022.

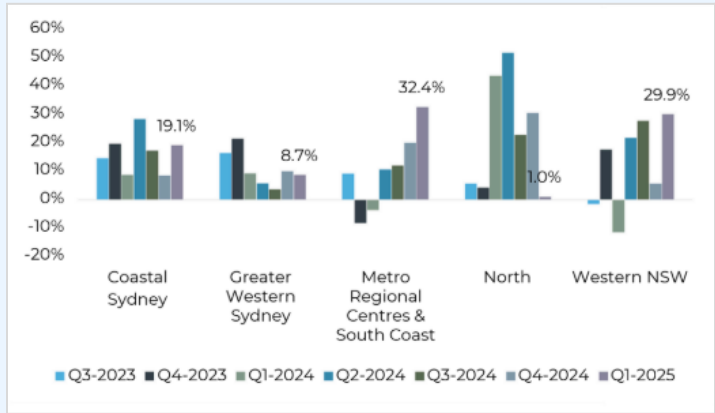
Metro Regional Centres & South Coast grew the strongest in Q1-2025 at 33%, with growth consistently accelerating since Q3-2022.

Coastal Sydney and Western NSW, seeing solid growth however not as strong as Investor.

Greater Western Sydney has seen growth slow in Owner Occ.

North showed growth flat however lending was very elevated in 2024.

Figure 46 - Owner occ approved lending NSW by region growth (YoY)

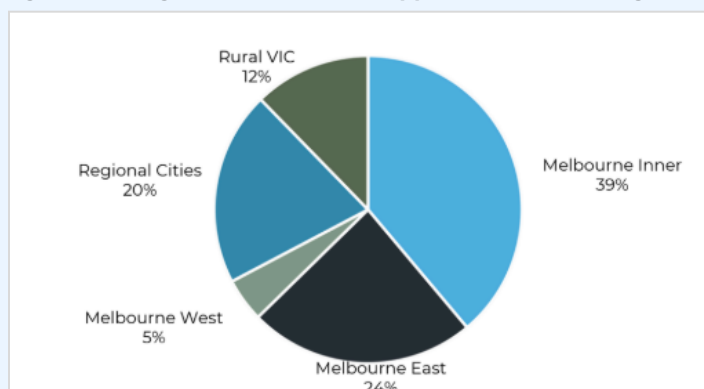


Source: Loan Market Group

Victoria

In 1Q25, Melbourne Inner held the largest share of approved lending in VIC at 39%, followed by Melbourne East at 24% and Regional Cities at 20%. Melbourne West holds the smallest share at 5%.

Figure 47 - Regional share of total approvals in VIC during 1Q25



Source: Loan Market Group

Since Q3-2022 approved lending has overall been flat in VIC.

Figure 48 - Total approved lending VIC by region (\$m)



Source: Loan Market Group

All regions have been broadly flat in total approved lending since Q3-2022, with the exception of Rural VIC which has seen a slight increase.

Figure 49 - Total approved lending VIC by region (\$m)



Source: Loan Market Group

Total approved lending growth has been negative or broadly flat for Melb Inner, East, West and Regional Cities. Rural VIC is growing strongly at 19.5%, and appears to be consistent.

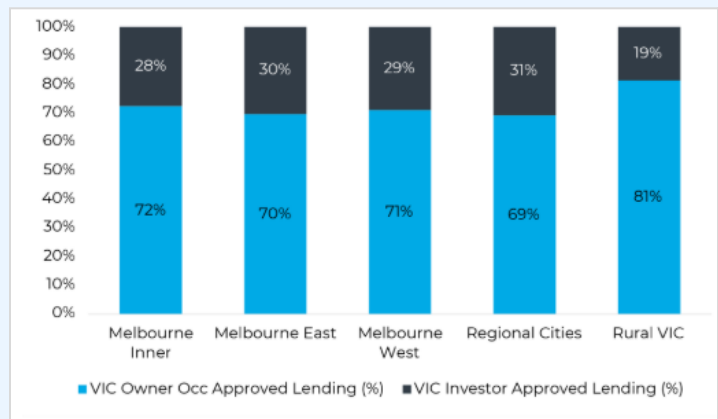
Figure 50 - Total approved lending VIC by region growth (YoY)



Source: Loan Market Group

Lending in 1Q25 has been heavily skewed to owner occ, with a small amount of investor lending.

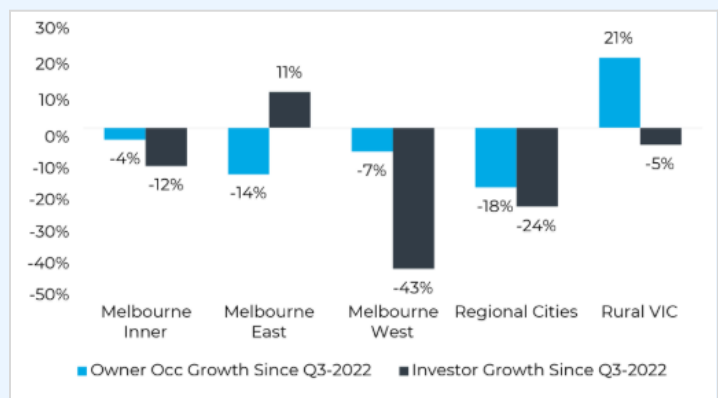
Figure 51 - % of total approved lending in VIC from investor vs owner occ 1Q25



Source: Loan Market Group

Overall growth since Q3-2022 with the exception of Rural VIC has been negative or flat.

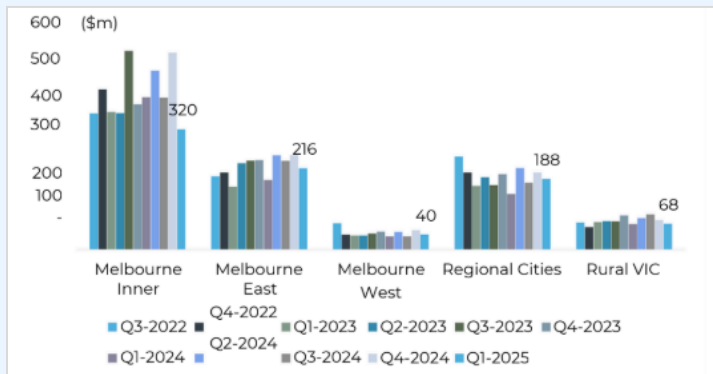
Figure 52 - Growth in approvals investor and owner occ since Q3-2022



Source: Loan Market Group

The amount of investor lending in VIC has been relatively small compared to owner-occupiers. Regional cities and Melb East and West saw a slight increase in Investor approvals.

Figure 53 - Investor-approved lending VIC by region (\$m)



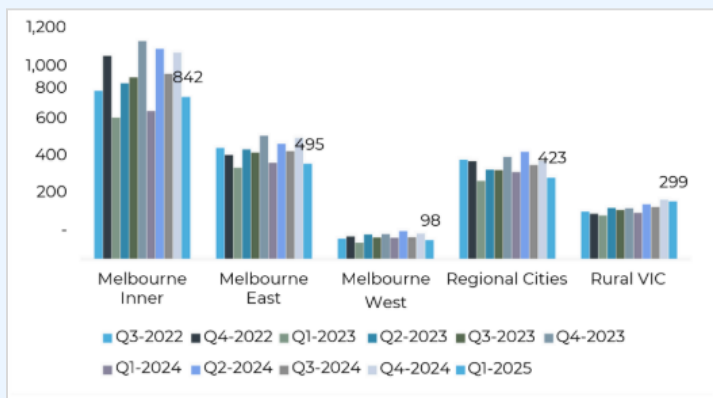
Source: Loan Market Group

Figure 54 - Investor-approved lending VIC by region growth (YoY)



Source: Loan Market Group

Figure 55 - Owner occ approved lending VIC by region (\$m)

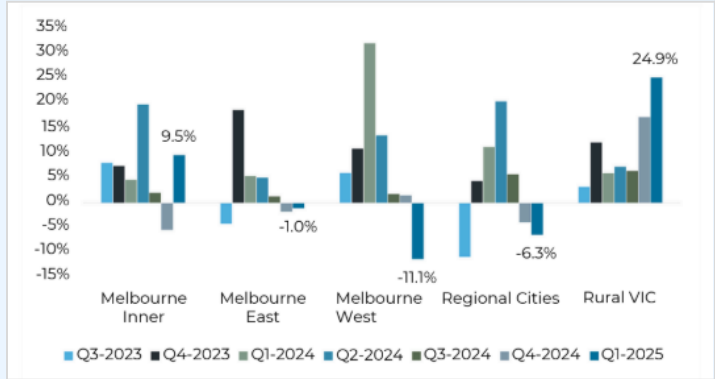


Source: Loan Market Group

Owner occ lending has been broadly flat, with the exception of Rural VIC which has picked up slightly.

Rural VIC growing strongly in owner-occupier lending at 24.9% and has been consistently increasing. Other regions growth has slowed.

Figure 56 - Owner occ approved lending VIC by region growth (YoY)

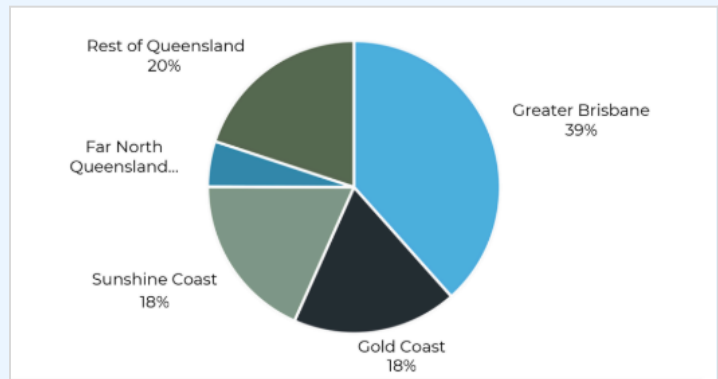


Source: Loan Market Group

Queensland

South East Queensland makes up three-quarters of the QLD housing market by approvals.

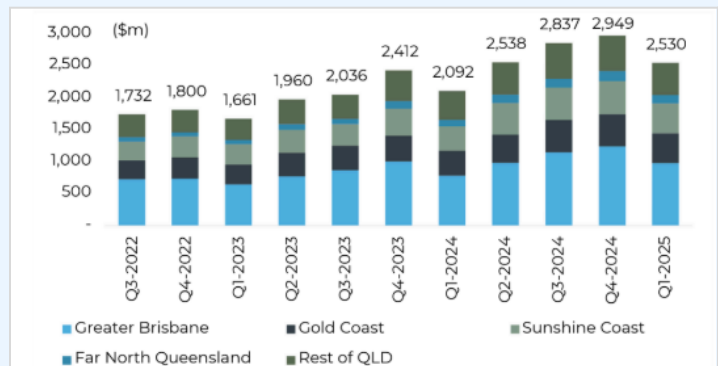
Figure 57 - Regional share of total approvals in QLD during 1Q25



Source: Loan Market Group

All regions of QLD have enjoyed solid growth.

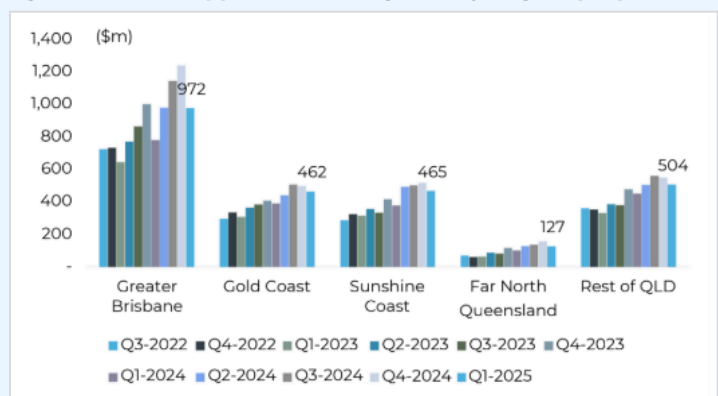
Figure 58 - Total approved lending QLD by region (\$m)



Source: Loan Market Group

A seasonal pullback in March but the trends are positive.

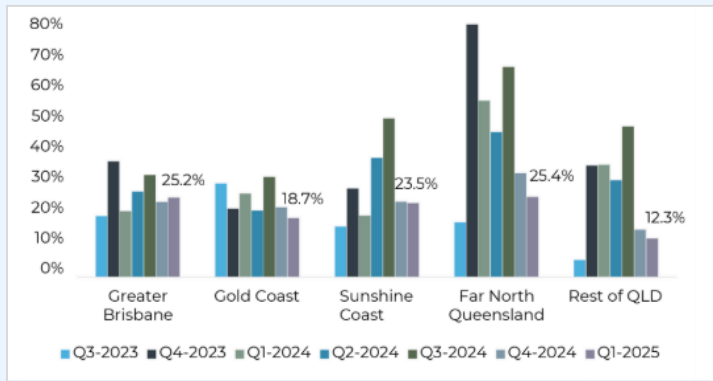
Figure 59 - Total Approved Lending QLD by Region (\$m)



Source: Loan Market Group

Growth rates in approvals are broadly consistent, although growth has slowed from very high levels in FNQ.

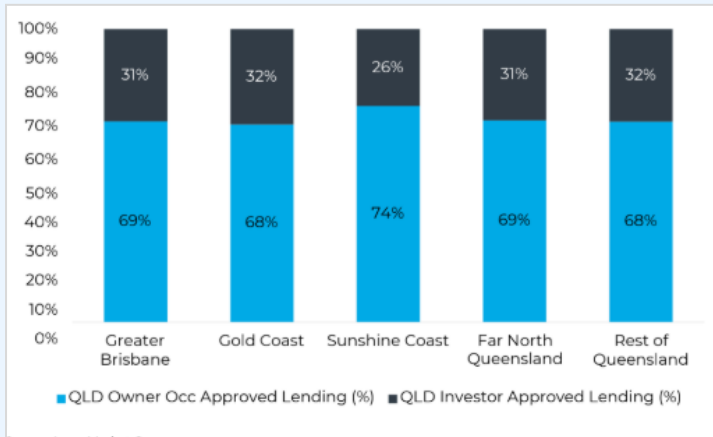
Figure 60 - Total approved lending QLD by region growth (YoY)



Source: Loan Market Group

The QLD market remains strong for owner occupiers.

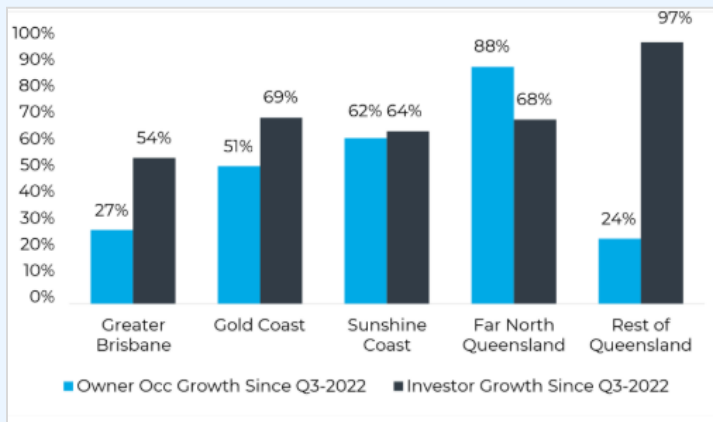
Figure 61 - % of total approved lending in QLD from investor vs owner occ 1Q25



Source: Loan Market Group

Although investor credit growth has exceeded owner-occupied over the last three years.

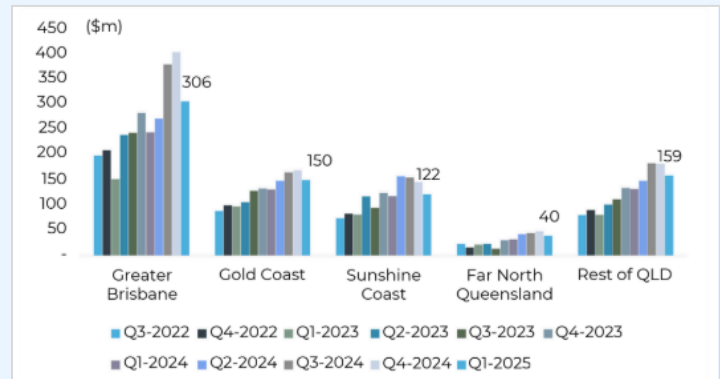
Figure 62 - Growth in approvals investor and owner occ since Q3-2022



Source: Loan Market Group

Trends for investors have been positive across QLD.

Figure 63 - Investor-approved lending QLD by region (\$m)

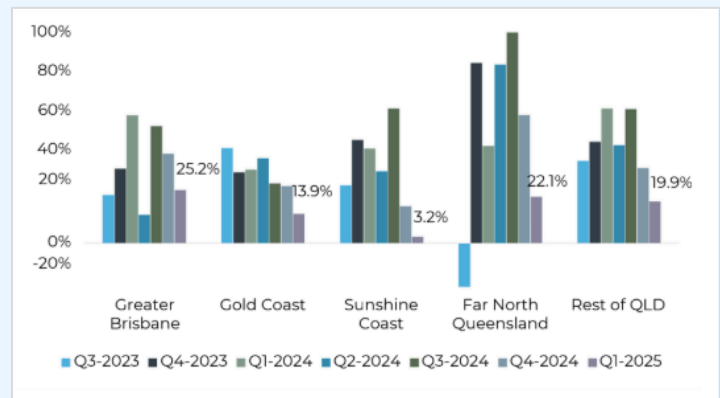


Source: Loan Market Group

Although there has been a slowdown in Investor growth on the Sunshine Coast (from elevated levels).

The GC has also seen some moderation in growth.

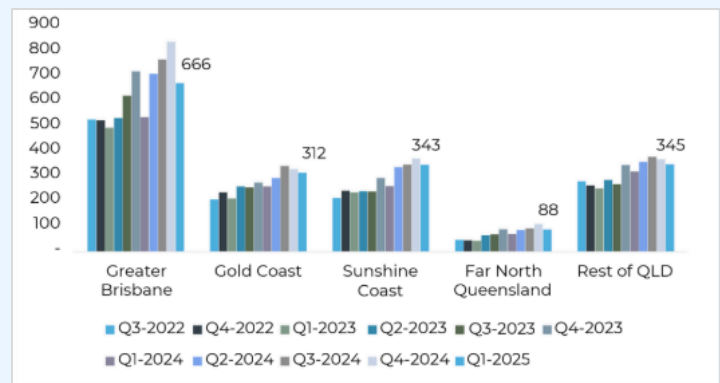
Figure 64 - Investor-approved lending QLD by region growth (YoY)



Source: Loan Market Group

Trends have also been very consistent for owner-occupied borrowers across QLD.

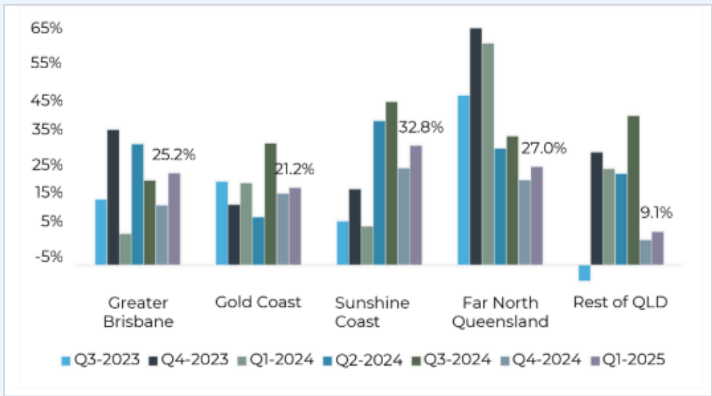
Figure 65 - Owner occ approved lending QLD by region (\$m)



Source: Loan Market Group

Very strong growth in owner-occupied lending across all regions.

Figure 66 - Owner Occ Approved Lending QLD by Region growth (YoY)

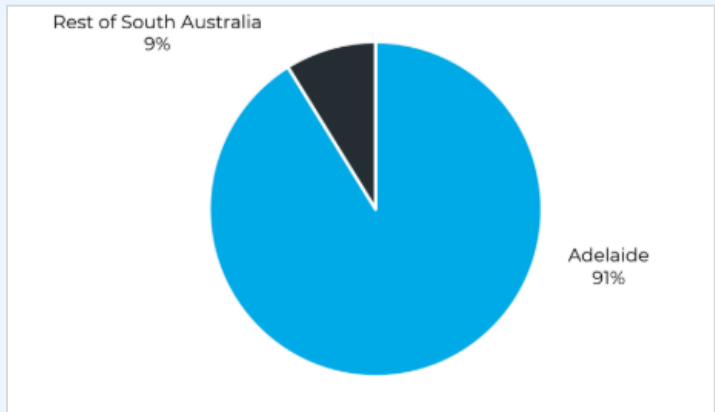


Source: Loan Market Group

South Australia

Figure 67 - Regional Share of Total Approvals in SA during 1Q25

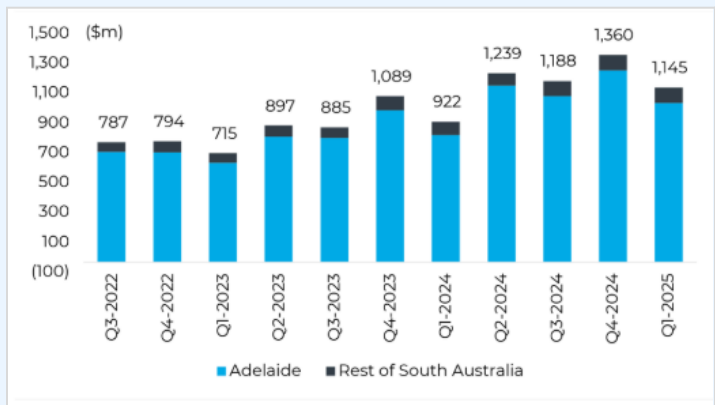
Figure 67 - Regional share of total approvals in SA during 1Q25



Source: Loan Market Group

Total approved lending has overall increased for SA. Growth has largely been driven by Adelaide. The rest of South Australia moderately picking up in approvals.

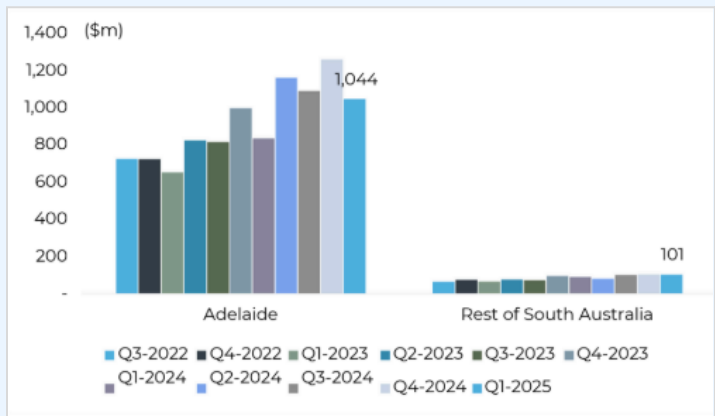
Figure 68 - Total approved lending SA by region (\$m)



Source: Loan Market Group

Adelaide and the rest of South Australia have both seen an increase in approvals since Q3-2022.

Figure 69 - Total approved lending SA by region (\$m)

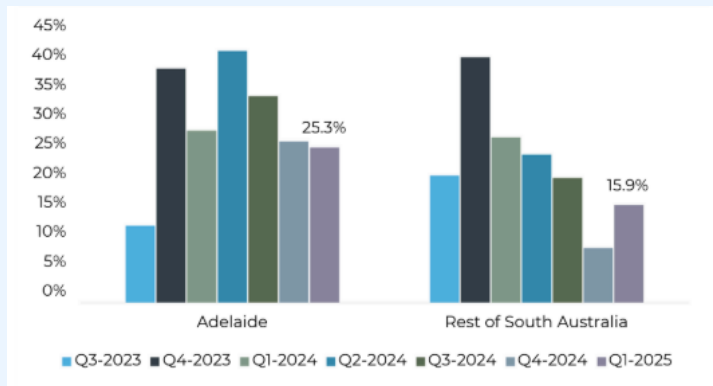


Source: Loan Market Group

Adelaide has seen strong growth in approvals since Q3-2022. Growth has now slowed moderately.

Approvals growing in the rest of South Australia however this has been slowing.

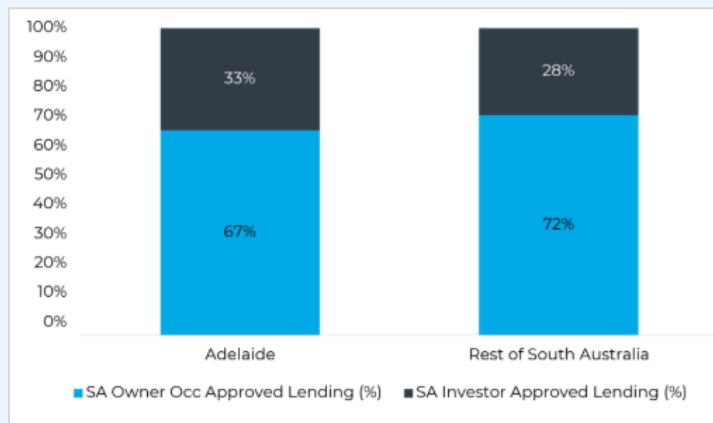
Figure 70 - Total approved lending SA by region growth (YoY)



Source: Loan Market Group

Figure 71 - % of total approved lending in NSW from investor vs owner occ 1Q25.

Figure 71 - % of Total approved lending in NSW from investor vs owner occ 1Q25

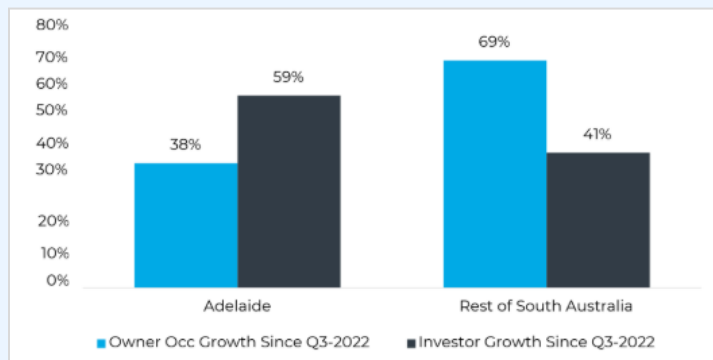


Source: Loan Market Group

In Adelaide, although total approvals are currently skewed to owner occ, growth in investor approvals have been 59% since Q3-2022, compared to owner occ at 38%.

The rest of South Australia has grown strongly in owner occ at 69% and also Investor at 41%.

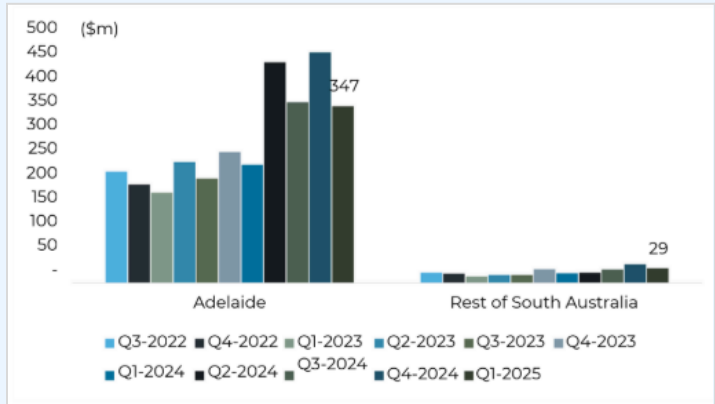
Figure 72 - Growth in approvals investor and owner occ since Q3-2022



Source: Loan Market Group

Both Adelaide and the rest of South Australia have grown in investor approvals since Q3-2022.

Figure 73 - Investor-approved lending SA by region (\$m)



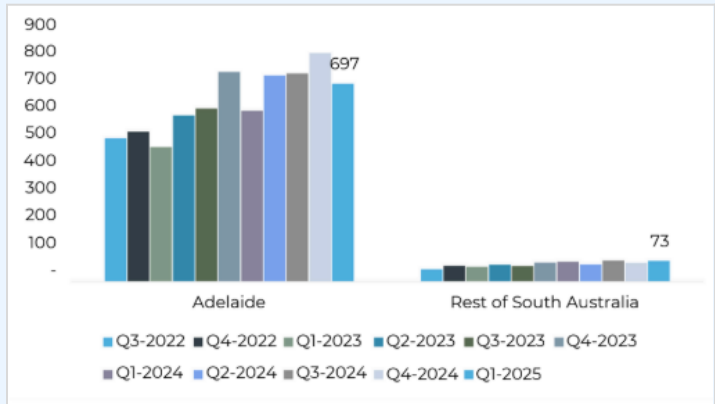
Source: Loan Market Group

Figure 74 - Investor-approved Lending SA by region growth (YoY)



Source: Loan Market Group

Figure 75 - Owner occ approved lending SA by region (\$m)



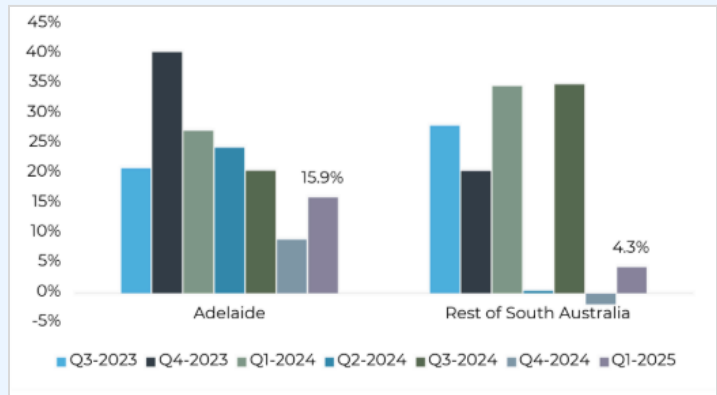
Source: Loan Market Group

Adelaide and the rest of South Australia have both seen an increase in owner-occupier approvals, however for Adelaide not as steep as investor.

For Adelaide, growth in owner-occupier approvals appear to have slowed since rapidly accelerating in Q4-2023.

Similarly, the rest of South Australia's growth in owner occ approvals has slowed.

Figure 76 - Owner occ lending SA by region growth (YoY)

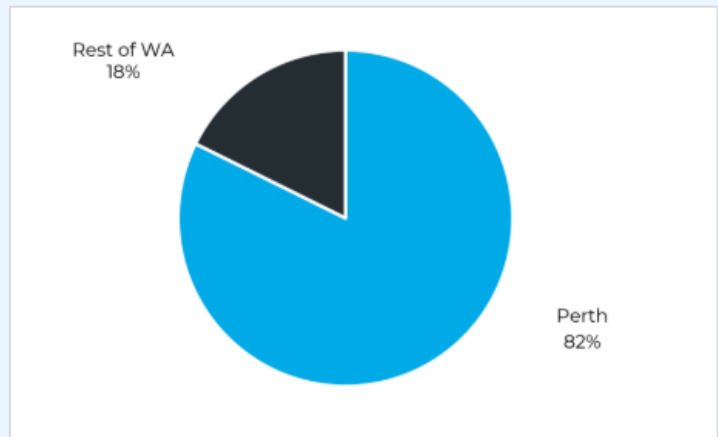


Source: Loan Market Group

Western Australia

Share of approved lending in 1Q25 heavily skewed to Perth.

Figure 77 - Regional share of total approvals in WA during 1Q25



Source: Loan Market Group

Total approved lending has been increasing for WA. Perth saw a large increase in approvals in Q2-2024, which has come down slightly since. The rest of WA also seeing a pick-up in approvals.

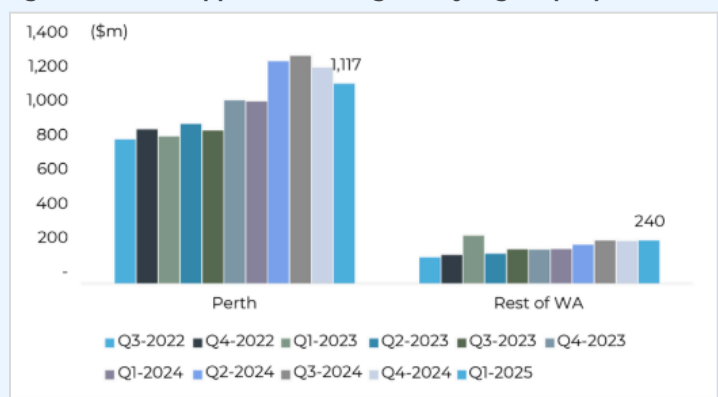
Figure 78 - Total approved lending WA by region (\$m)



Source: Loan Market Group

Both Perth and the rest of WA have seen growth in total approved lending, with approvals heavily skewed to Perth. Perth has seen a slight decrease in approvals since peaking in Q3-2024. The rest of WA seeing a moderate pick-up in approvals.

Figure 79 - Total approved lending WA by region (\$m)

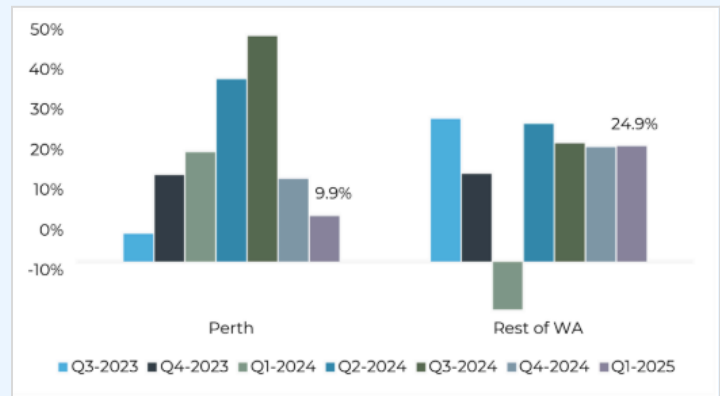


Source: Loan Market Group

Perth saw very strong growth in approvals from Q2-2024. From these elevated levels, growth has now moderated for Perth to 9.9%.

The rest of WA has seen consistently strong growth now at 24.9% in Q1-2025.

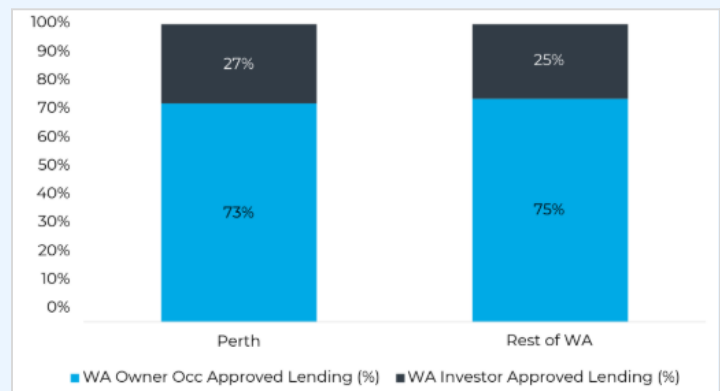
Figure 80 - Total approved lending WA by region growth (Y/Y)



Source: Loan Market Group

Both Perth and the rest of WA are heavily skewed to owner occ approvals in 1Q25.

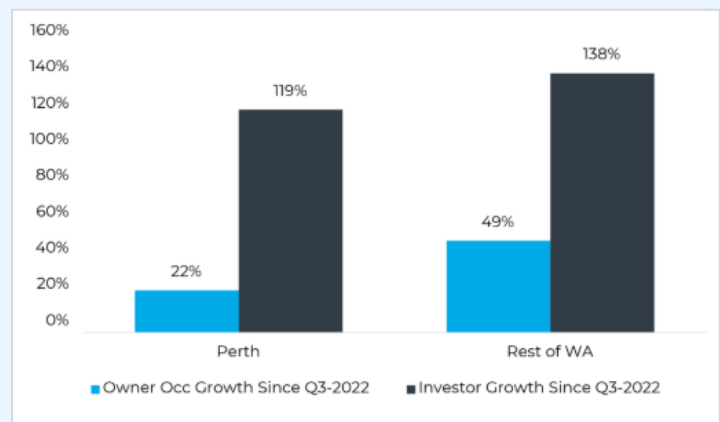
Figure 81 - % of approvals in 1Q25 from owner occ vs investor



Source: Loan Market Group

Although approvals are currently skewed to Owner Occ, both Perth and Rest of WA have seen strong growth in Investor approvals since Q3-2022.

Figure 82 - Growth in approvals investor and owner occ since Q3-2022

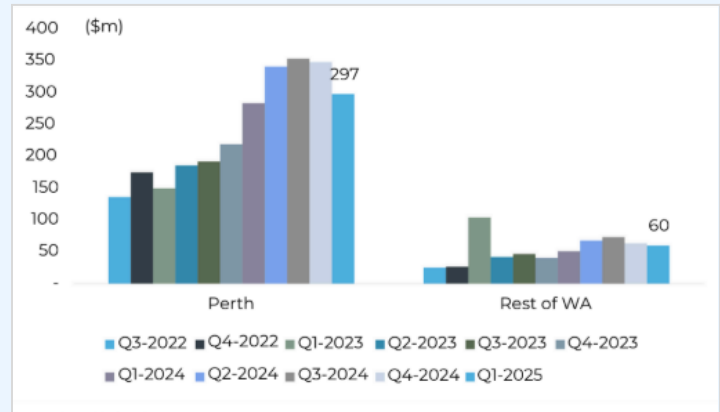


Source: Loan Market Group

Since Q3-2022, Perth has seen a strong increase in investor-approved lending, with growth slowing since reaching a peak in Q3-2024

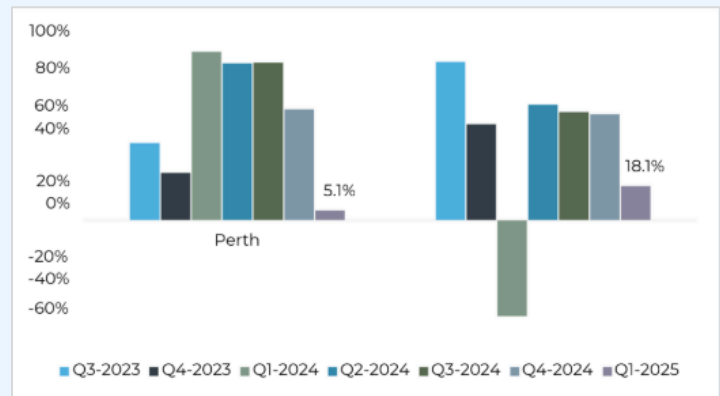
The rest of WA has seen a steady increase in investor approvals.

Figure 83 - Investor-approved lending WA by region (\$m)



Source: Loan Market Group

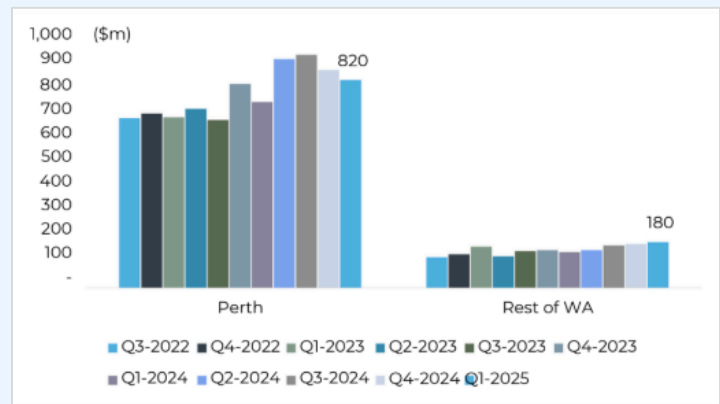
Figure 84 - Investor-approved lending WA by region growth (YoY)



Source: Loan Market Group

Growth in Investor lending had been strong for Perth during 2024. Since then, investor approvals continue to increase however rate of growth has slowed in Perth. A similar trend is seen in the rest of WA.

Figure 85 - Owner occ approved lending WA by region (\$m)



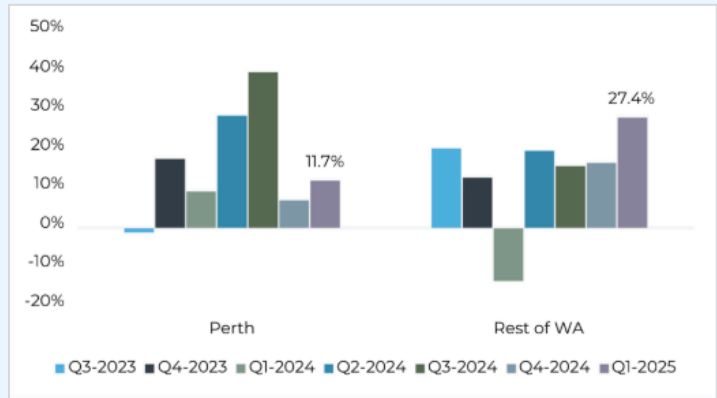
Source: Loan Market Group

Approved lending in owner occ remains larger than investor and has been increasing since Q3-2022 however, overall growth since Q3-2022 has not been as strong as investor.

The rest of WA owner-occupied approvals currently accelerating faster than Perth. Perth had strong growth in 3Q24.

Growth was strong for the rest of WA during 1Q25 at 27.4% and has been consistently strong.

Figure 86 - Owner occ approved lending WA by region growth (YoY)

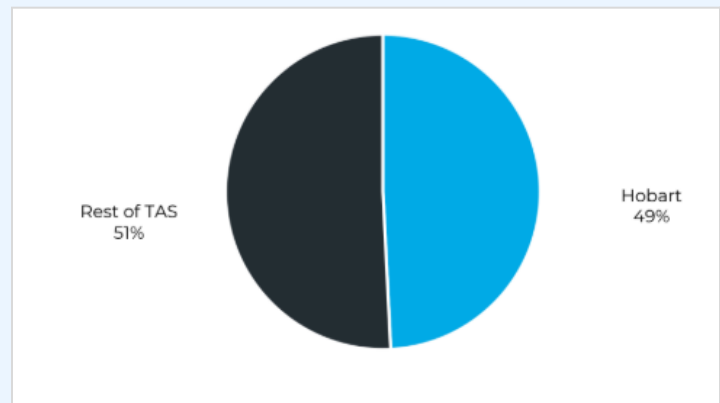


Source: Loan Market Group

Tasmania

Mortgage approvals by value in Tasmania are evenly split between Hobart and the rest of the state.

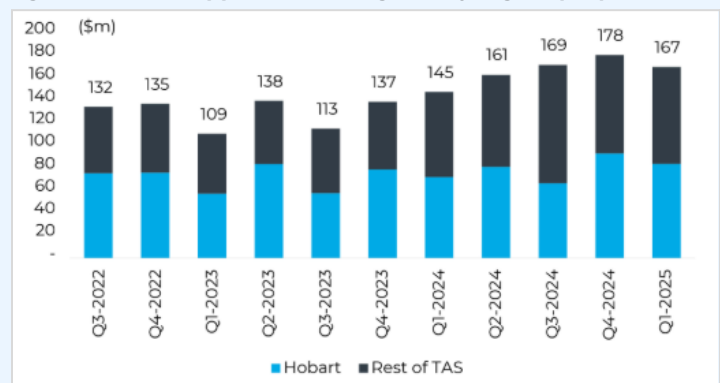
Figure 87 - Regional Share of total approvals in TAS during 1Q25



Source: Loan Market Group

Approvals in TAS have been growing overall, with the rest of TAS seeing consistent growth and approvals in Hobart relatively stable.

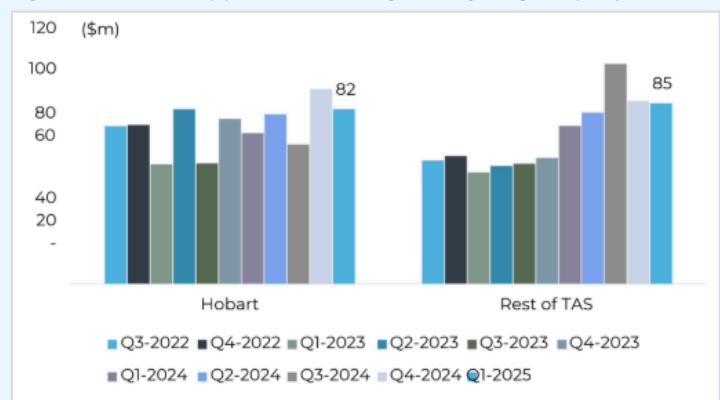
Figure 88 - Total approved lending TAS by region (\$m)



Source: Loan Market Group

The rest of TAS has seen strong growth in total approvals, while Hobart's growth has been more subdued.

Figure 89 - Total Approved Lending TAS by Region (\$m)

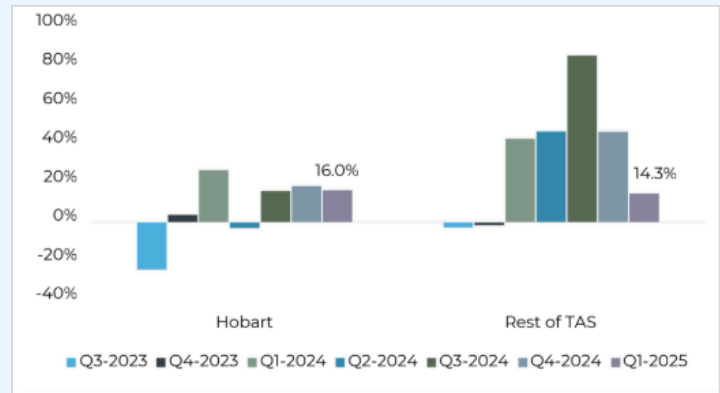


Source: Loan Market Group

The rest of TAS has seen consistently strong growth since Q1-2024, with growth moderating in 1Q25.

Hobart is growing at 16%, however growth has been relatively flat since Q1-2024.

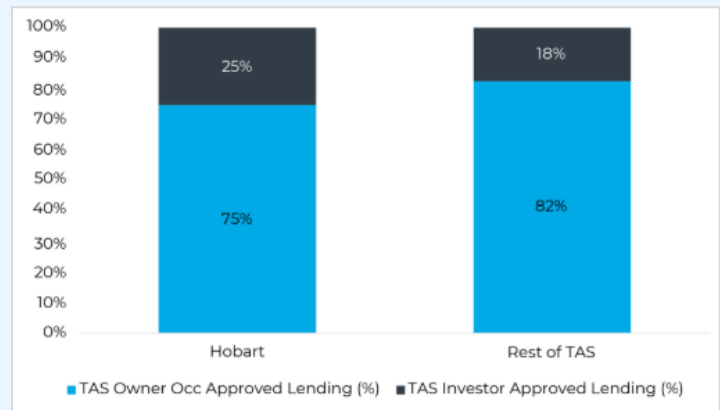
Figure 90 - Total approved lending TAS by region growth (YoY)



Source: Loan Market Group

Approvals during 1Q25 in both Hobart and the rest of TAS skewed to owner occ.

Figure 91 - % of total approved lending in NSW from investor vs owner occ 1Q25



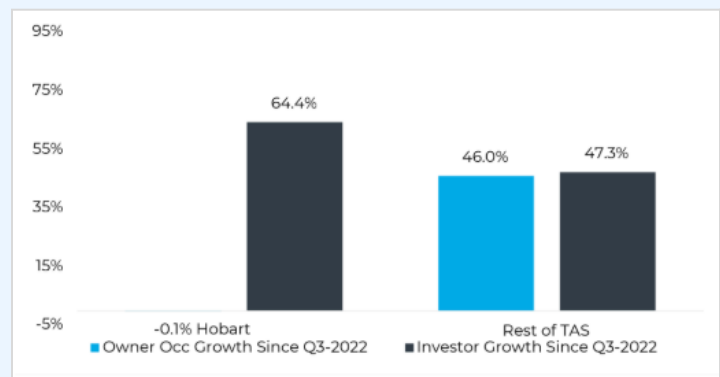
Source: Loan Market Group

Growth in Investor lending since Q3-2022 has been accelerating.

Hobart now growing 64% in investor lending while although still larger in owner occ approvals, growth has slowed and is broadly flat at -0.1% growth since Q3-2022.

The rest of TAS also growing in investor lending at 47.3%, and has also grown strongly in owner-occupied lending at 46%.

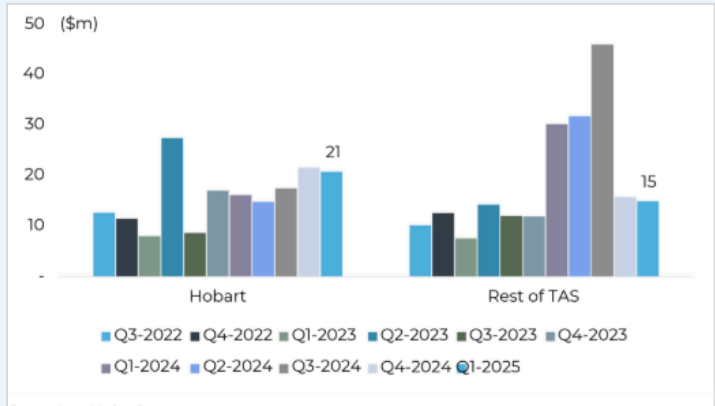
Figure 92 - Growth in approvals investor and owner occ since Q3-2022



Source: Loan Market Group

Hobart and the rest of TAS both grew in investor-approved lending.

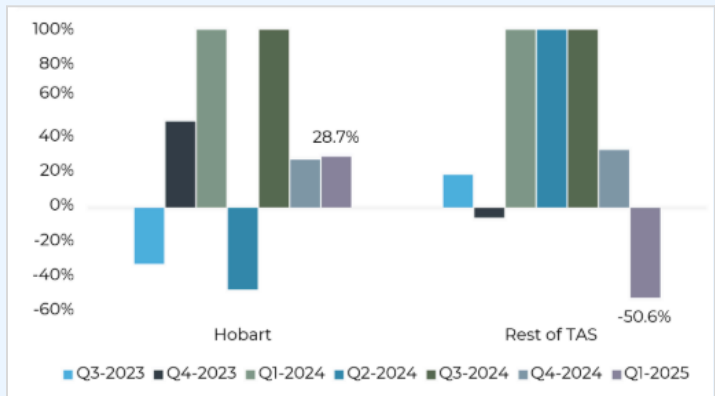
Figure 93 - Investor-approved lending TAS by region (\$m)



Source: Loan Market Group

YoY growth in investor-approved lending appears quite volatile.

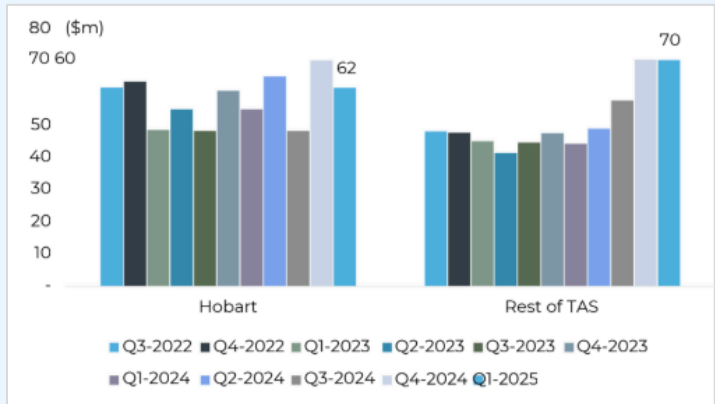
Figure 94 - Investor-approved lending TAS by region growth (YoY)



Source: Loan Market Group

Hobart growth in owner-occupied approved lending has been flat since Q3-2022. The rest of TAS has seen strong growth.

Figure 95 - Owner occ approved lending TAS by region (\$m)

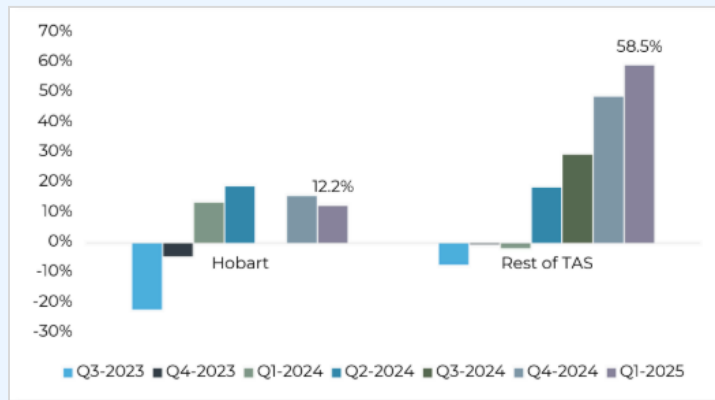


Source: Loan Market Group

The rest of TAS grew 58.5% in owner-occupied lending during Q1-2025 and has consistently seen an acceleration in growth.

Hobart growth in owner-occupier lending has been broadly flat at 12.2%.

Figure 96 - Owner Occ lending Growth TAS by Region (YoY)



Source: Loan Market Group