

Industry Intelligence Service 13th Edition



For the six month period
1 April 2021 – 30 September 2021



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CEO's Report

It is with pleasure that we present the thirteenth edition of the MFAA's Industry Intelligence Service (IIS) Report. This report covers the six-months from April 2021 through September 2021.

This IIS Report provides insight into a period of disruption for the Australian economy as the April to September 2021 period coincided with extended lockdowns in the eastern states, particularly New South Wales, Victoria and the Australian Capital Territory as well as several short lockdowns in the Northern Territory, Queensland and South Australia.

Despite lower consumer sentiment during this period, the property market remained buoyant across the country throughout this time and brokers were key players in the majority of loans. During the second half of the April to September 2021 period mortgage brokers facilitated more than two in three of all new residential mortgages, recording the highest ever market share across any quarter at 66.9%.

This result was indicative of a strong performance across the board from the nation's mortgage brokers throughout the six-month period. The average number of applications lodged per active broker rose from 21.4 to 23.6, while the national average value of home loans settled per broker reached \$9.1 million, the highest value since IIS records began.

A new peak in the broker population was recorded in the April to September 2021 at 18,285 brokers. This marks the third consecutive six-month period of growth, with an additional 1,317 brokers compared to the previous six months and exceeds the previous record of 17,040 brokers in September 2018.

The national broker residential loan book grew by a further 15.9% compared to the same period a year ago. Australia's total loan book value now sits at \$853.9 billion. While average trail commission decreased by 5.8% compared to the previous year, this was in contrast to up-front commissions which grew by a significant 39.21%, reaching \$117,992 for the period. The national average combined remuneration per broker was \$188,046, prior to costs.

Overall, April to September 2021 was a positive time for the mortgage broking industry, and the first full reporting period during which mortgage brokers were operating under an unrivalled Best Interests Duty. During this period brokers continued to respond to consumer demand driven by record low interest rates, a shortage of supply and government support programs combined with higher household savings and the normalisation of remote work.

Regards,



Mike Felton
MFAA CEO

Executive summary

This latest Industry Intelligence Service (IIS) Report, 13th edn., provides broker and industry performance and demographic data for the six-month period of April 2021 to September 2021, as well as data from recent quarterly periods.

This report draws on data supplied by 11 of the industry's leading aggregators.

In the second half of this reporting period, the broker channel facilitated more than two in three of all new residential mortgages at 66.9% during the September quarter, solidifying the broker channel as the channel of choice for consumers.

The broker channel settled \$165.96 billion in residential home loans for the six-month period, the highest value recorded for any period since the MFAA commenced reporting in 2015, up 54.4% year-on-year.

The aggregate value of brokers' home loan books grew by 15.9% year-on-year, to \$853.9 billion. With the exception of the Northern Territory which remained flat, all states experienced double digit growth in their total loan books led by Victoria and New South Wales which grew 18.6% and 16.2% respectively year-on-year.

Year-on-year, the average value of new home loans settled per broker saw the highest recorded increase at \$2,556,461 or 39.21%, while the last six-month period experienced growth of \$1,838,602.

The total number of home loan applications lodged has exceeded 400,000 for the first time, with over 410,000 applications lodged between April and September 2021.

Year-on-year, the number of applications increased by 22.89% overall. Also, year-on-year, at an individual mortgage broker level, the average number of applications lodged per broker (including inactive brokers) grew from 20.2 to 22.4.

The conversion rate of applications to settlement grew 12.1 percentage points year-on-year, and 9 percentage points period-on-period, it was also the second consecutive six-month period of growth.

Year-on-year, the number of brokers increased by 1,795, while period-on-period there was an increase of 1,317 brokers. When comparing broker population changes to settled value changes, year-on-year broker numbers at a national level increased by 10.9%, whilst overall new loan settlements grew by a significantly higher proportion at 54.4%.

The divergence of broker numbers and settled value has contributed to an increase in the calculated average total broker remuneration, of 16.2% year-on-year.

The major banks' share decreased by a material 5.1 percentage points between June and September 2021, the largest decline observed in a quarter by any segment to date.

The number of mortgage brokers also writing commercial loans has recorded an uptick period-on-period increasing from 4,539 to 5,268 in April to September 2021.

The value of settled commercial lending rose to its highest level yet in IIS history to reach \$13.4 billion.

Thank you to our contributors

Information for this edition of the MFAA's leading market intelligence resource for brokers, the Industry Intelligence Service Report, was provided by leading aggregators, including:

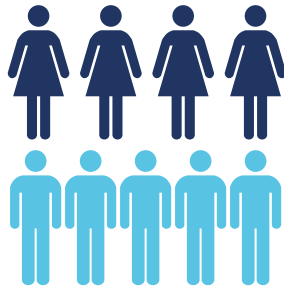
The logo for AFG, consisting of the letters 'AFG' in a bold, blue, sans-serif font.The logo for choice AGGREGATION, featuring a stylized orange 'C' icon followed by the word 'choice' in bold black and 'AGGREGATION' in orange below it.The logo for connective, with the word 'connective' in a dark blue sans-serif font and a small orange icon of two connected nodes to the right.The logo for FAST Stay Ahead, with 'FAST' in a large, bold, black sans-serif font and 'Stay Ahead' in a smaller, italicized font below it, accompanied by a grid of orange squares.The logo for FINSURE, featuring a circular icon with a stylized 'F' and 'S' inside, followed by the word 'FINSURE' in a blue sans-serif font.The logo for lendigroup, with a stylized 'L' icon in purple and green, followed by the word 'lendigroup' in a dark green sans-serif font.The logo for Loan Market, consisting of a solid blue square with the words 'Loan Market' in white text inside.The logo for Mortgage Choice, featuring a stylized icon of three curved lines in blue and orange, followed by the words 'Mortgage Choice' in a blue sans-serif font.The logo for nmb National Mortgage Brokers, with a circular orange icon containing the letters 'nmb' and the text 'National Mortgage Brokers' to its right.The logo for PLAN AUSTRALIA, featuring a stylized icon of a house or square with a smaller square inside, followed by the word 'PLAN' in a large, bold, black sans-serif font and 'AUSTRALIA' in a smaller font below it.The logo for wow FINANCIAL, with the word 'wow' in a green, cursive script font and 'FINANCIAL' in a green, all-caps sans-serif font below it.

Industry snapshot

Industry Intelligence Service (IIS) Report – 13th edition, April 2021 – September 2021

Population of mortgage brokers

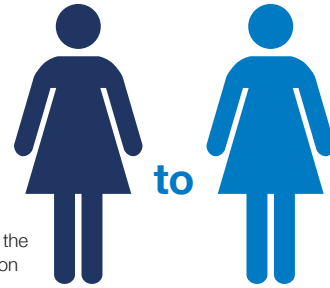
16,968
Up to
18,285
Apr 21 – Sep 21



Ratio of mortgage brokers

1 to 1,408

Brokers per head of the Australian population



Compared to 1 broker per 1,514 Australians in Oct20–Mar21

Total value of loans settled



54.4%
Compared to the Apr20 – Sep20 period

Average gross annual earnings

Oct 2020 – Mar 2021

\$161,894

Up 16.15%

Apr 2021 – Sep 2021

\$188,046

Average value of home loans settled per broker

\$7.2 Million



Oct20-Mar21



\$9.1 Million



Apr21-Sep21

Average number of home loan applications lodged per broker



Oct20-Mar21

Including inactive brokers



Apr21-Sep21

Total number of home loans lodged



Apr20-Sep20

22.9%



Apr21-Sep21

Share of lenders other than the Majors and their affiliates

29.2%
Jul20-Sep20



33.4%
Jul21-Sep21

Proportion of mortgage brokers also writing commercial loans

27.9%
Oct20-Mar21

0.9%

28.8%
Apr21-Sep21

Average value of the home loan portfolio per broker



Oct20-Mar21

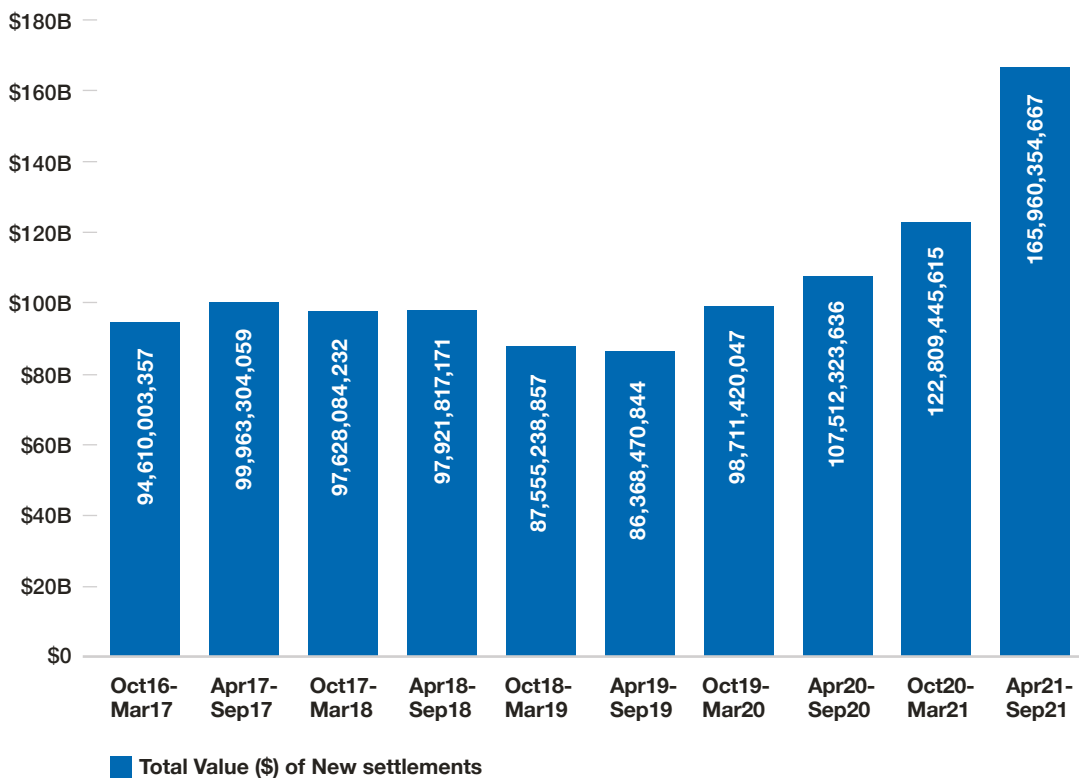
3.3%



Apr21-Sep21

The last twelve-month period has seen a 54.4% increase in home loan settlements for the mortgage broking sector.

Value of home loans settled by brokers, per six-month period (\$)

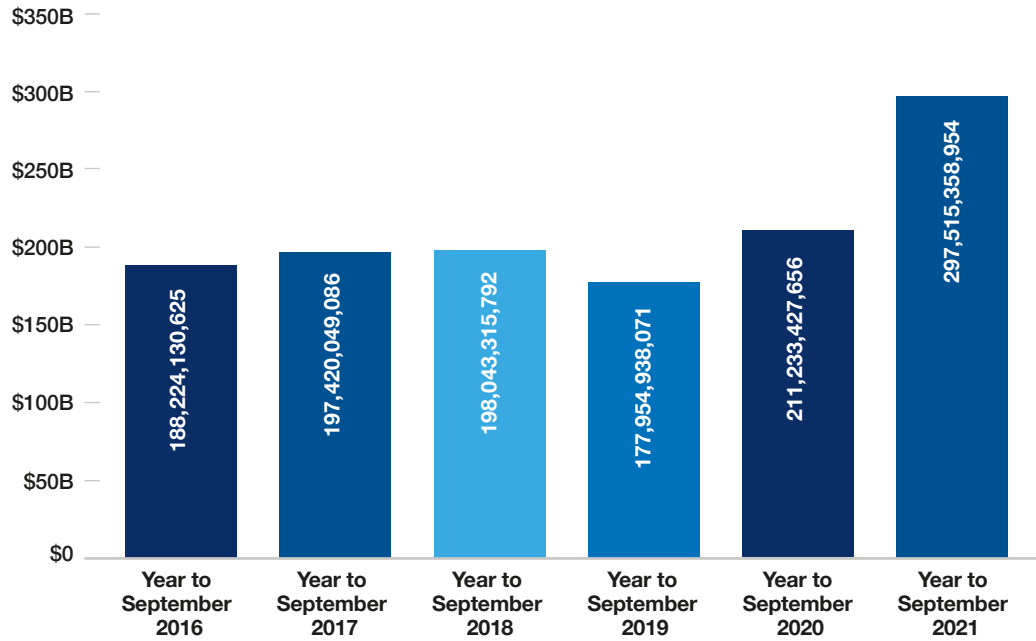


Note: There is data from one less aggregator in the eight most recent six-month periods from October 2017 to September 2020 compared to previous periods. This is not a material impact.

Mortgage brokers settled \$165.96 billion in residential home loans for the six-month period from April 2021 – September 2021. This represents the largest year-on-year increase, \$58.45 billion, or 54.36%, in new loan settlements. It is also the highest six-month value recorded since the report has been issued, with settlements exceeding \$150 billion for the first time, and \$43 billion higher than the previous record high set in the previous period.

The substantial increase in the value of home loan settlements over the last six-month period continues to be driven by a combination of increased refinancing activity and first home buyers in the market taking advantage of record-low interest rates.

Value of new home loans settled by brokers, per year (\$) 12 months to the end of September 2021



Source: MFAA Quarterly Survey

Note: IIS 12th edition compares the value of home loans settled by brokers for the year-ending periods up to 31 March 2020; this edition compares year-ending periods up to 30 September 2021.

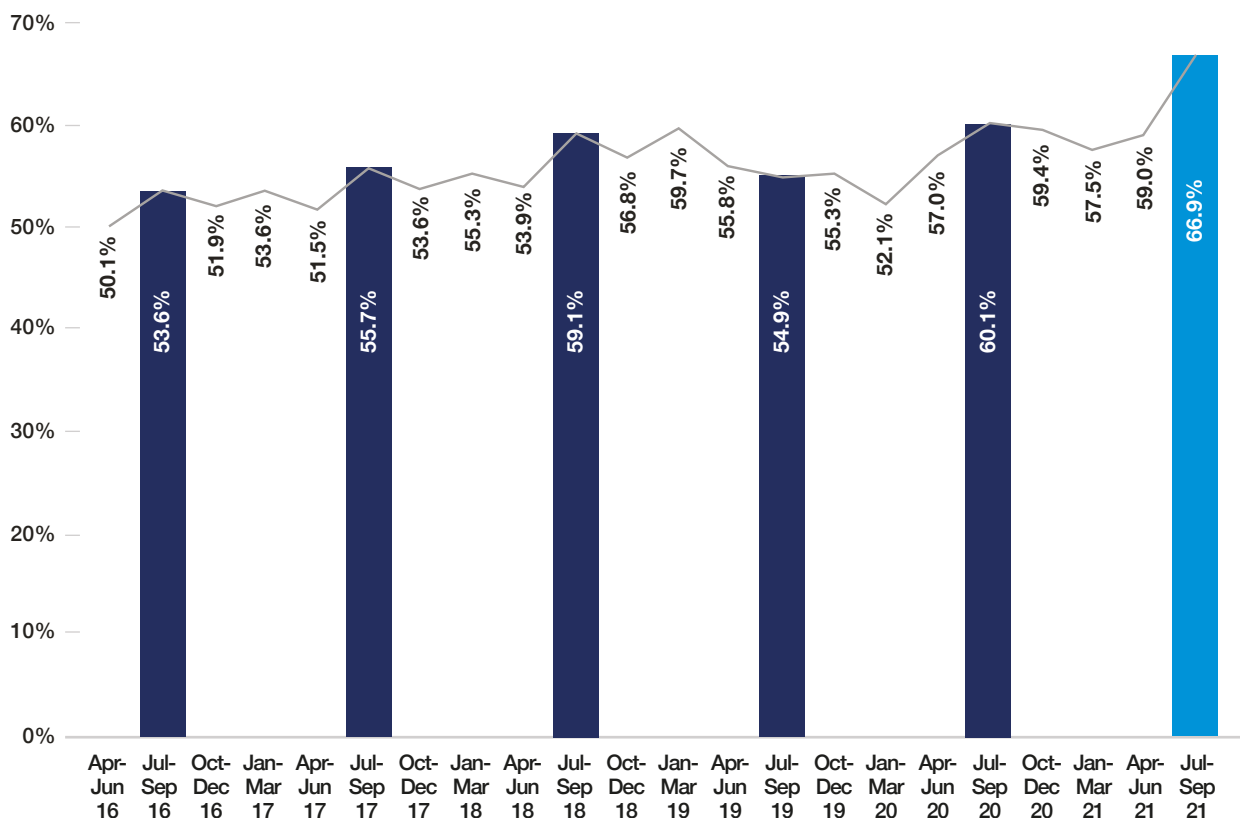
In the twelve months to September 2021, brokers settled a record \$297.52 billion in home loans – a staggering increase of \$86.28 billion or 40.85% growth when compared year-on-year.

It is the highest value of new home loan settlements observed over a 12-month period to date and is the first-time settlements have approached \$300 billion.

MFAA's Quarterly Survey of brokers and aggregators

The September 2021 quarter saw brokers' market share of all new residential home loan settlements grow to the highest share recorded at 66.9%.

Quarterly survey of brokers: Market share of new residential home loans settled by mortgage brokers as % of ABS Housing Finance Commitments/Lending to Households



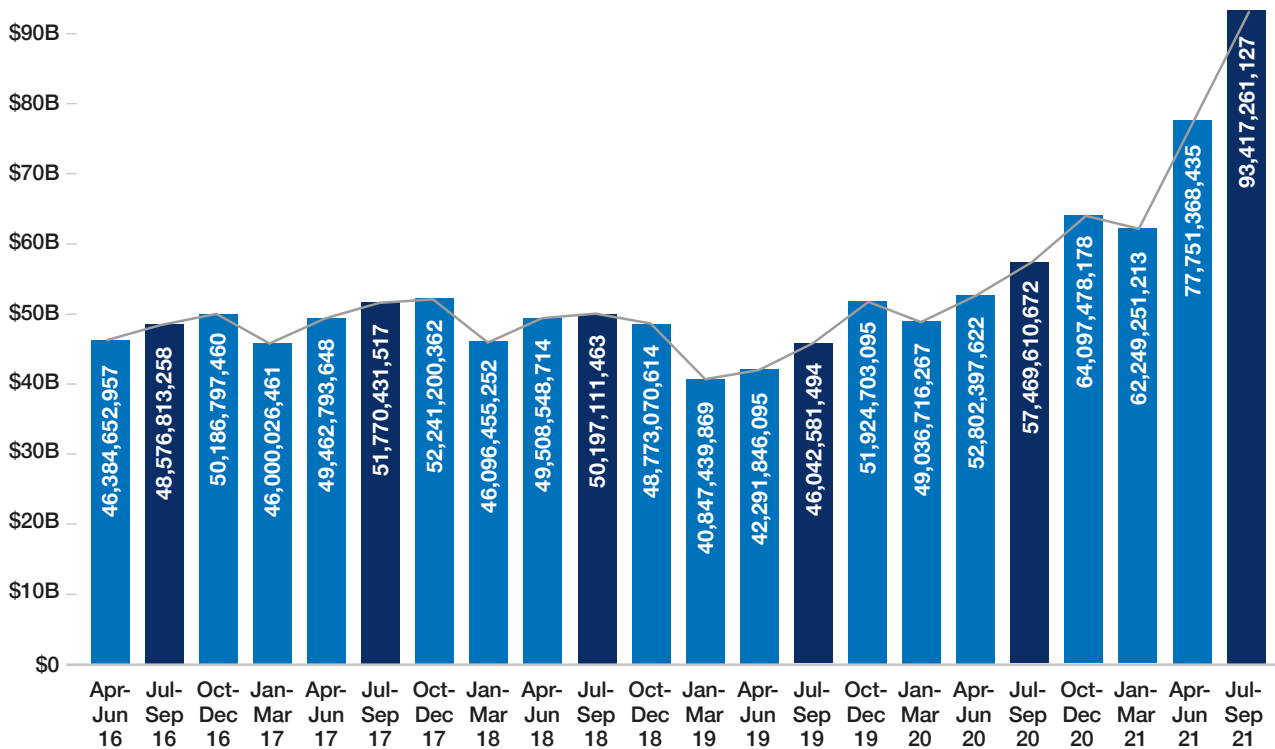
Note: The Quarterly Survey draws on data from 13 aggregators, whilst the IIS draws on data from 12 aggregators.

The September 2021 quarter saw brokers' market share of all new residential home loan settlements grow to the highest share recorded at 66.9%.

Year-on-year, comparing to the September 2020 quarter, broker market share grew by 6.8 percentage points, the largest year-on-year increase observed.

The broker market share exceeded 60% for the first time in the September 2020 quarter, followed by mild declines in the December 2020 and March 2021 quarters.

Quarterly survey of brokers: Value (\$) of home loans settled by mortgage brokers

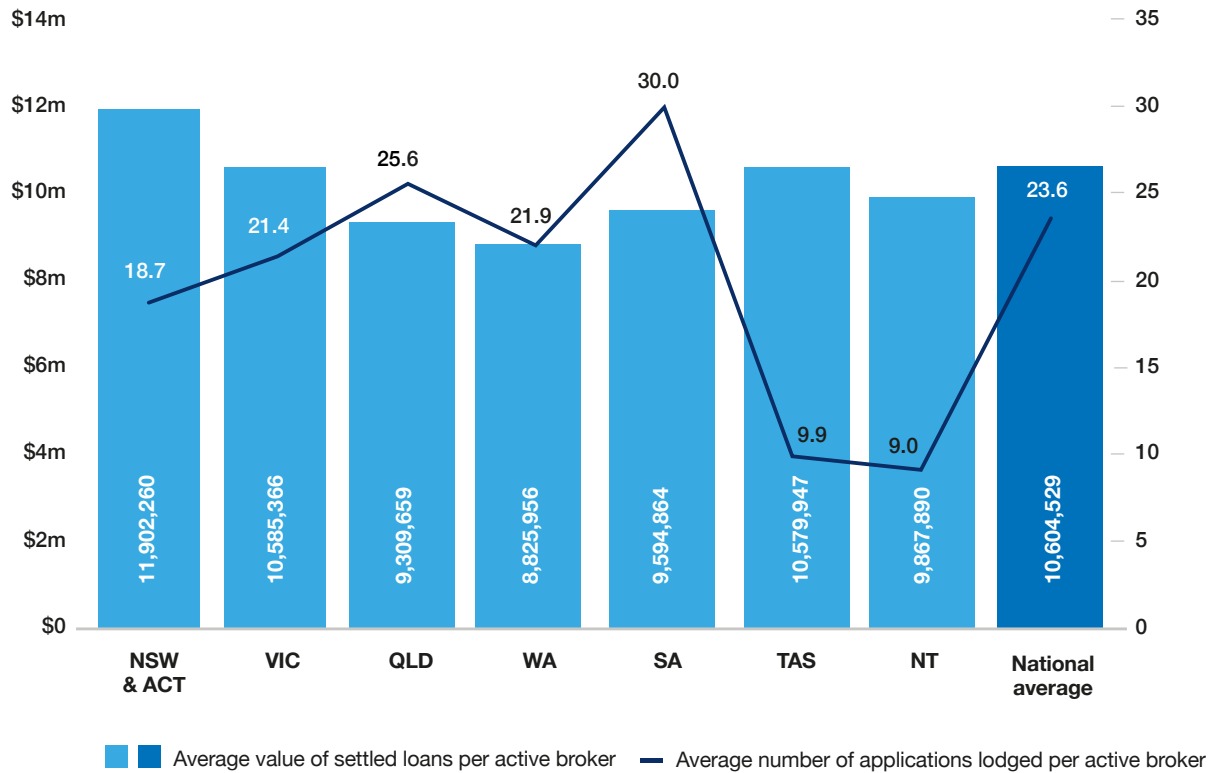


Note: The Quarterly Survey draws on data from 13 aggregators, whilst the IIS draws on data from 12 aggregators.

In the September 2021 quarter, \$93.42 billion in new loan settlements were recorded, overwhelmingly the largest recorded for any quarter. Comparing year-on-year, it represents an increase of \$35.95 billion or 62.55% to the \$57.47 billion in September 2020, the largest year-on-year increase observed to date.

September quarters in previous years generally have experienced milder movements when compared year-on-year with preceding September quarters. The September 2021 quarter has seen a significantly larger year-on-year increase further highlighting the broker industry's record-breaking performance during the continuing impact of COVID.

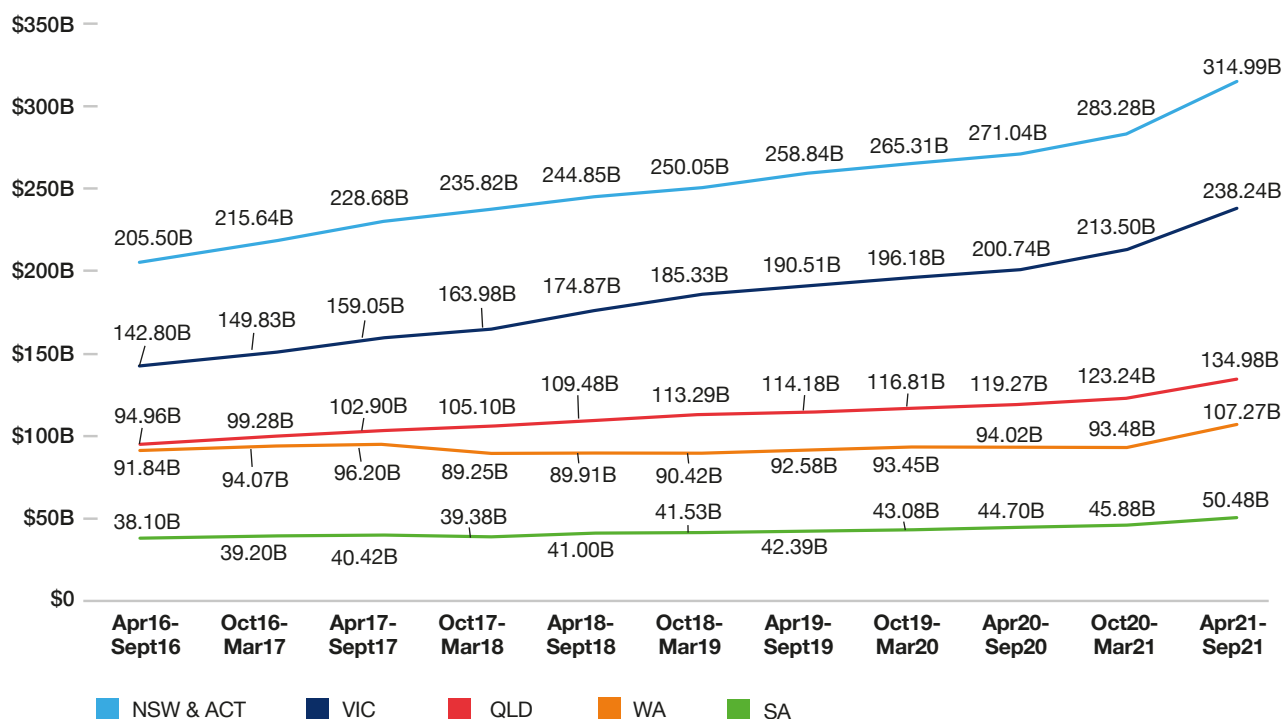
Average value of settled home loans per active broker by state (\$) and average number of applications lodged per active broker from 1 April 2021 to 30 September 2021



Nationally, the number of applications lodged per active broker has grown from 21.4 to 23.6 year-on-year.

The value of settled loans increased from \$7.47 million to \$10.60 million over the same period.

Total value (\$) of broker loan books, per state



Note: There is data from two less aggregators in the April to September 2021 period compared to previous periods.

New South Wales and ACT continues to have the largest broker loan book at \$314.99 billion in value or 36.89% share of the overall national home loan portfolio. As at the end of September 2021, this represented an increase of 11.2% or \$31.71 billion compared to the previous six-month period.

Victoria has the second largest loan book at \$238.24 billion or 27.90% share of the national total. Its loan book value increased by 11.6% or \$24.74 billion.

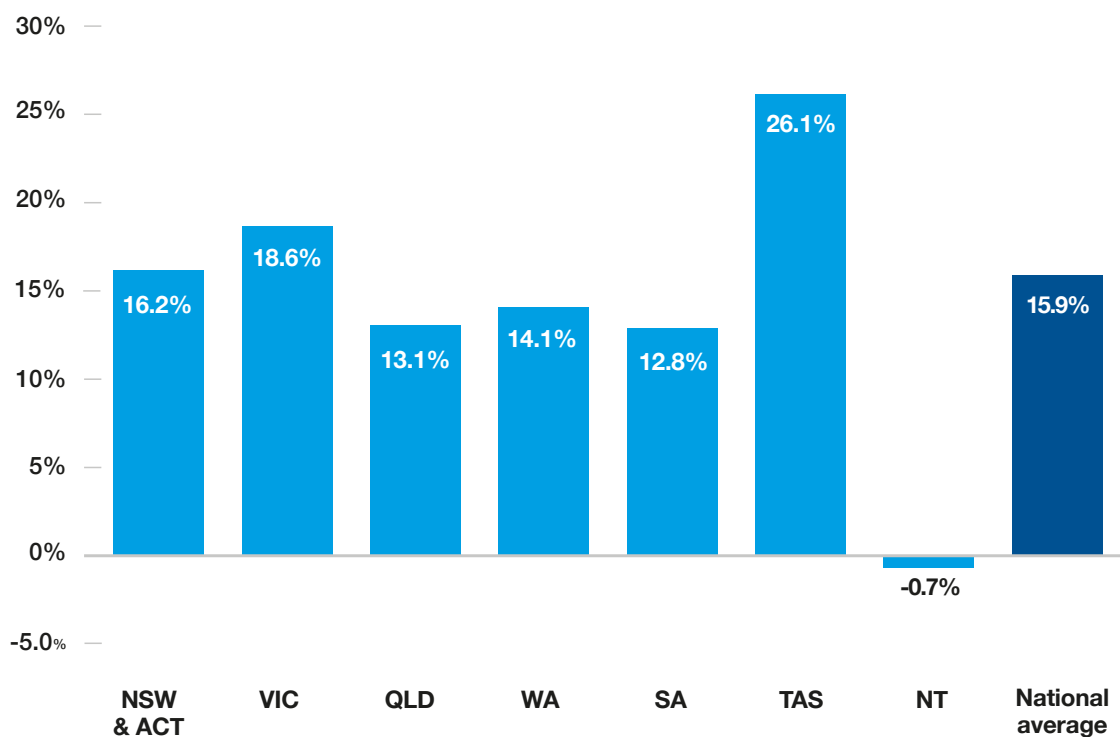
Queensland recorded slight growth, with its loan book increasing by \$11.74 billion or 9.5% increase to \$134.98 billion.

Western Australia also recorded a growth of 14.8% with its book value currently at \$107.27 billion.

South Australia's loan book recorded a growth of 10.0% or \$4.60 billion increase period-on-period, with a current loan book value of \$50.48 billion.

At a national level, the aggregate value of broker home loan books grew by 15.9% year-on-year to September 2021.

% Change in the value of broker loan books, from September 2020 – September 2021

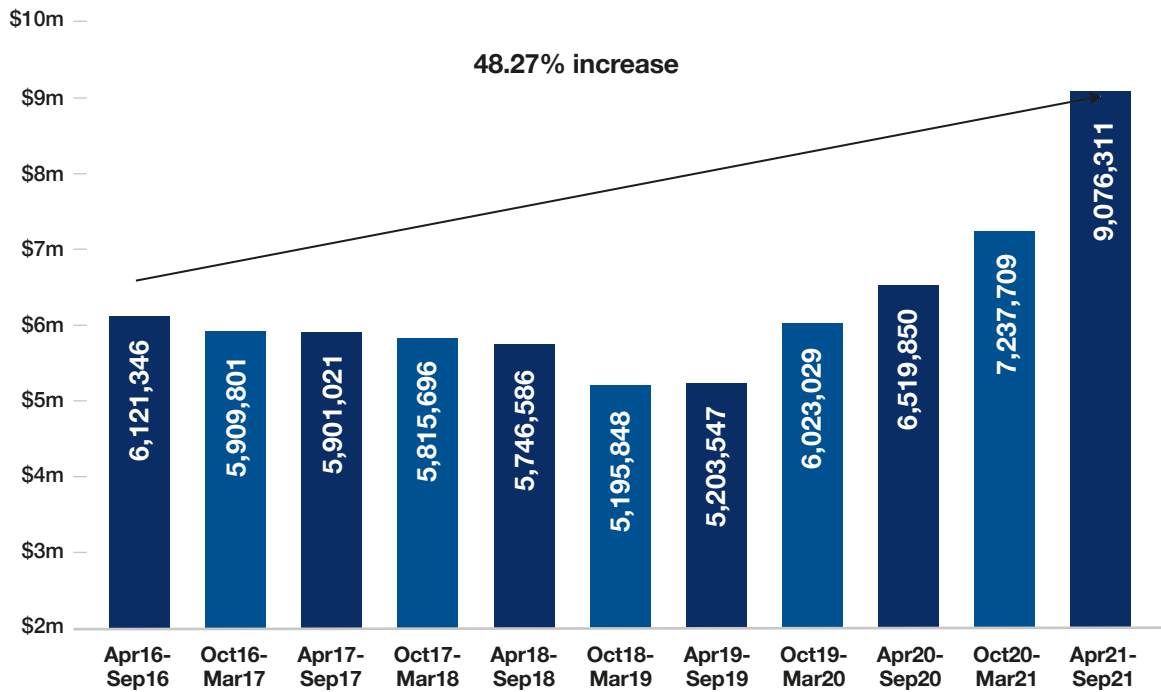


Note: The data used is from 10 aggregator participants that consistently provided the data for the same periods.

At a national level, brokers' total loan books grew year-on-year to September 2021, with an increase of 15.9% to \$853.96 billion.

The average value of loans settled per broker exceeded \$9 million for the first time, continuing significant year-on-year and period-on-period growth.

National average value of home loans settled per broker



Note: There is data from one less aggregator included in the eight most recent six-month periods from October 2017 to March 2018 compared to previous periods. It is estimated that this impact is only marginal though, and not material.

The average value of loans settled per broker for the six months to September 2021 is the highest value observed to date, exceeding \$9 million for the first time at \$9,076,311. This continues significant year-on-year and period-on-period increases, and suggests that brokers are settling higher value loans, which in turn has significantly increased the national average.

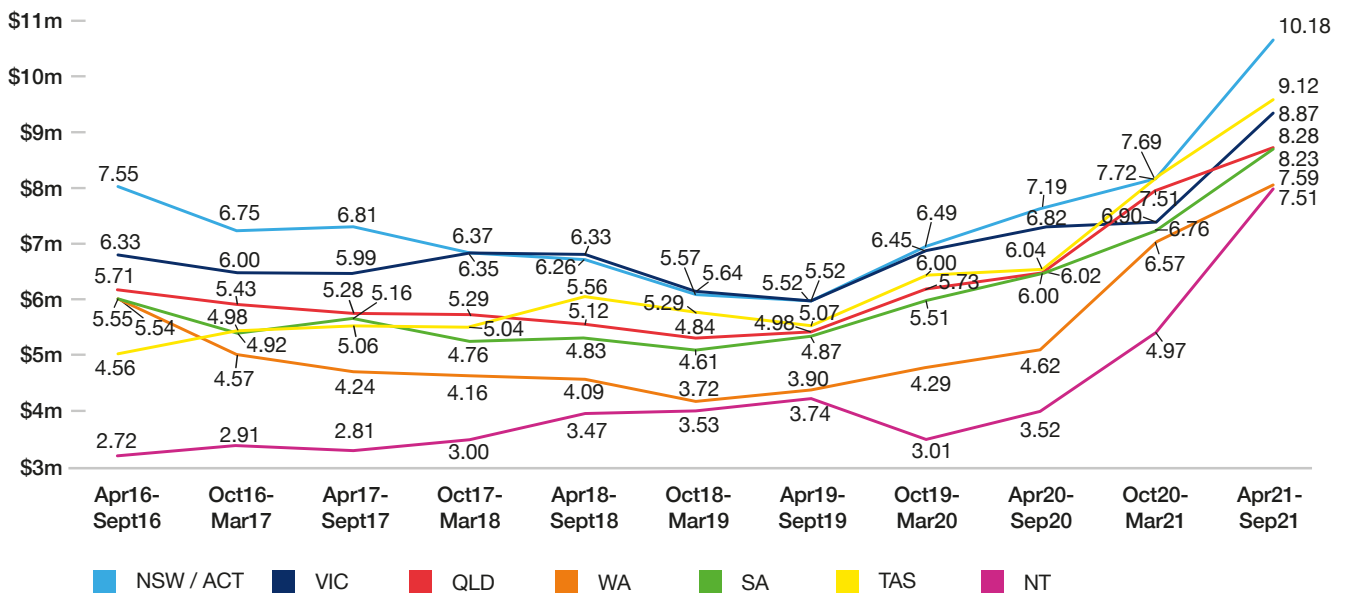
Year-on-year, the average value of new home loans settled per broker represents an increase of \$2,556,461 or 39.21%, overwhelmingly the highest increase observed.

Period-on-period, the average value of new home loans settled grew by \$1,838,602 or 25.40%, the highest recorded period-on-period increase.

For a state-by-state indicator, refer to the corresponding IIS Report, 13th edition. 'Benchmark Your Business section' beginning on page 57.

The average value of loans settled per broker recorded significant period-on-period growth across all states.

Average value of home loans settled per mortgage broker in each state



Note: Data-sets at the state level do not always reconcile exactly to national figures. This is because of slight variations in some aggregators' data extracts at the state level. This is not a material cause for concern.

Period-on-period, the average value of new loans settled per broker recorded significant growth across all states.

New South Wales and ACT has grown by \$2,484,493 or 32.30%, from \$7.19 million to \$10.18 million. Over the same period, Victoria has seen the average value increase by \$1,968,703 or 28.55%.

Queensland recorded an increase of \$778,047 or 10.37% over the period. Western Australia's average value grew by \$1,018,965 or 15.51% in comparison, whilst South Australia increased by \$1,467,441 or 21.70%.

Tasmania increased by \$1,397,937 or 18.11%, with the second highest average value after New South Wales and ACT at \$9.12 million.

Northern Territory also recorded the largest double-digit growth, with a \$2,541,575 or 51.17% increase, albeit from a smaller base.

Comparator insights: Throughout 2021, in particular the last six months of 2021, volume and value of sales continued to increase nationwide by record levels across all states, as shown in brokers' new home loan settlements, particularly in the quarter ending 30 September 2021, providing further evidence of the strength and resilience of the housing market.

The total number of applications lodged has reached record highs across the major states.

Number of loan applications lodged by state and nationally

| Number of new home loan applications | Apr16-Sep16 | Oct16-Mar17 | Apr17-Sep17 | Oct17-Mar18 | Apr18-Sep18 | Oct18-Mar19 | Apr19-Sep19 | Oct19-Mar20 | Apr20-Sep20 | Oct20-Mar21 | Apr21-Sep21 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| NSW & ACT | 83,782 | 89,000 | 86,415 | 83,886 | 79,578 | 72,253 | 78,991 | 82,575 | 92,989 | 99,090 | 118,961 |
| VIC | 79,584 | 82,548 | 86,679 | 86,836 | 84,587 | 74,489 | 81,276 | 88,661 | 90,065 | 99,177 | 110,716 |
| QLD | 48,648 | 52,227 | 47,308 | 47,386 | 45,700 | 42,412 | 44,569 | 49,061 | 57,321 | 63,278 | 71,847 |
| WA | 30,613 | 38,366 | 27,428 | 27,234 | 23,395 | 24,426 | 22,672 | 26,833 | 34,333 | 38,215 | 40,743 |
| SA | 21,874 | 22,917 | 21,683 | 21,508 | 20,111 | 20,328 | 20,131 | 23,369 | 27,542 | 28,210 | 31,031 |
| TAS | 1,769 | 1,680 | 1,935 | 2,225 | 2,554 | 2,425 | 2,775 | 3,092 | 3,903 | 3,447 | 1,261 |
| NT | 818 | 998 | 818 | 855 | 705 | 648 | 659 | 623 | 873 | 858 | 371 |
| Total number of applications | 317,651 | 303,303 | 303,058 | 300,828 | 284,830 | 260,544 | 275,081 | 300,374 | 333,830 | 363,819 | 410,227 |
| Total number of Brokers | 15,443 | 16,009 | 16,940 | 16,787 | 17,040 | 16,851 | 16,598 | 16,389 | 16,490 | 16,968 | 18,285 |

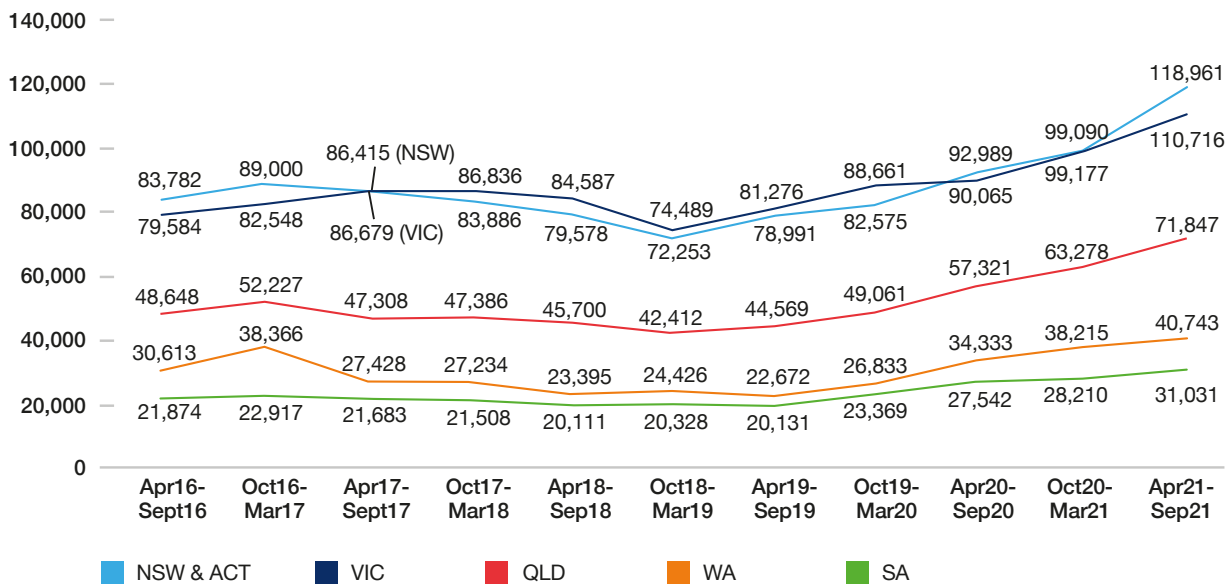
Note: Nine aggregators provide data for loan applications at the state level, so sub-totals for the states do not reconcile to the overall total.

The total number of home loan applications lodged continues to hit record levels exceeding 400,000 for the first time, with 410,227 applications lodged between April – September 2021, the highest total observed to date.

Year-on-year, this represents a significant increase of 76,397 or 22.89%, the largest year-on-year growth observed and providing further indication of the strength of the market. Period-on-period, this represents an increase of 46,408 applications or 12.76%, the highest period-on-period growth to date.

Volume of applications is a strong leading indicator for settlement figures for the next reporting period.

Number of home loan applications by state

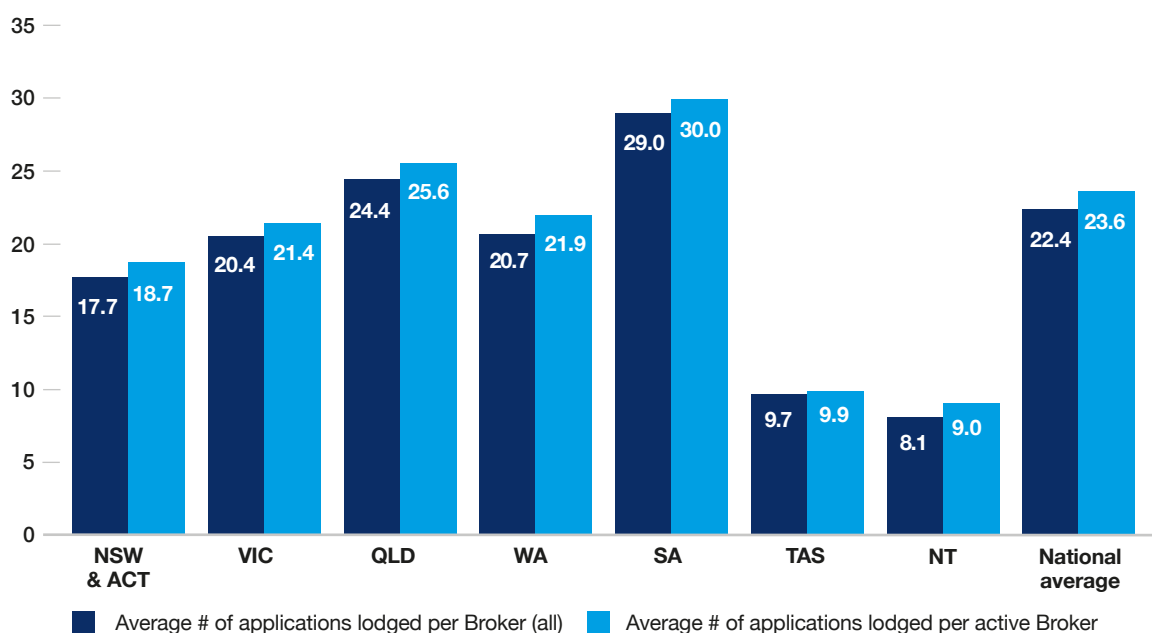


Note: Data for the Northern Territory and Tasmania has been excluded from this analysis due to the scale of the Y-axis labelling.

Period-on-period, all states, with the exception of the Northern Territory and Tasmania, continue to record an increase in the number of home loan applications.

From a point of parity in the October 2020 to March 2021 period, there has been a notable divergence in the growth of loan applications in NSW/ACT and Victoria over the last six months, with NSW recording the higher growth of 19,871 or 20.05%.

Average number of home loan applications lodged per broker vs average number of home loan applications lodged per active broker, April 2021 – September 2021



| Number of Applications | Apr16-Sep16 | Oct16-Mar17 | Apr17-Sep17 | Oct17-Mar18 | Apr18-Sep18 | Oct18-Mar19 | Apr19-Sep19 | Oct19-Mar20 | Apr20-Sep20 | Oct20-Mar21 | Apr21-Sep21 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Average number of applications lodged per broker | 20.6 | 18.9 | 17.9 | 17.9 | 16.7 | 15.5 | 17.1 | 18.3 | 20.2 | 21.4 | 22.4 |

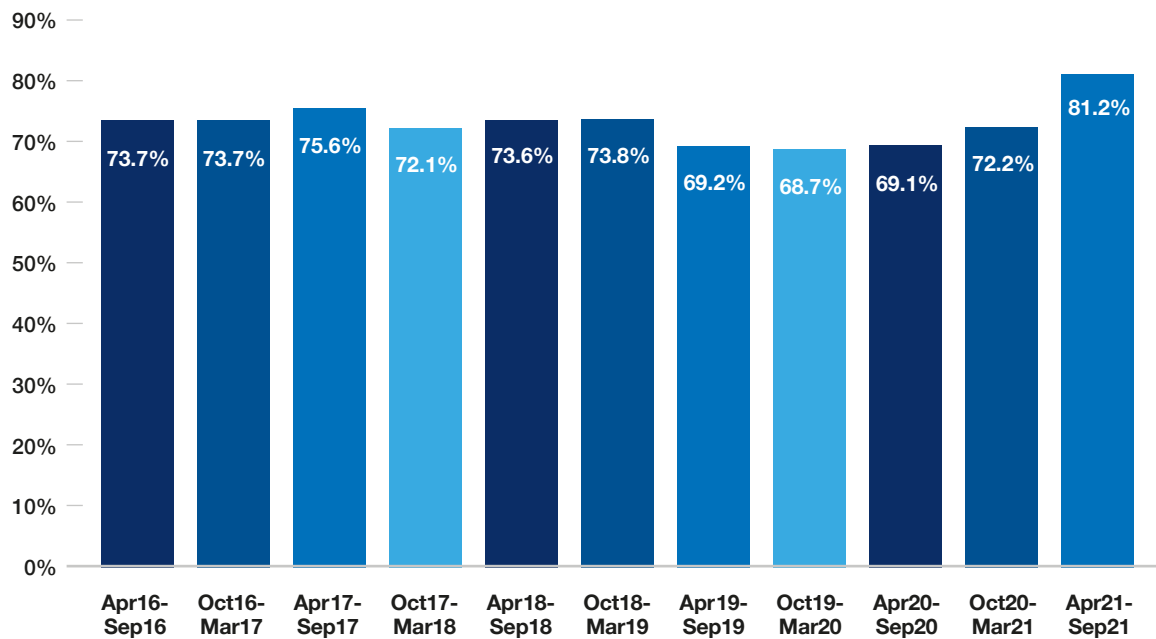
Note: Inactive brokers – those who had not settled a loan for the six-month period – represent 15% of the total broker population. Therefore, it was important to account for inactive brokers to better illustrate the average rates of productivity for the majority of brokers.

Comparing April 2021 – September 2021 to the previous 12 months, at a national level, the average number of applications lodged per active broker increased from 21.4 to 23.6, whilst the average number of applications lodged for all brokers grew from 20.2 to 22.4.

Period-on-period, from October 2020 – March 2021 compared to April – September 2021, the average number of applications lodged by all brokers increased from 21.4 to 22.4, whilst the average number of applications lodged by active brokers grew from 22.5 to 23.6.

The conversion rate of home loan applications to settlements grew by 12.1% year-on-year to 81.2%.

Conversion rates by brokers

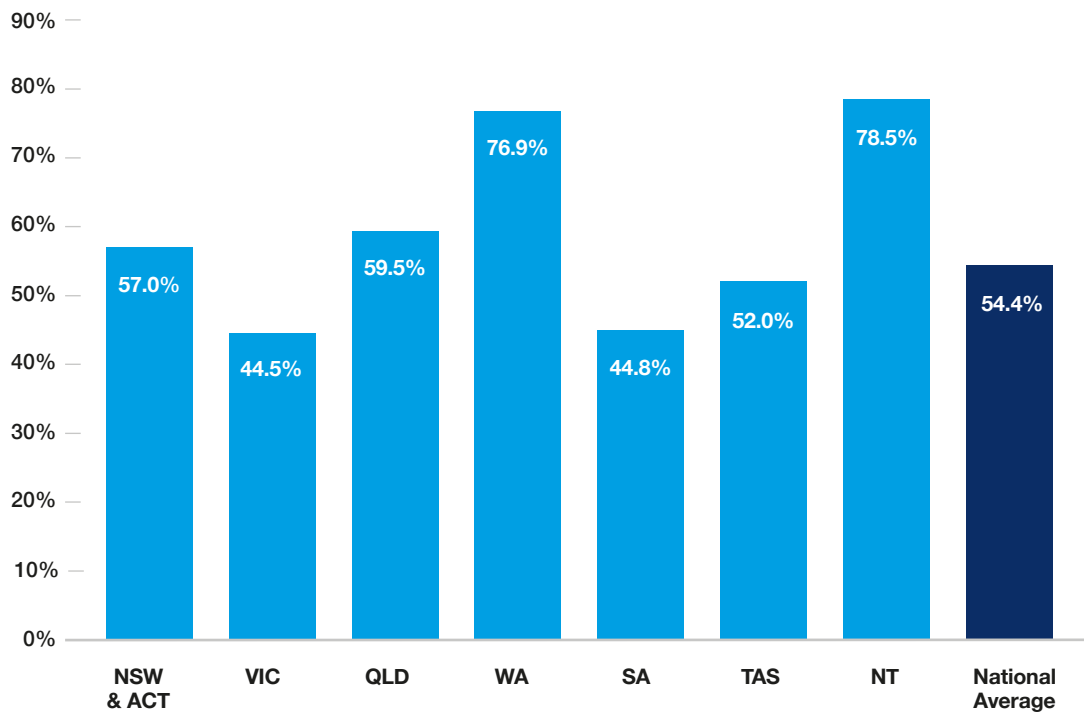


The conversion rate is calculated based on the number of home loans settled as a proportion of the number of home loan applications lodged. Conversion rates need to be interpreted with caution as some aggregators may count conditional approvals rather than applications.

Conversion rates have risen sharply by 12.1 percentage points year-on-year to 81.2%, the highest year-on-year increase observed and the highest level recorded. Period-on-period, a similar record increase was observed of 9 percentage points, from 72.2% to 81.2%.

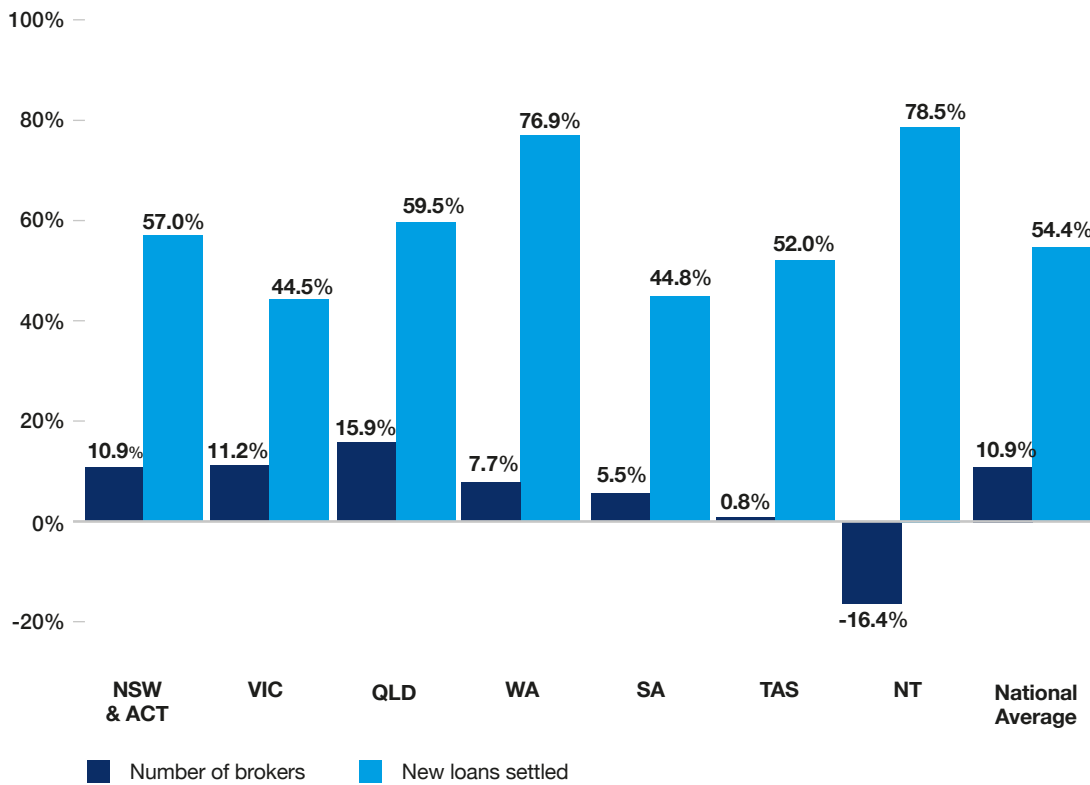
The national growth rate of the value of loans settled has increased by 54.4%.

Change in the value of home loans settled, September 2020 – September 2021



The national growth of the value of home loans settled grew by 54.4% year-on-year to April – September 2021, from \$107.51 billion up to \$165.96 billion. All states recorded exceptional double-digit growth in the value of new loans settled.

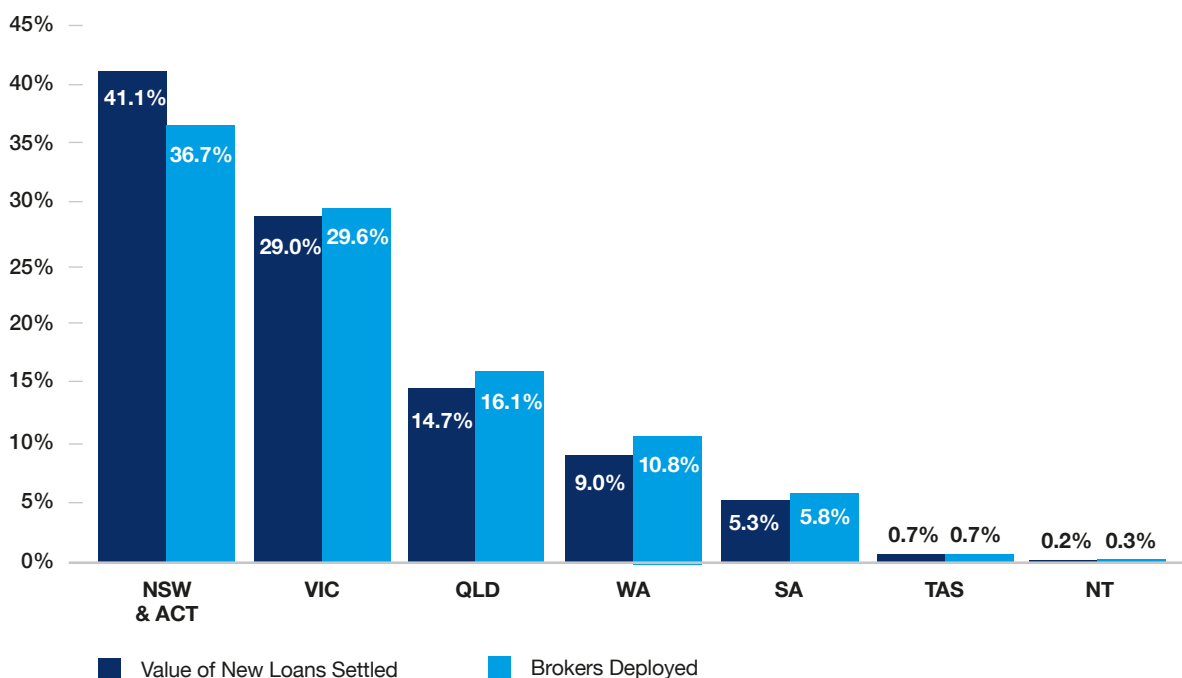
Change in the number of brokers deployed vs change in the value of home loans settled by state, year-on-year, September 2020 – September 2021



Overlaying the growth in broker numbers against the growth in new loan settlements, year-on-year, comparing the same periods of April – September 2020 and 2021, broker numbers at a national level have increased by 10.9%, whilst overall new loan settlements grew by a significantly higher proportion at 54.4%.

This suggests the increase in the number of brokers has fed into the active brokers achieving greater productivity which has subsequently contributed to the exceptional double-digit growth in loans settled in all states.

Share of national value of home loans settled (%) vs share of total brokers deployed in each state (%), April 2021 – September 2021



New South Wales and ACT, and Victoria have the largest shares of lending.

New South Wales and ACT is the only state to show a higher proportion of value of new loans settled compared to their proportion of broker population, which continues to indicate that there is still opportunity for growth in broker numbers in the state.

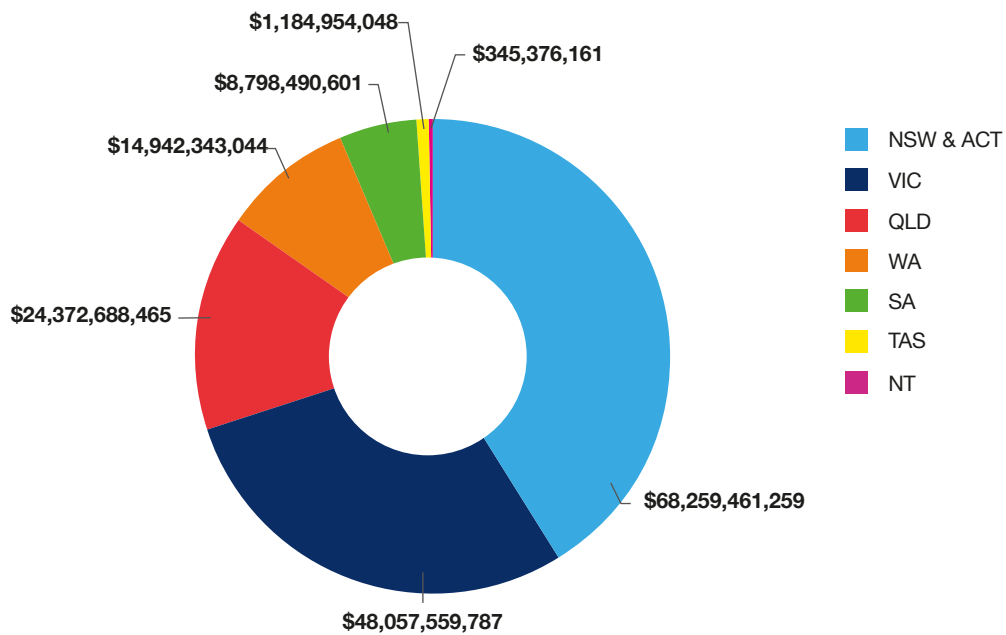
Victoria, Queensland, Western Australia and South Australia continue to show a different profile, all having a mildly higher share of broker numbers compared to their share of new loans settled, which continues to suggest these states may be mildly overweight in the broker population.

Tasmania and Northern Territory remain on par with equivalent shares in both broker numbers and settlements.

Compared to the same period last year, April – September 2020, the difference between the two measures has shown variation between the different states. New South Wales and ACT's share of settlements increased by 0.7 percentage points, from 40.4% to 41.1%, whilst the share of brokers remains unchanged at 36.7%. Victoria's share of settlements declined by 1.1 percentage points from 30.9% to 29.0%.

Queensland and Western Australia also showed slight variations, whilst the other states remained unchanged year-on-year.

Value of home loans settled during the period, by state (\$)



Broker home loan settlements grew by \$58.45 billion (54.4%) overall, year-on-year to April-September 2021 with all states recording strong growth.

New South Wales and ACT, and Victoria continue to dominate with the largest share of the home loan settlements 'pie', at a combined 70.1%. New South Wales and ACT accounted for the largest proportion of the growth, up \$24.79 billion since last year, whilst Victoria's value settled grew by \$14.79 billion. Queensland's settlements value increased \$9.09 billion and was the third largest growth by value.

Western Australia and South Australia recorded notable increases of \$6.50 billion and \$2.72 billion respectively.

The average value of a broker's loan book has continued to increase year-on-year.

Average value of the residential home loan book per broker per state; and in total April 2021 – September 2021

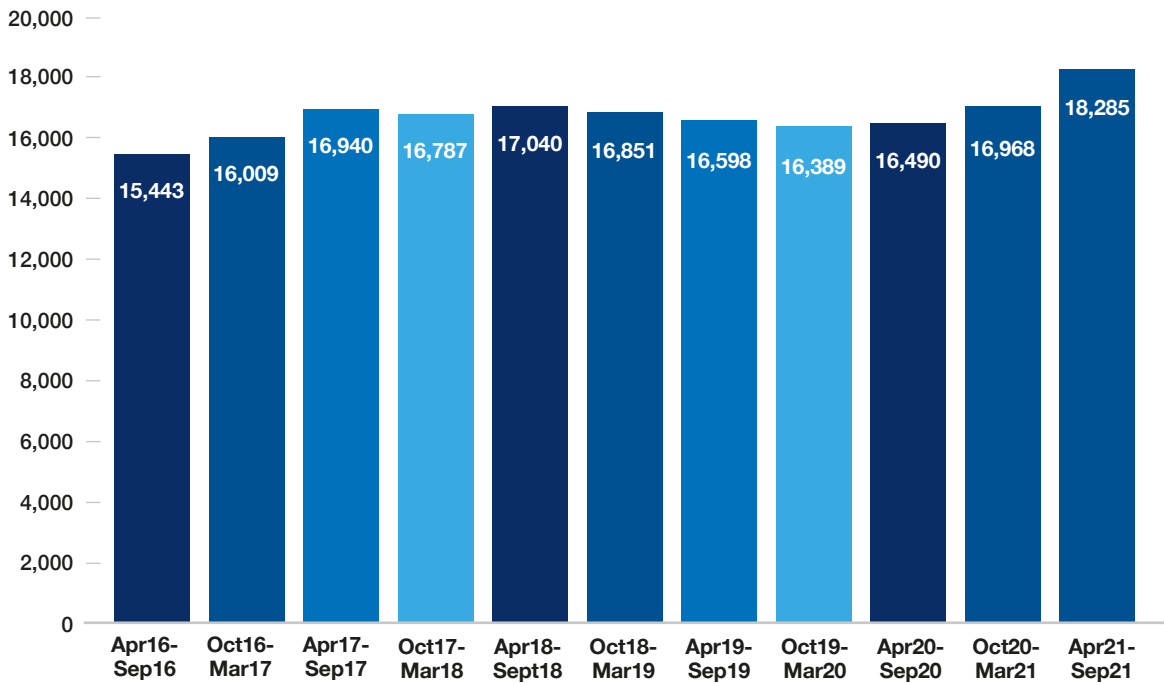


Note: There is data from two less aggregators in the April – September 2021 period compared to previous periods..

The national average value of brokers' loan books has increased year-on-year from April – September 2020 to 2021, from \$44.68 million to \$46.70 million, an increase of \$2.02 million or 4.52%. The book-per-broker growth rate of 4.49% was less than the total book growth of 15.9% (see page 13). This was due to the number of brokers increasing year-on-year from April – September 2020 to 2021.

The broker population has reached a record high exceeding 18,000 for the first time, outperforming the previous record of 17,000 in 2018.

Broker population, in total for the sampled aggregators



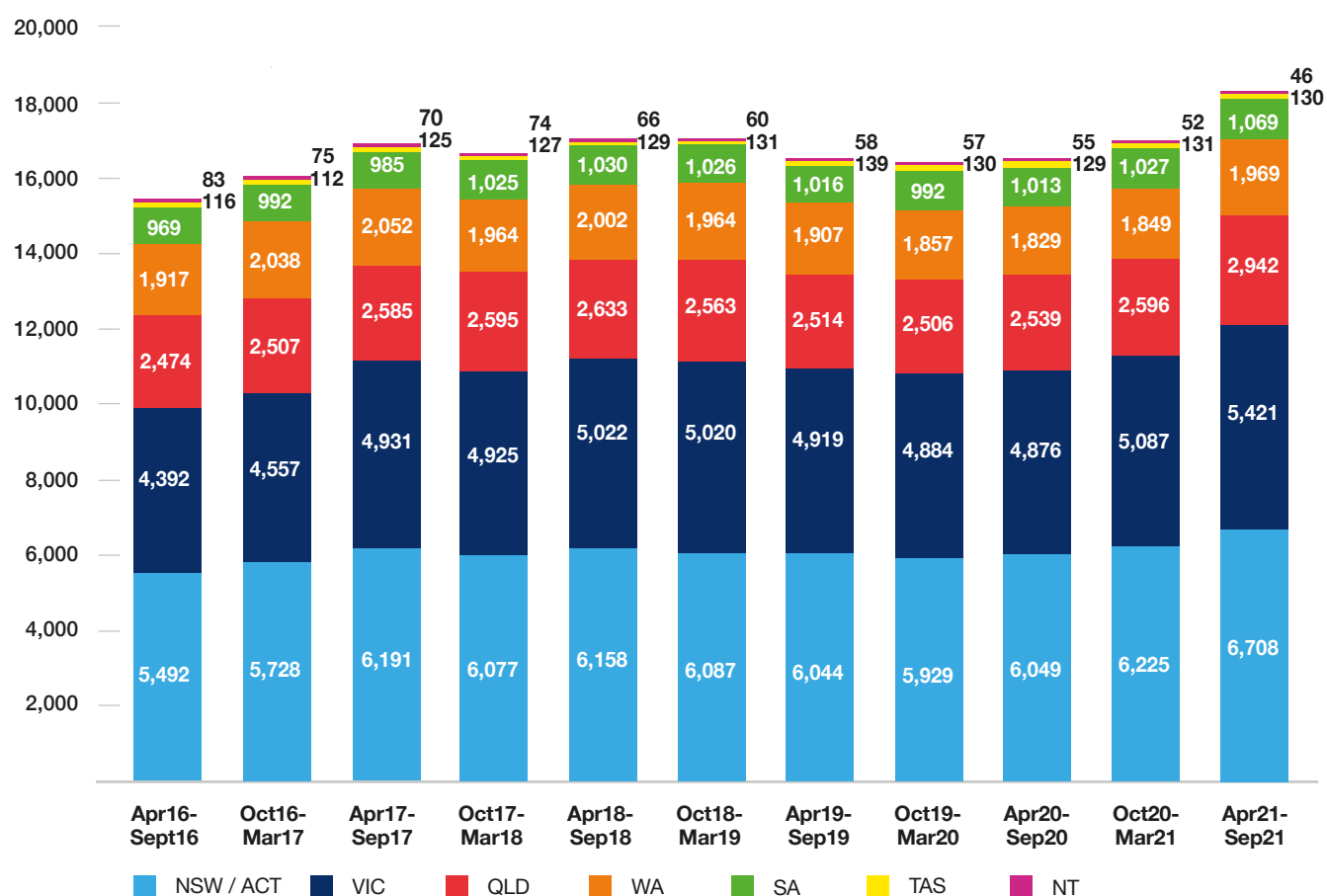
Note: There is data from one less aggregator included in the eight most recent six-month periods, from October 2017 – March 2018 period, compared to previous periods.

The April – September 2021 period has seen a significant shift in the broker market population with an increase of 1,317 brokers or 7.8% compared with the previous six months. It is overwhelmingly the highest total for the broker population observed to date, exceeding 18,000 for the first time and outperforming the previous record of 17,000 in 2018.

This increase is partly due to the inclusion of Lendi brokers for the first time, following the merger of Aussie and Lendi reporting is now for the combined Lendi Group.

Year-on-year, the growth in the industry broker population was 1,795 or 10.89%.

Broker population by state, and population change between reporting periods

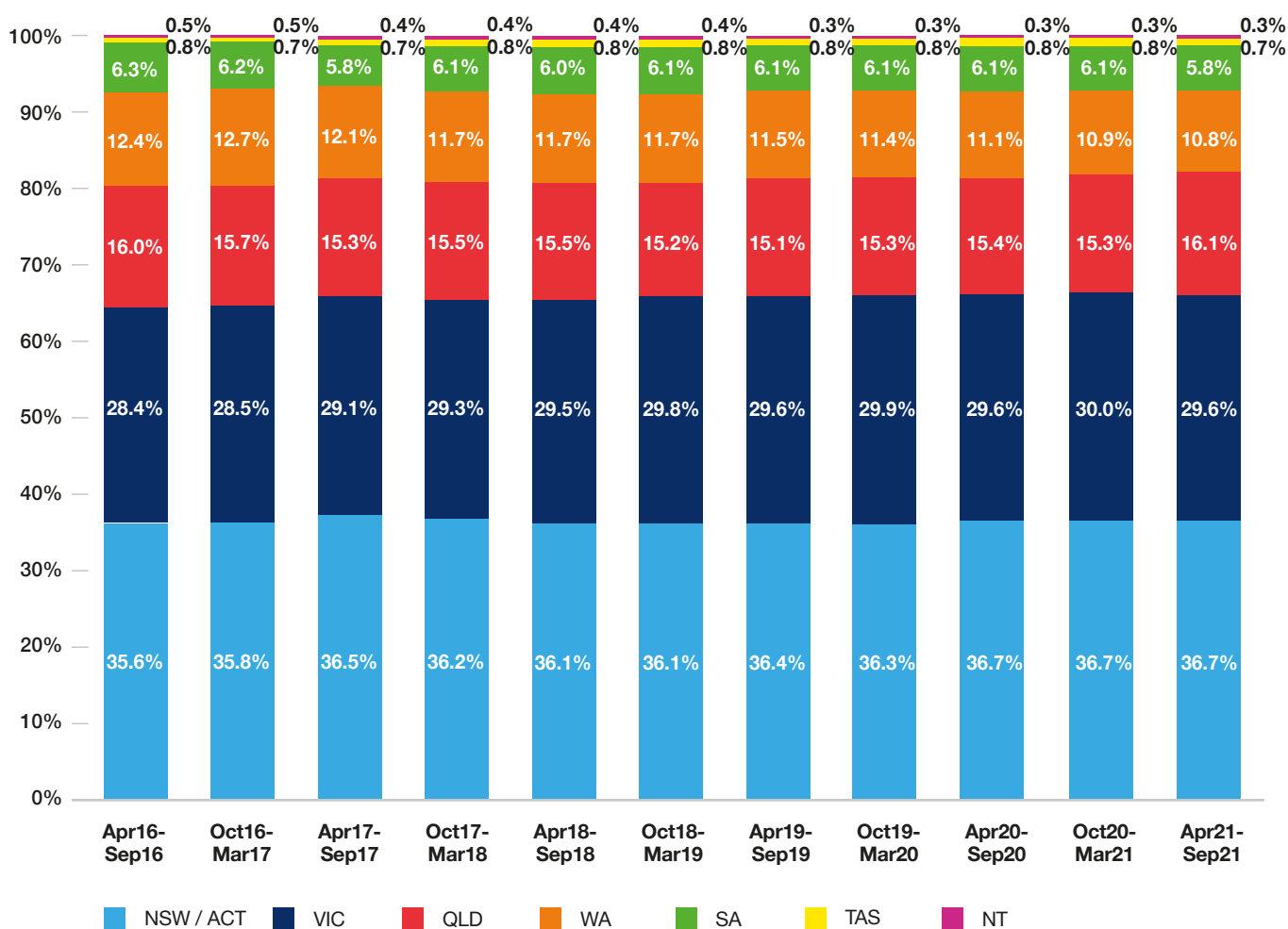


| | Apr16-Sep16 | Oct16-Mar17 | Apr17-Sep17 | Oct17-Mar18 | Apr18-Sep18 | Oct18-Mar19 | Apr19-Sep19 | Oct19-Mar20 | Apr20-Sep20 | Oct20-Mar21 | Apr21-Sep21 |
|--------------|-------------|-------------|-------------|--------------|-------------|--------------|--------------|--------------|-------------|-------------|-------------|
| NSW & ACT | 7.9% | 4.3% | 8.1% | -1.8% | 1.3% | -1.2% | -0.7% | -1.9% | 2.0% | 2.9% | 7.8% |
| VIC | 9.9% | 3.8% | 8.2% | -0.1% | 2.0% | 0.0% | -2.0% | -0.7% | -0.2% | 4.3% | 6.6% |
| QLD | 9.8% | 1.3% | 3.1% | 0.4% | 1.5% | -2.7% | -1.9% | -0.3% | 1.3% | 2.2% | 13.3% |
| WA | 2.9% | 6.3% | 0.7% | -4.3% | 1.9% | -1.9% | -2.9% | -2.6% | -1.5% | 1.1% | 6.5% |
| SA | -3.2% | 2.4% | -0.7% | 4.1% | 0.5% | -0.4% | -1.0% | -2.4% | 2.1% | 1.4% | 4.1% |
| TAS | 19.0% | -3.6% | 11.6% | 1.6% | 1.6% | 1.6% | 6.1% | -6.5% | -0.8% | 1.6% | -0.8% |
| NT | 4.5% | -9.8% | -6.7% | 5.7% | -10.8% | -9.1% | -3.3% | -1.7% | -3.5% | -5.5% | 11.5% |
| Total | 7.4% | 3.7% | 5.8% | -0.9% | 1.5% | -1.1% | -1.5% | -1.5% | 0.8% | 2.9% | 7.8% |

Note: There is data from one less aggregator included in the eight most recent six-month periods from October 2017 to March 2018 compared to previous periods. Data sets for the number of brokers at a state level do not always reconcile to national figures. This is because of slight variations in some aggregators' data extracts at the state level. This is not a material cause for concern.

At the state level, the broker population increased significantly across all states except Tasmania. In-line with the increase in the overall broker population, the broker population has seen a resurgence with numbers exceeding the highs observed in April – September 2018.

Proportion of broker population by state



Note: There is data from one less aggregator included in the eight most recent six-month periods from October 2017 to March 2018 compared to previous periods. Data sets for the number of brokers at a state level do not always reconcile exactly to national figures. This is because of slight variations in some aggregators' data extracts at the state level. This is not a material cause for concern.

The proportion of brokers in each state continues to remain stable and consistent over time, with little movement. A notable shift has been an increase in Queensland's share of the broker population, which grew at the expense of Victoria's and South Australia.

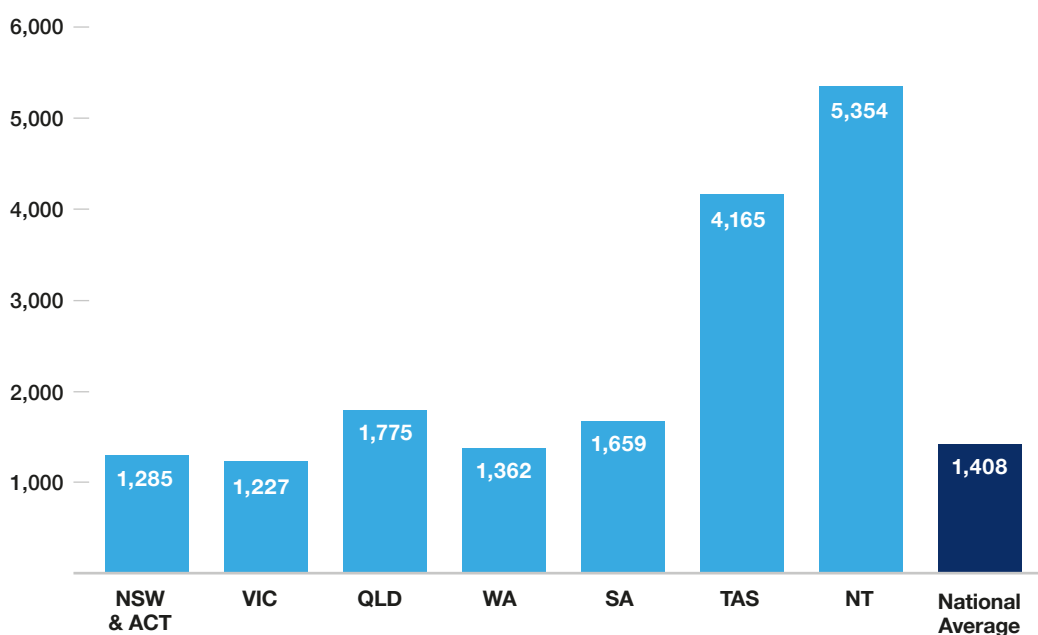
Period-on-period, New South Wales and ACT's share remain unchanged, maintaining their high of 36.7%. Victoria's market share decreased by 0.4% points returning to their market share of 12 months ago at 29.6%.

The proportion of broker population in Western Australia recorded its fifth consecutive period of decline, whilst South Australia recorded its first decline after seven consecutive reporting periods of stability. They remain the two states that have lost the highest market share since April – September 2016 with Western Australia down 1.9 percentage points, and South Australia down 0.5 percentage point.

There is now one mortgage broker per 1,408 people in Australia

Number of people per mortgage broker

Based on ABS's Estimated Resident Population, June 2020



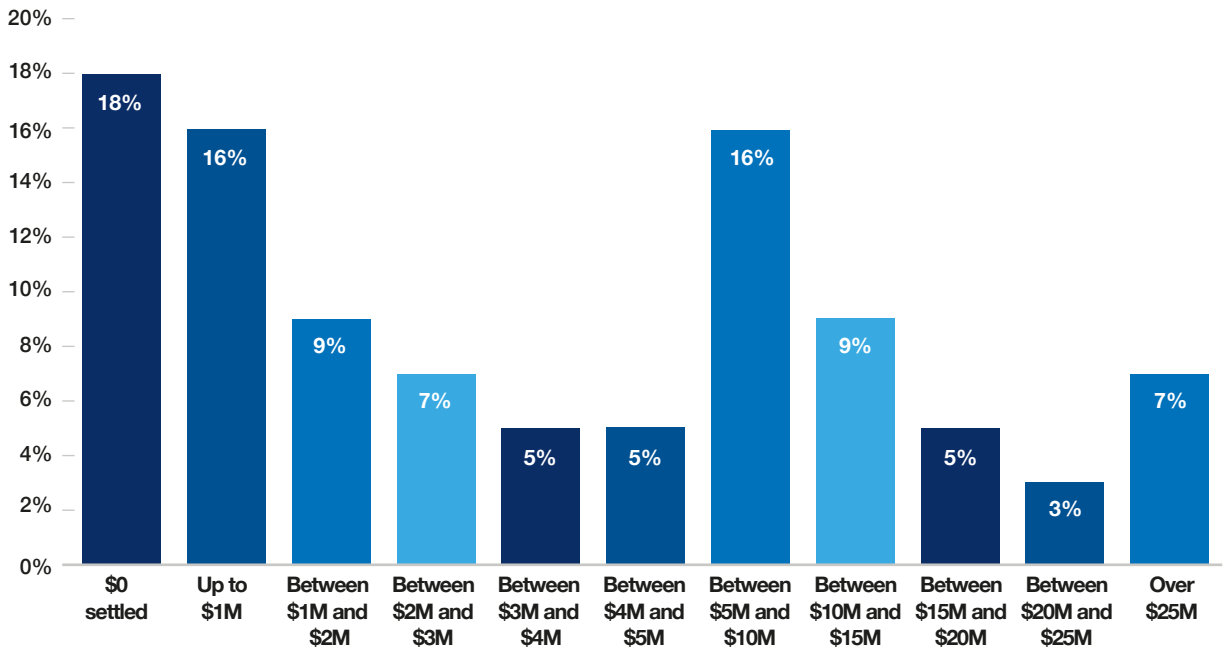
The national average number of Australians per mortgage broker has declined year-on-year from 1,558 to 1,408 – a decrease of 150 people or 9.63%.

At the state level, Victoria continues to have the highest concentration of brokers per capita at 1,227, followed closely by New South Wales and ACT at 1,285 and by Western Australia at 1,362, with all three states continuing to sit below the national benchmark figure indicating higher competition.

The Northern Territory continues to have the lowest saturation of brokers, with 5,354 Australians per broker, followed by Tasmania at 4,165. These two states continue to be well above the national benchmark figure indicating opportunities for both states to increase their broker population.

Inactive brokers represent 18% of the broker population.

Share of brokers that settled home loans in aggregate in the following value bands, April 2021 – September 2021



Note: The figures in this analysis are a representative sample of the industry.

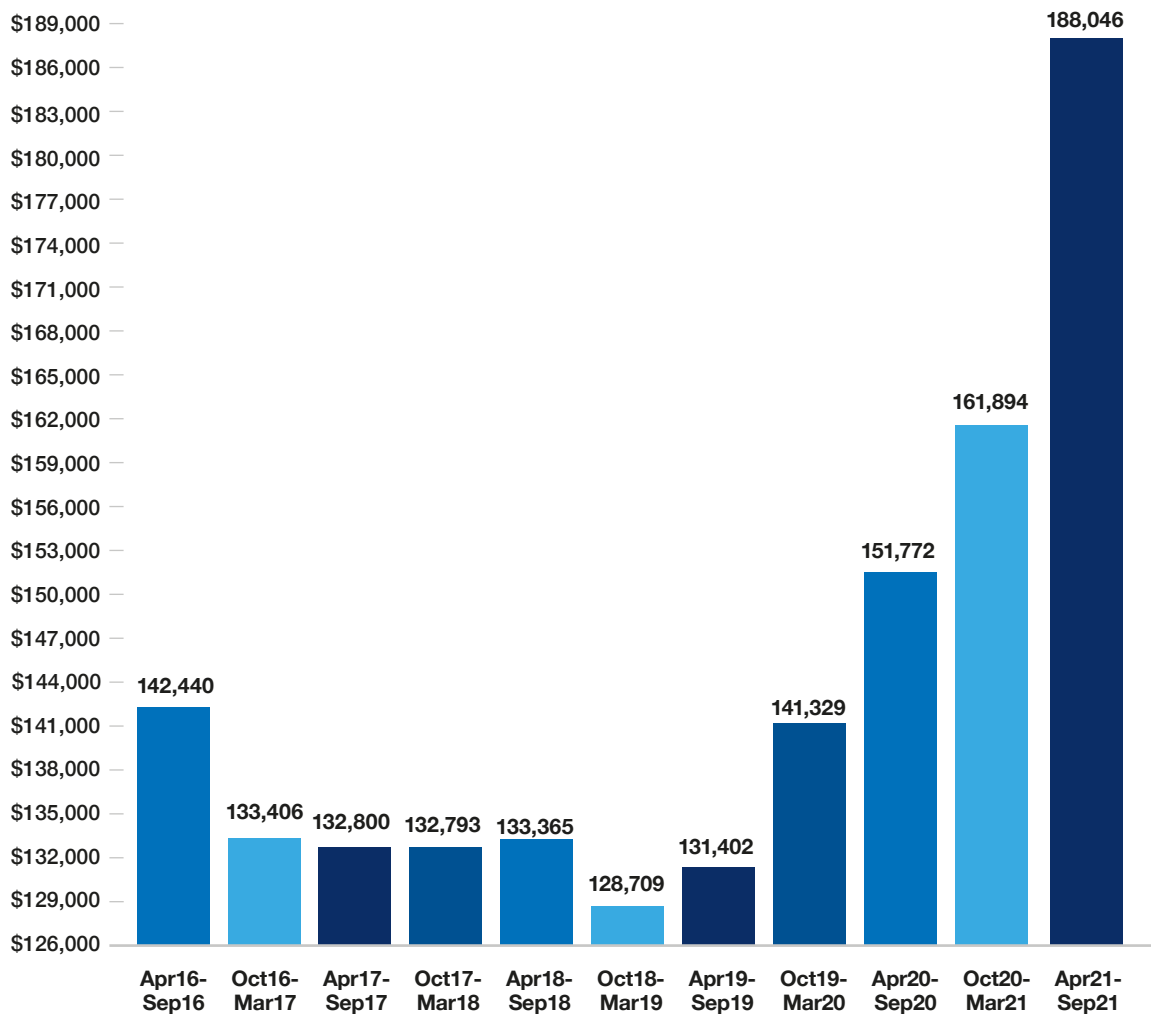
During the April – September 2021 period, 2,634 brokers did not settle a home loan which equated to 18% of the broker population. This is an increase from last year when inactive brokers equated to 2,090 brokers or 15%.

This cohort has been fairly stable year-on-year and has impacted broker productivity measures, as seen in previous charts. Consistent with the reduction in the broker population in some states, this chart provides evidence that in a challenging market, low performing and unproductive brokers are often the first to go.

Consequently, there has been increased growth in the >\$25 million cohort of brokers compared year-on-year. It is also notable that 50% of brokers settled \$3 million or less in home loans during the period.

If inactive brokers were excluded and the data recalculated for their exclusion, 39.0% of brokers wrote \$3 million in home loans or less, 51.3% of brokers wrote \$5 million in home loans or less, and 30.3% of brokers wrote \$5–\$15 million in the current six-month period.

National average total broker remuneration



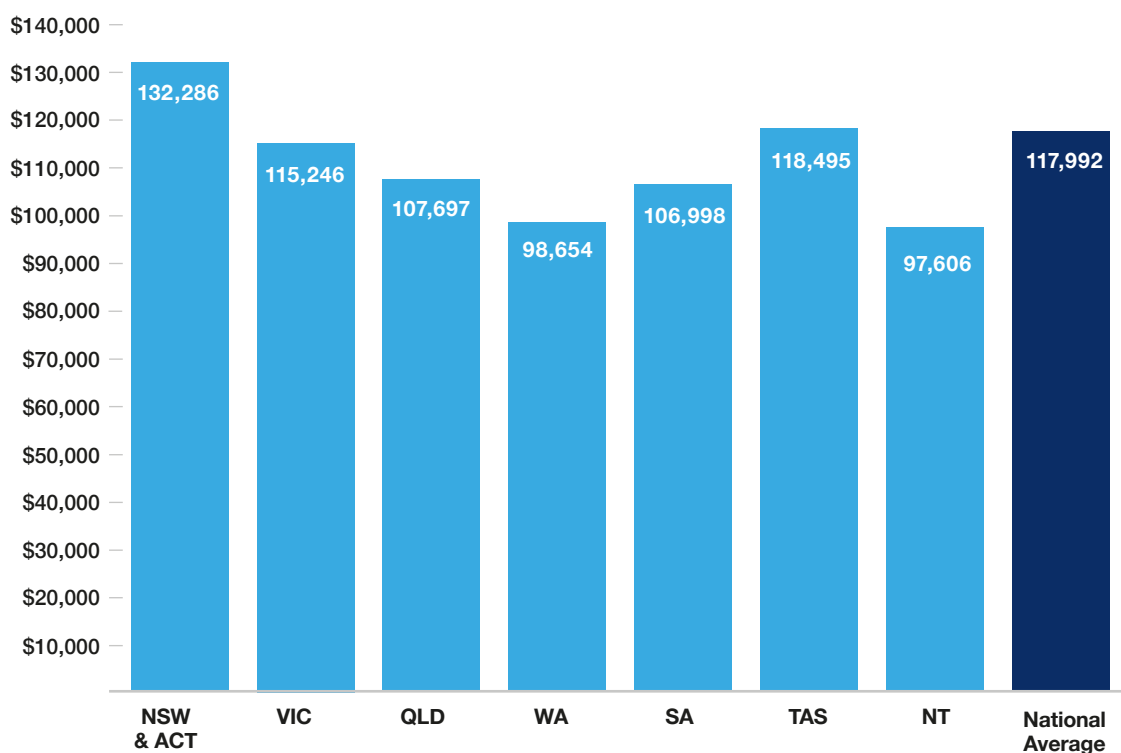
This graph depicts the estimated combined average up-front and trail remuneration that goes into the national average broker remuneration compared to the previous IIS Report.

Year-on-year, it has grown to \$188,046 in the current period from \$151,772 in April – September 2020, a significant increase of 23.90%. This is the highest result since the report has tracked this dataset.

Period-on-period, this result also represents strong growth of 16.15%, or \$26,152, an increase largely attributed to strong up-front commission results.

The last two six-month reporting periods have seen significant increases in total broker remuneration with consecutive record-breaking results observed, exceeding the previous high recorded in 2016.

Average annual up-front commission per broker, prior to costs (\$)

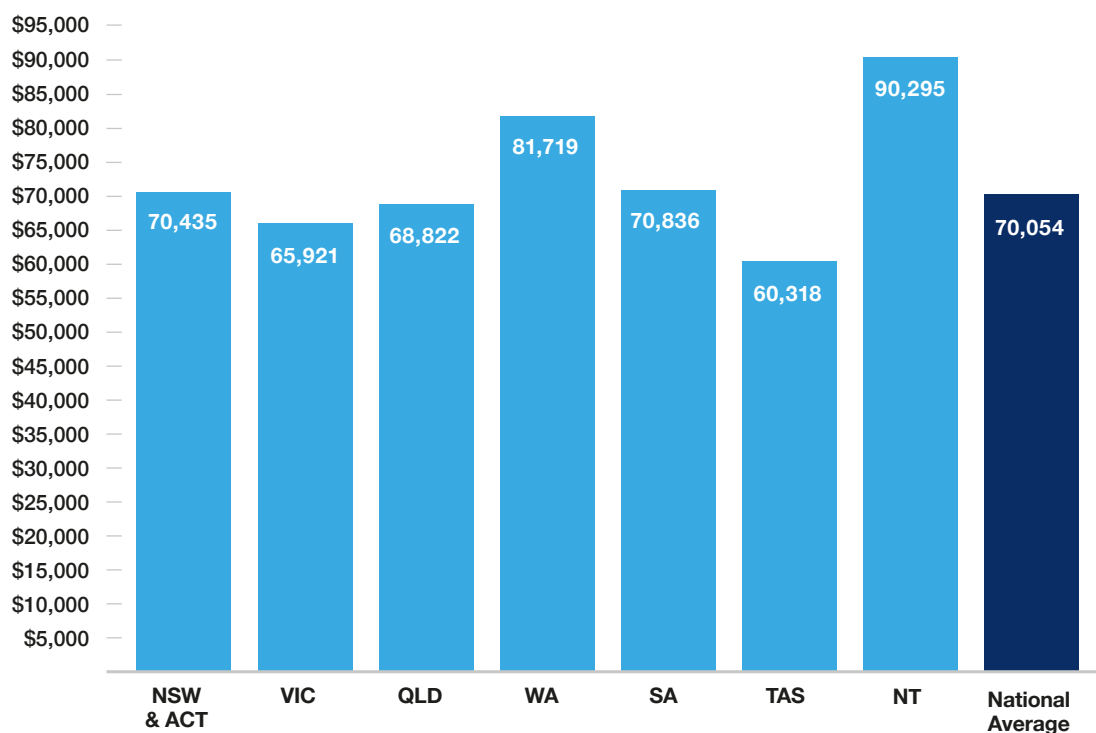


Note: Brokers' average measured gross up-front remuneration and gross trail remuneration from residential lending, both prior to all costs and prior to meeting any commercial obligations with aggregators are estimates.

Gross remuneration generated in this analysis means the total amount that lenders paid for the origination services provided by brokers. Out of these gross commission figures, brokers have to pay their own salaries, all their fixed costs of doing business, premises, and service provision fees paid to aggregators, marketing and communications expenses, support staff salaries and wages, and other costs.

Year-on-year, the national average annual up-front remuneration per broker for the six-month period to September 2021 has seen significant growth, increasing by \$33,234 from \$84,758 in the September 2020 period to \$117,992 – an uplift of 39.21%. This increase is driven by the growth in the value of home loans settled by brokers (see page 21) in the reporting period which was 54.4% higher year-on-year.

Average annual trail commission per broker, prior to costs (\$)



Note: Brokers' average annual gross up-front remuneration and gross trail remuneration from residential lending, both prior to all costs and prior to meeting any commercial obligations with aggregators are estimates.

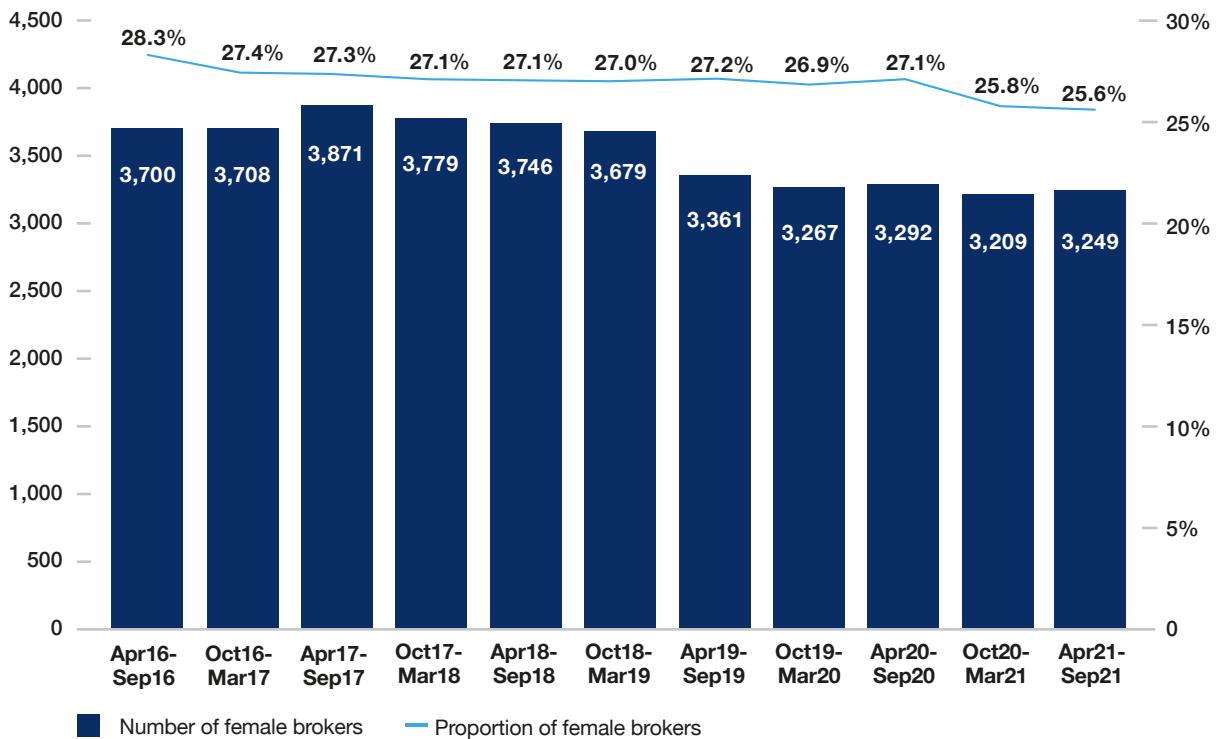
The average annual national trail commission for this period was \$70,054, compared with \$67,014 for the same period year-on-year, an increase of \$3,040 or 4.5%. Period-on-period, the national average increased from \$67,798, an increase of \$2,256 or 3.33%.

Average annual commission per broker, prior to costs (\$)

| Combined up-front and trail remuneration generated per broker, prior to costs, per annum | Average up-front remuneration generated (\$) | Average trail remuneration generated (\$) | Total gross earnings generated (\$) |
|--|--|---|-------------------------------------|
| New South Wales and ACT | 132,286 | 70,435 | 202,721 |
| Victoria | 115,246 | 65,921 | 181,167 |
| Queensland | 107,697 | 68,822 | 176,519 |
| West Australia | 98,654 | 81,719 | 180,373 |
| South Australia | 106,998 | 70,836 | 177,833 |
| Tasmania | 118,495 | 60,318 | 178,813 |
| Northern Territory | 97,606 | 90,295 | 187,901 |
| Nationally | 117,992 | 70,054 | 188,046 |

The number of female brokers has seen a general decline.

Number and proportion of female brokers in the industry



Note: The number of aggregators providing gender specific data fell from nine aggregators for IIS 8 to eight aggregators for IIS 9, 10 and 11 and to seven in this edition (IIS 13).

While the total broker population grew and increased period-on-period, the number of female brokers in the industry has seen a general decline.

Period-on-period, female brokers in the industry was up by 40, or 1.25%, however year-on-year, there was a reduction of 43 female brokers, down 1.31%.

The proportion of female brokers in the industry has seen a significant decrease of 1.5 percentage points year-on-year, to 25.6%, the lowest proportion observed.

Number and proportion of brokers recruited per period, by gender

| | Apr16- Sep16 | Oct16- Mar17 | Apr17- Sep17 | Oct17- Mar18 | Apr18- Sep18 | Oct18- Mar19 | Apr19- Sep19 | Oct19- Mar20 | Apr20- Sep20 | Oct20- Mar21 | Apr21- Sep21 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Men recruited during period | 947 68% | 938 72% | 1168 69% | 892 69% | 854 70% | 625 67% | 630 69% | 665 71% | 992 71% | 973 70% | 1,096 70% |
| Women recruited during period | 439 32% | 360 28% | 523 31% | 406 31% | 371 30% | 313 33% | 281 31% | 268 29% | 412 29% | 420 30% | 480 30% |

The number of new female recruits has continued to increase, whilst the number of new male recruits also increased compared to the previous period.

Year-on-year, the number of female recruits has grown by 68 or 16.5%, whilst male recruits increased by 104 or 10.48%.

Period-on-period, the number of female recruits grew by 60 or 14.29%, whilst male recruits increased by 123 or 12.64%.

Broker turnover/churn by state and nationally

| Broker turnover/churn by state and nationally | The industry average % |
|---|------------------------|
| NSW & ACT | 9.2% |
| VIC | 7.3% |
| QLD | 8.8% |
| WA | 8.2% |
| SA | 5.5% |
| TAS | 5.3% |
| NT | 10.2% |
| Total nationally | 8.2% |

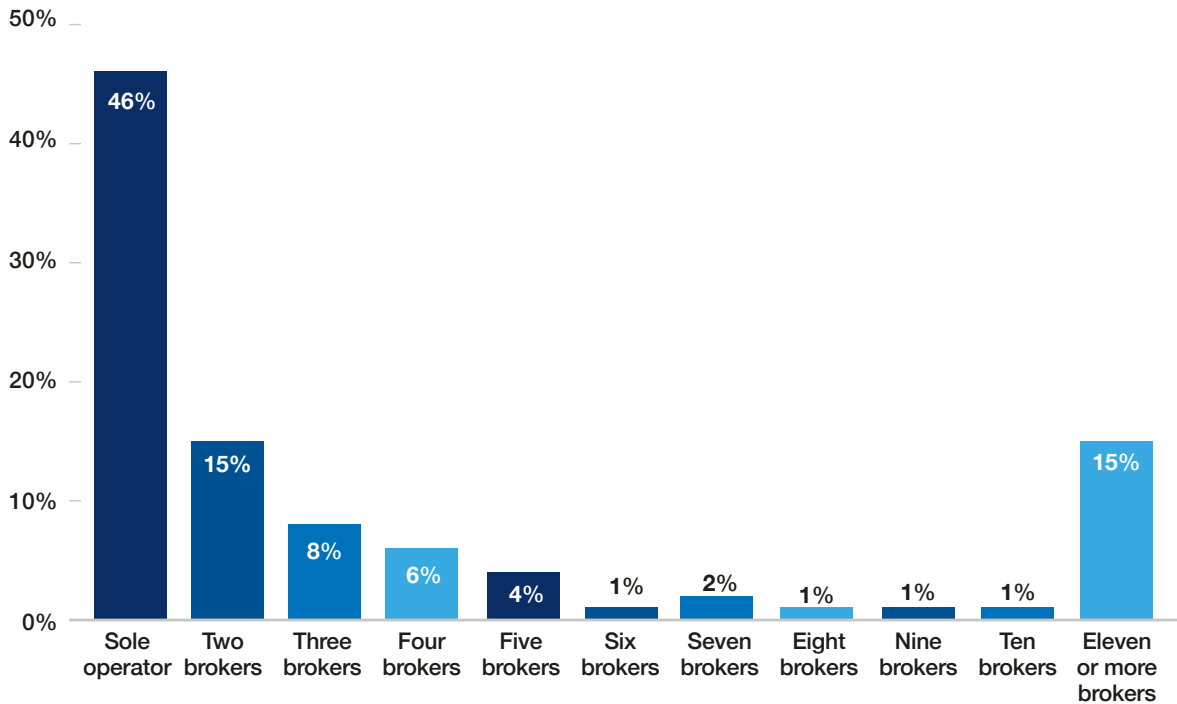
Note: Turnover accounts for the number of brokers at the start of the six-month period compared to the number at the end of the period, at an aggregator level. Turnover does not exclusively account for the number of brokers joining and leaving the industry. Included in the data are brokers moving from one aggregator to another. For industry comparisons, it is important to note that this is for six months.

Broker turnover results continue to show variation across different states, with overall levels tracking ~8%. Nationally, compared to the last period, broker turnover decreased significantly by 1.5 percentage points, from 9.7% to 8.2%.

Year-on-year, the national turnover has decreased from 9.3% to 8.2%.

Broker offices made up of sole or dual operators continue to dominate the landscape.

Number and proportion of loan writers per broker business, April 2021 to September 2021



Note: The data in this chart is based on a sample of 14,707 brokers.

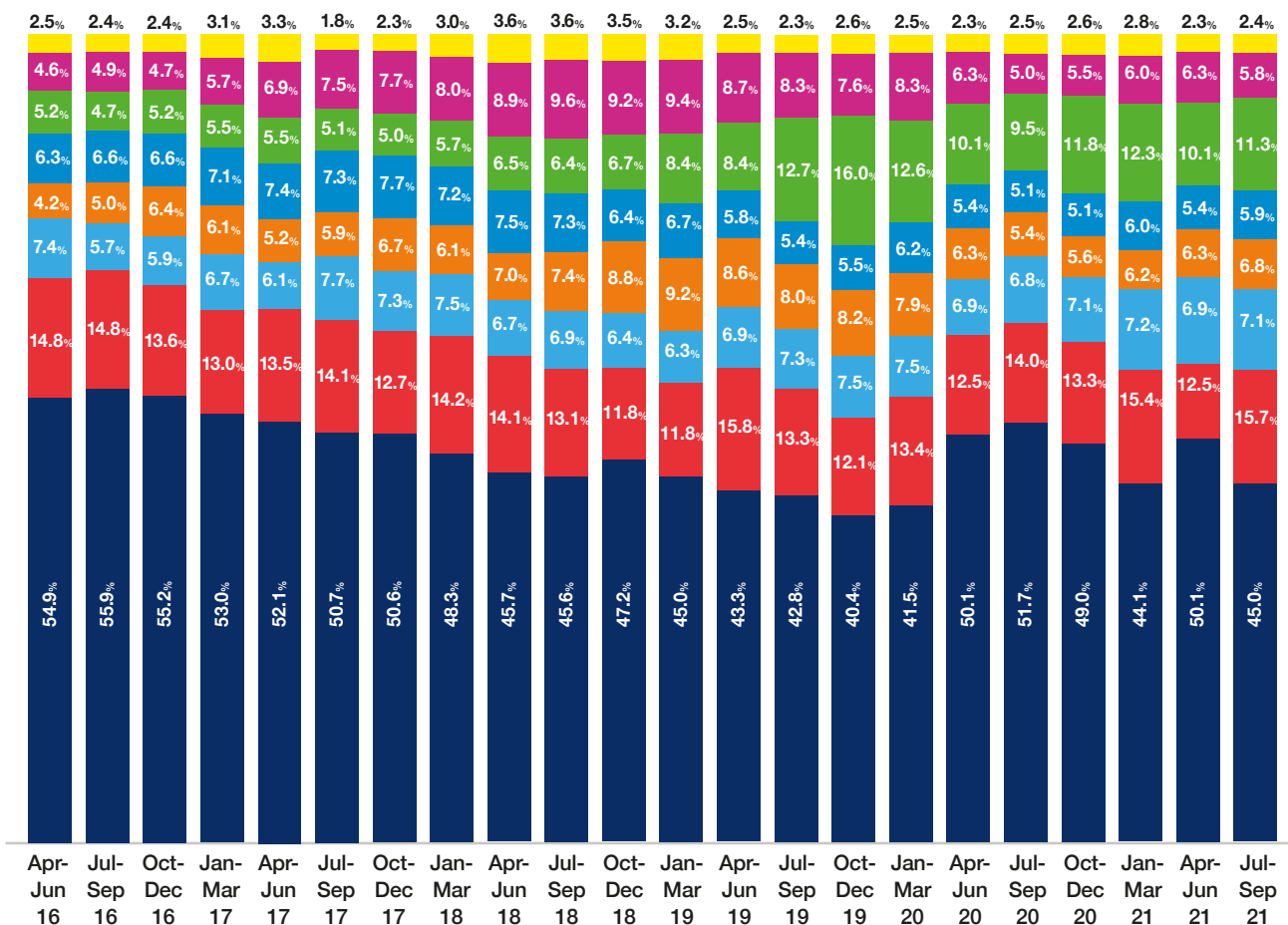
Broker offices made up of sole operators continue to dominate the broker landscape, comprising 46% this period. This remains stable and is down 1% when compared year-on-year and period-on-period.

While single broker offices account for almost half of all broker businesses, there is continuing consolidation of some multi-broker businesses for cost-efficiencies. The proportion of sole operators and broker businesses with two loan writers have both reduced by 1% compared with the previous period while broker businesses with seven loan writers and 11 or more loan writers have both increase by 1%.

Lender Segments

The proportion of broker-originated home loans settled with lenders from the major banks and their affiliates lost market share in the last quarter.

Share of broker-originated lending settled with each lender segment



- Credit Unions, Building Societies and Mutuals
- Non-bank lenders
- Any other type of lender
- Brokers' white label loans
- International Banks (eg ING Direct, Citi etc)
- Independent Regional Banks (Suncorp, Bendigo)
- Regional Banks owned by or aligned to major banks
- Major Banks (ANZ, CBA, NAB, Westpac)

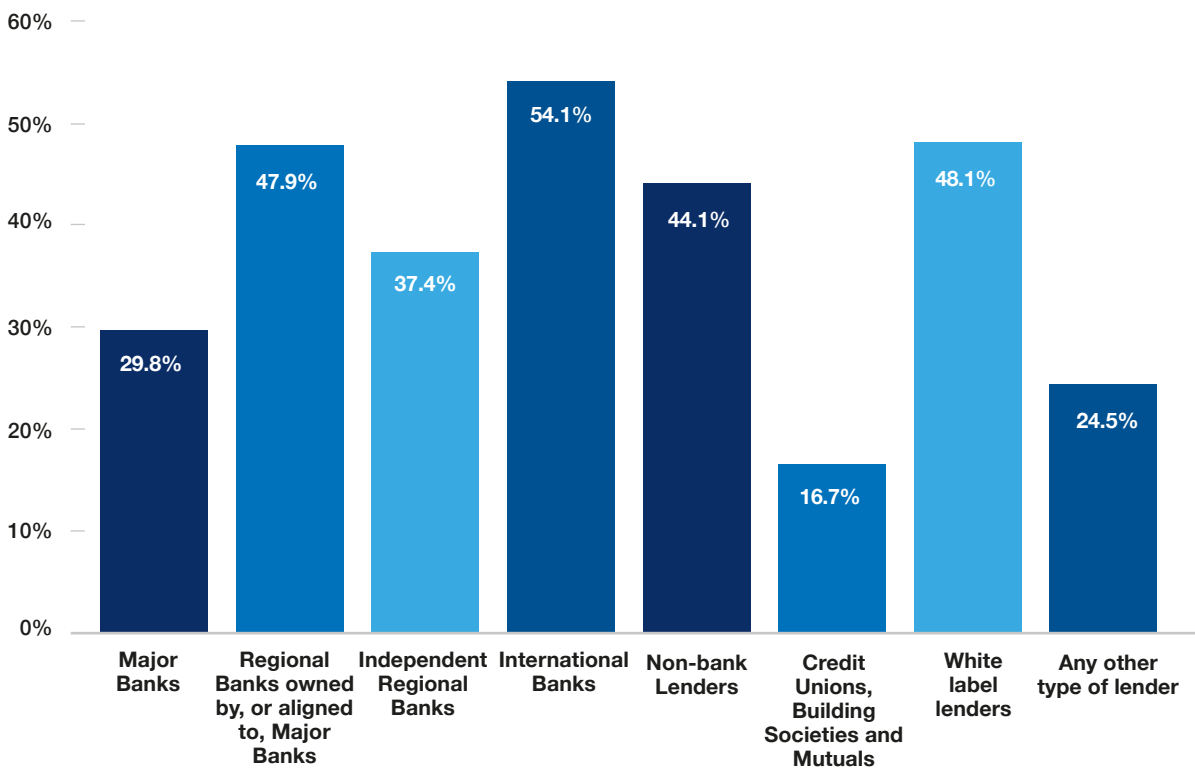
| Lender Category | AMJ 21 | JAS 21 |
|--|--------|--------|
| Major banks (ANZ, CBA, NAB, Westpac; primary brands only) | 50.1% | 45.0% |
| Regional banks owned by or aligned to major banks (i.e. BankWest, St George etc) | 12.5% | 15.7% |
| Independent Regional Banks (i.e. Suncorp, Bendigo-Adelaide etc) | 6.9% | 7.1% |
| International banks (i.e. ING Direct, Citi etc) | 6.3% | 6.8% |
| Brokers' white label loans | 5.4% | 5.9% |
| Any other type of lender (i.e. Macquarie Bank; AMP Bank) | 10.1% | 11.3% |
| Non-bank lenders (i.e. Firstmac, Resimac etc.) | 6.3% | 5.8% |
| Credit Unions, Building Societies and Mutuals | 2.3% | 2.4% |

Over the July – September 2021 quarter, the major banks lost significant market share due to growth in other lenders, regional banks owned by the major banks, white label loans, and international bank segments.

The major banks' share decreased by a material 5.1 percentage points between June and September 2021, the largest decline observed in a quarter by any segment to date. The regional banks aligned to the major banks have seen an uplift over the same period with market share increasing by 3.2 percentage points, growing from 12.5% to 15.7%.

All lender categories recorded double digit growth in value.

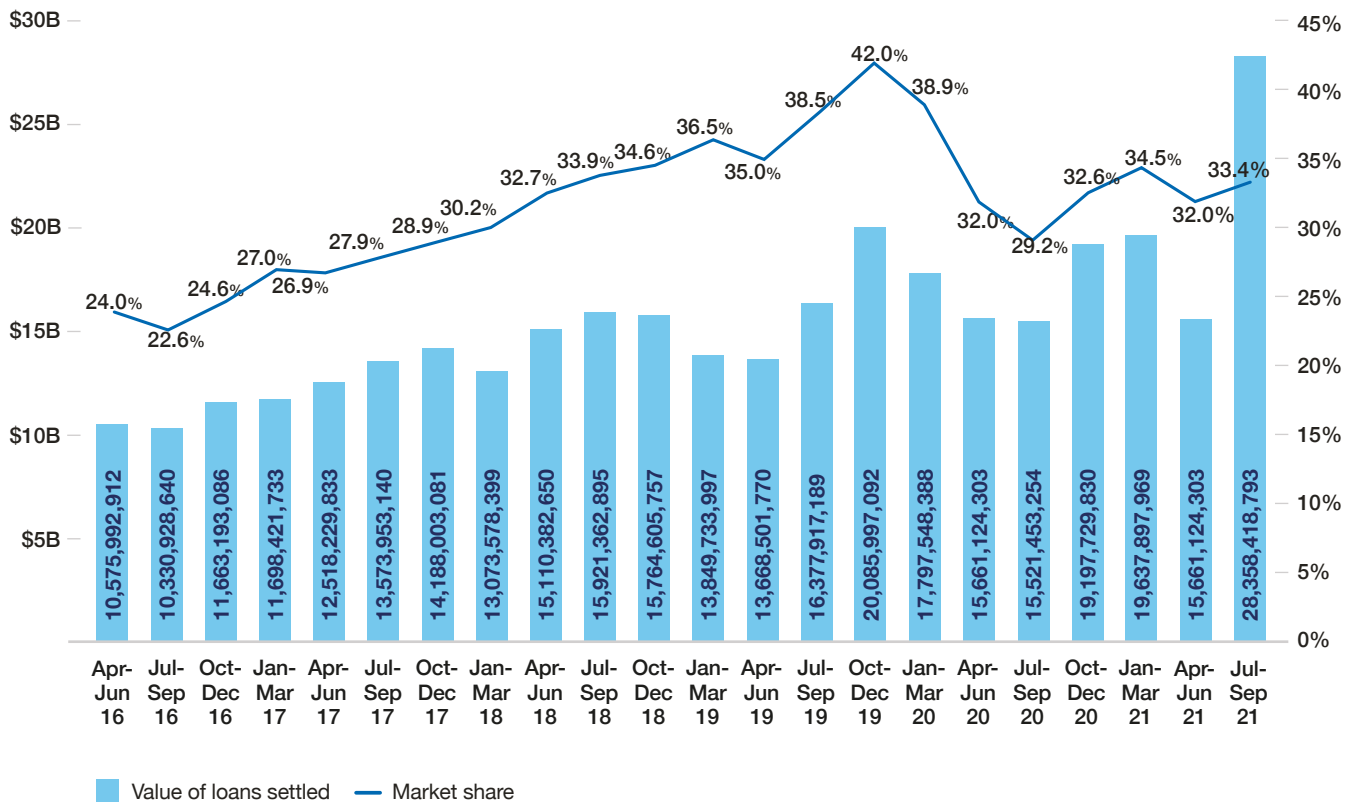
Change in value of broker-originated home loans settled per lender category, compared to the previous six-month period



Comparing the April – September 2021 period to the previous six months, all segments achieved double-digit growth, with international banks, white label loans and regional banks aligned to the major banks recording strongest gains at 54.1%, 48.1% and 47.9% respectively.

The significant period-on-period growth of the other segments may be the result of a competitive push from them to regain lost ground following two consecutive periods where the majors have regained market share.

Value (\$) and market share of broker-originated business to lenders other than the major banks and their affiliates

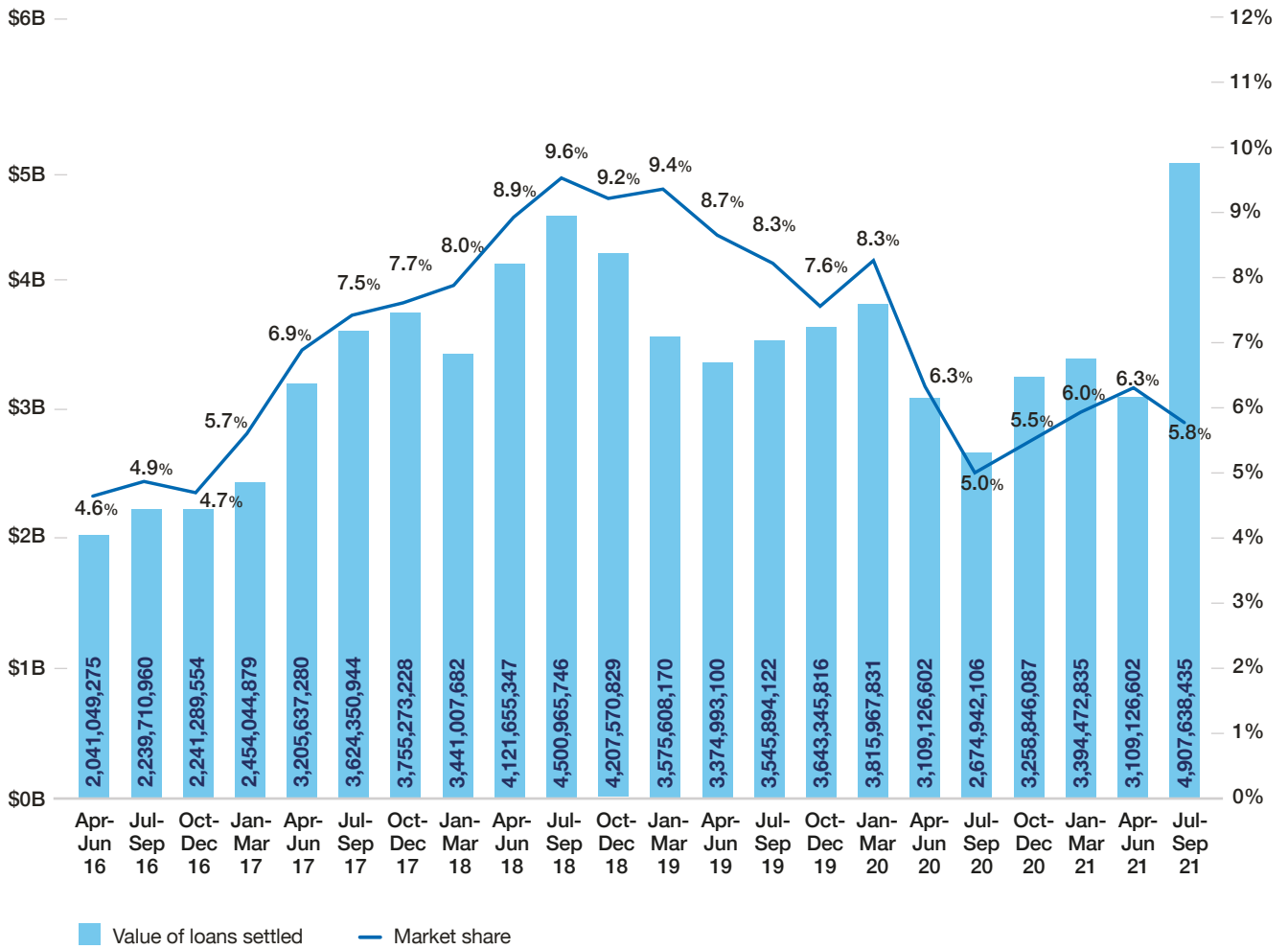


Note: Due to decimal rounding, the sum of market share percentages presented in the 'Value (\$) and market share of broker-originated business to lenders other than the major banks and their affiliates' graph does not exactly add up to the equivalent sum of percentages in the 'Share of lending settled with each lender segment graph'. There is a 0.1 percentage point difference.

Over the last six months, this segment, including credit unions, building societies and mutual banks, non-bank lenders, international banks, independent banks, and any other type of lenders – those not in any way affiliated to the major banks – has seen some volatility, declining in the June 2021 quarter to 32.0% and recovering in the September 2021 quarter to 33.4%.

The broker-originated business for non-bank lending has recorded two consecutive quarters of growth following six months of decline.

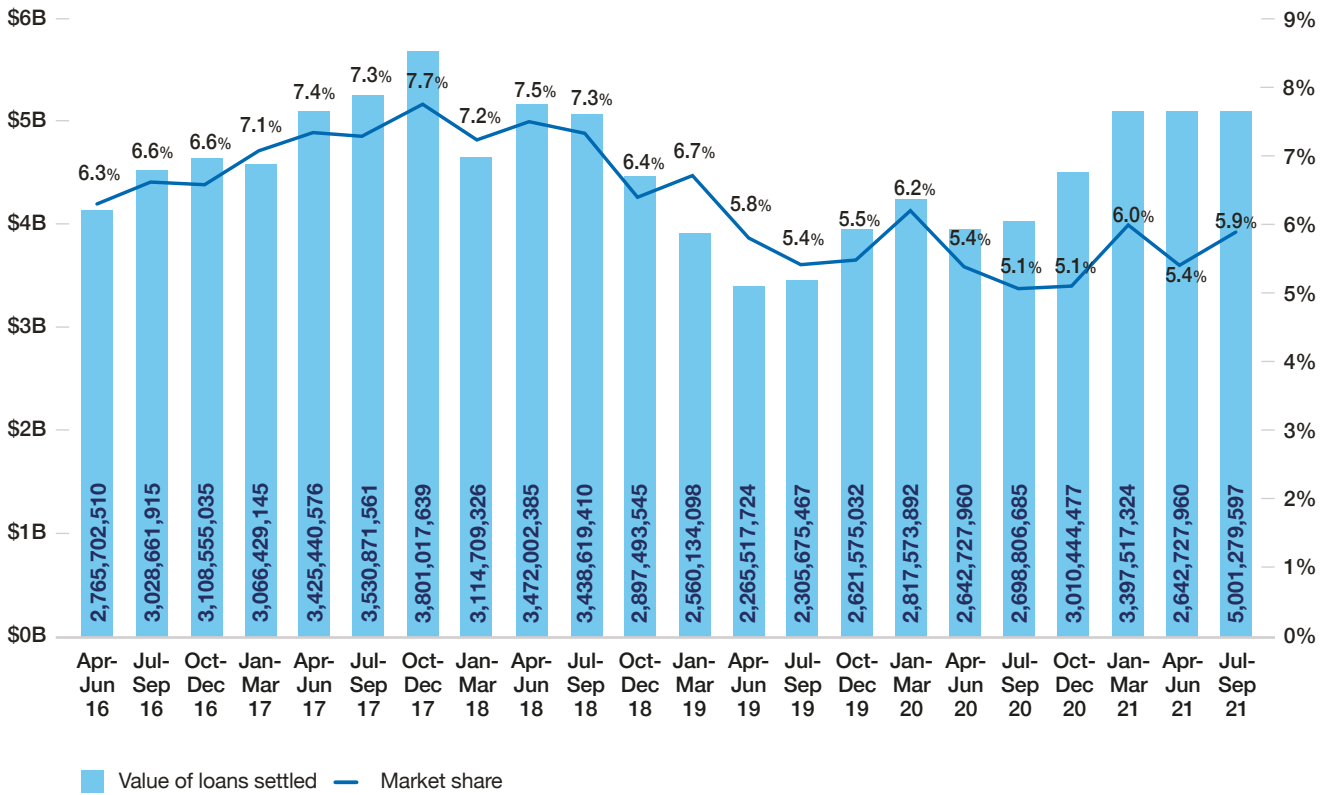
Value (\$) and market share of broker-originated business to non-bank lenders



After three consecutive quarters of growth starting in December 2020, a decline of 0.5% in market share was recorded in the September 2021 quarter, whilst the segment value grew to the highest level observed at \$4.91 billion.

Market share of the white label home loan segment has exceeded \$5 billion for the first time.

Value (\$) and market share of broker-originated business to white label lenders

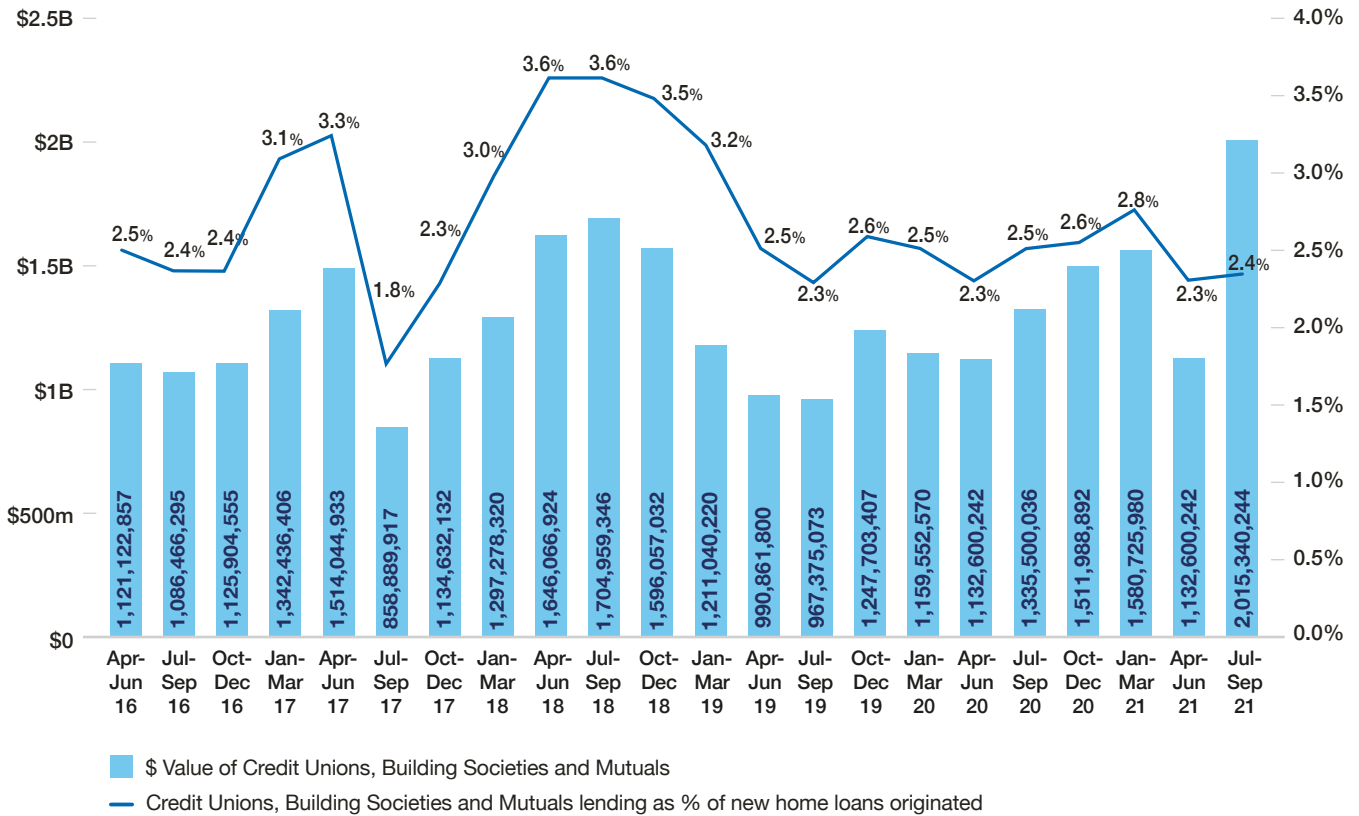


Note: The data embedded in this chart sums the white label lending for only those aggregators that have offered the product consistently over the past four years. As such, it reflects organic growth in the product category. As is commonly known, other aggregators are beginning to offer white label loans, but their small share has not been counted in this analysis.

White label home loan segment has recorded a record value of new settlements, exceeding \$5 billion for the first time in the September quarter, with a 0.5 percentage point increase over the last three months to 5.9% market share.

The Credit Unions, Building Societies and Mutuals segment has also reached record values, exceeding \$2 billion for the first time

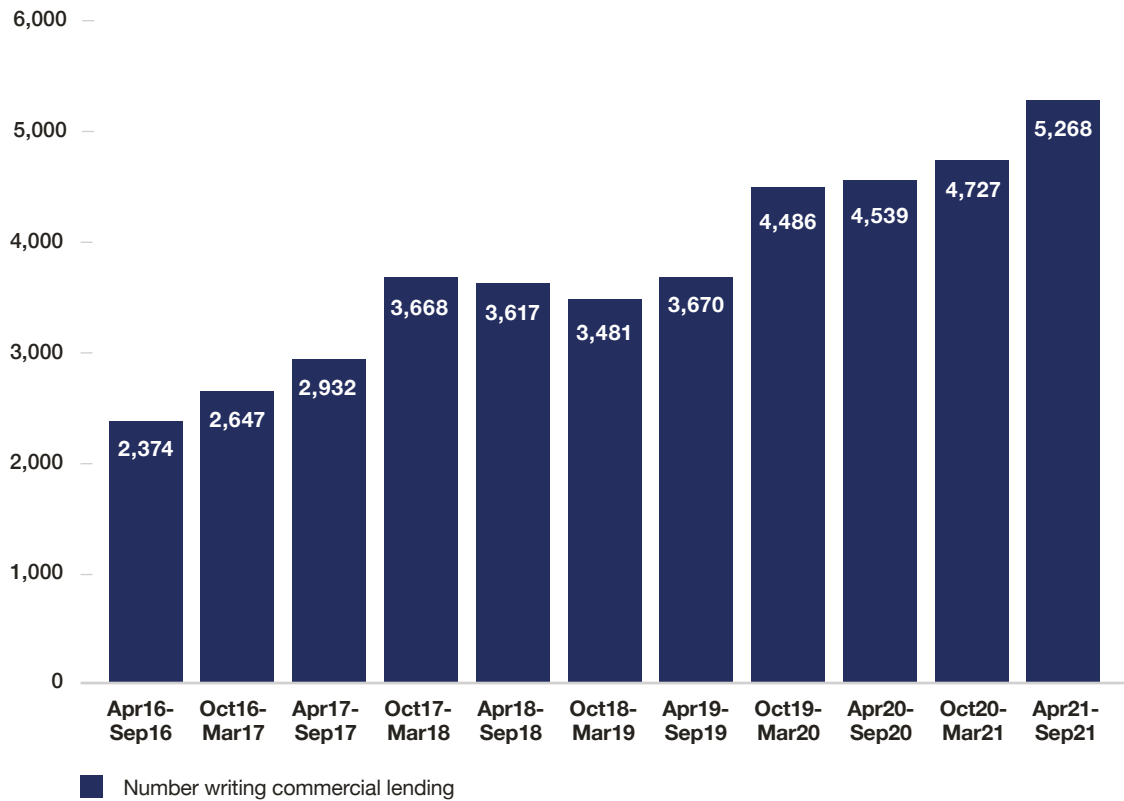
Value (\$) and market share of broker-originated business to credit union, building society and mutual lenders



The Credit Unions, Building Societies and Mutuals segment has re-bounded and reached a record with new settlement values exceeding \$2 billion for the first time. Market share has stabilised at 2.4% after a decline of 0.5 % in the June 2021 quarter.

Commercial Broking

Number of mortgage brokers also writing commercial loans



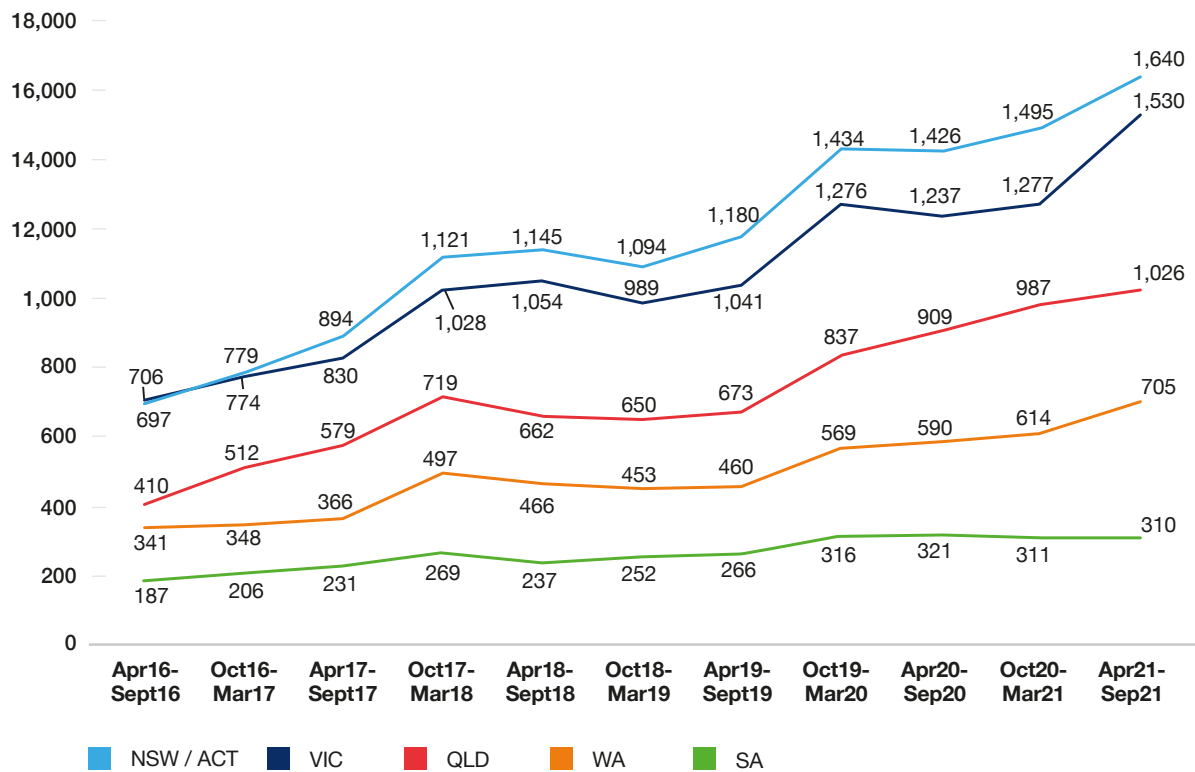
Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included.

The number of mortgage brokers also writing commercial loans has continued to increase in the April - September 2021 period to a new high of 5,268 brokers, exceeding the previous record high of 4,727 brokers in the previous six-month October – March 2021 period.

Year-on-year, this represented an increase of 729 brokers or 16.06%.

Compared to the previous six-month period, this was up 541 mortgage brokers or 11.44%.

Number of mortgage brokers writing commercial loans, by state



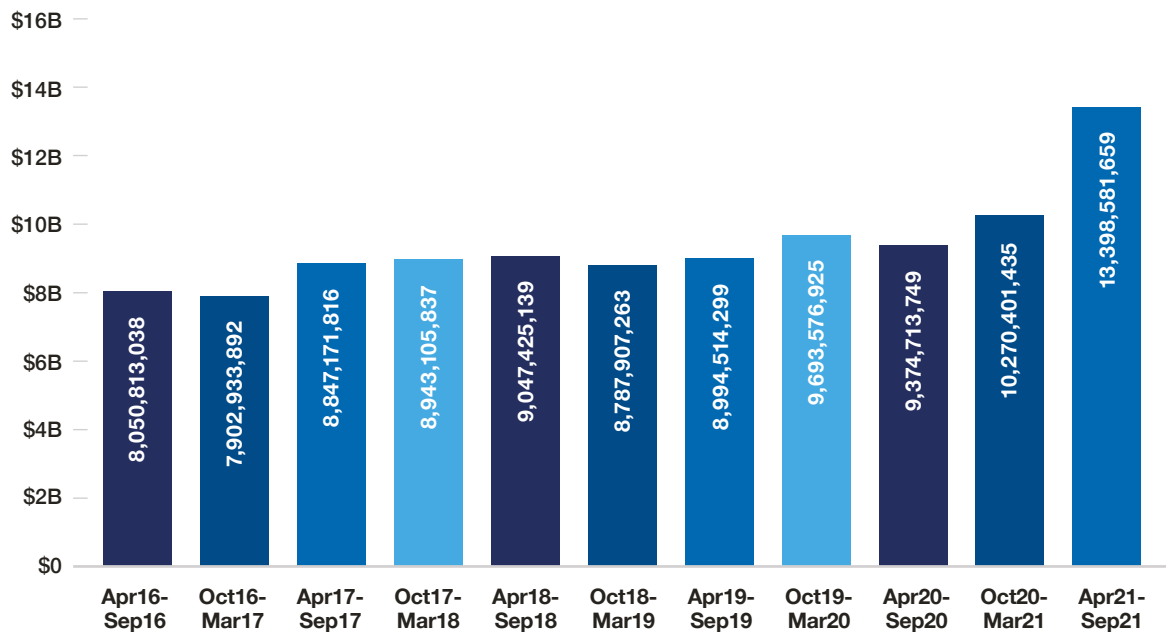
Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included. Due to the scale of the Y-axis labels, graph excludes data for Tasmania.

At the state level, the number of mortgage brokers writing commercial loans in the April – September 2021 period has grown, compared to the previous six months.

Period-on-period several states saw solid increases. Victoria recorded the largest growth, up 253 brokers or 19.81%. Western Australia grew by 91 brokers or 14.82% while New South Wales and ACT was up by 145 brokers or 9.70%.

Queensland recorded an increase of 39 brokers or 3.95%, whilst South Australia remained steady.

Value of commercial lending settled by mortgage brokers (\$)

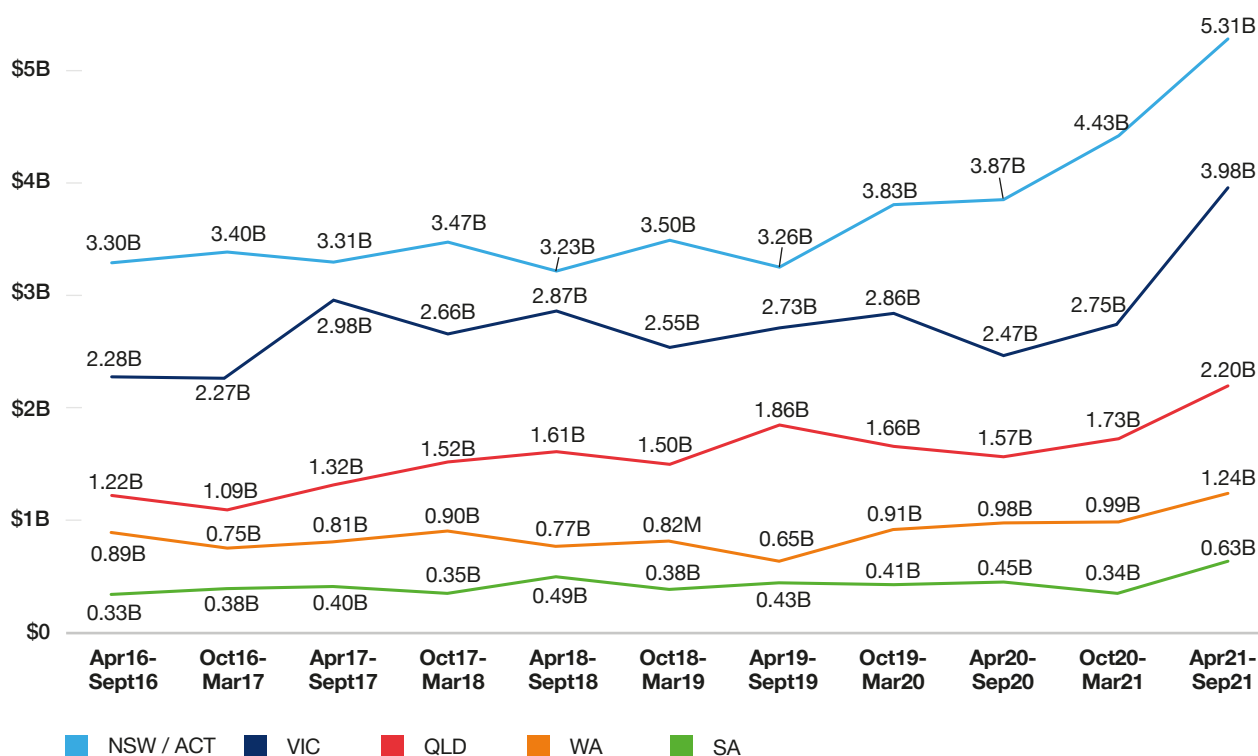


Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included.

For the six months to September 2021, the value of commercial loans settled by mortgage brokers reached its highest ever value, reaching \$13.4 billion, up ~\$4 billion or 42.92% compared year-on-year.

Period-on-period, the value of commercial loans settled by mortgage brokers grew by ~\$3.13 billion or 30.46% from \$10.27 to \$13.4 billion.

Total value of commercial lending settled by mortgage brokers, per state (\$)



Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included.

The value of new lending grew at in all states compared to the previous period.

Victoria recorded the largest increase in the value of commercial lending, reaching its highest ever value at \$3.98 billion, with an increase of ~\$1.23 billion or 44.73% from the previous period.

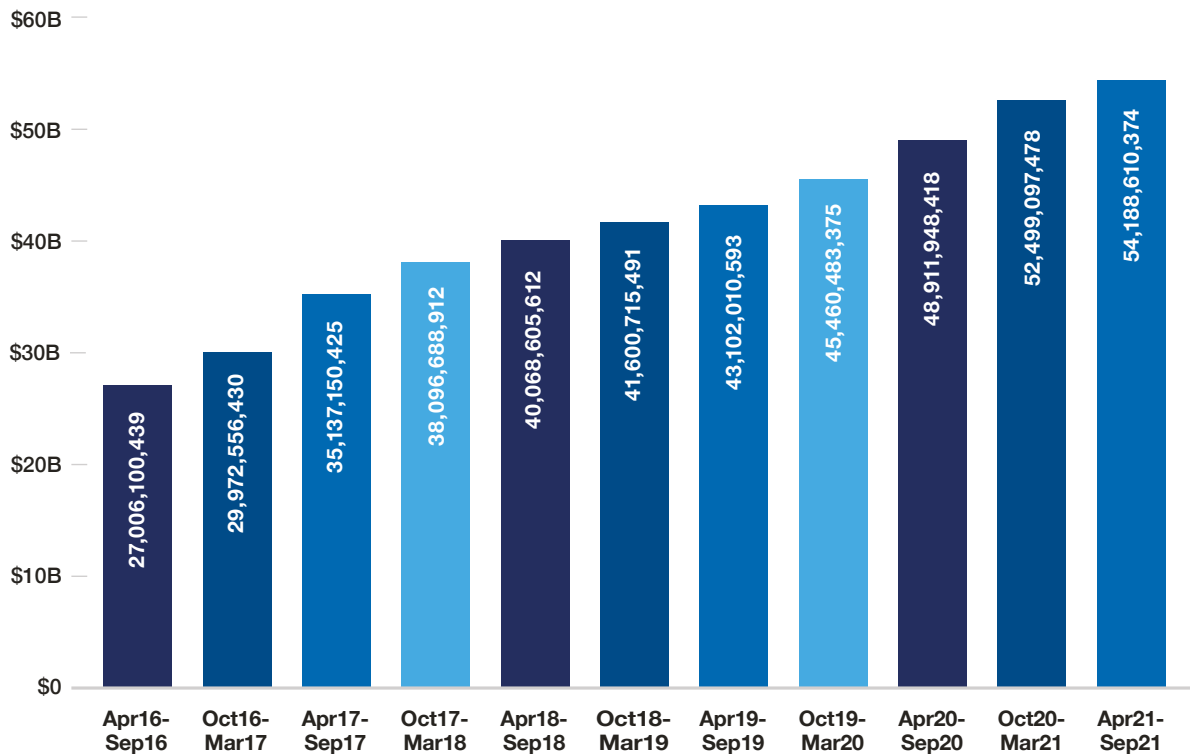
New South Wales recorded an increase with the value of commercial lending settled up by ~\$880 million or 19.86% to \$5.31 billion in the last six months.

Queensland's results saw an uplift of ~\$470 million or 27.17% in the value of commercial lending in the current reporting period.

Western Australia recorded strong growth at ~\$250 million or 25.25% to achieve its highest ever value at \$1.24 billion. This was also the first time Western Australian exceeded \$1 billion in the value of commercial lending.

South Australia also recorded significant growth of \$290 million or 85.30%.

Total commercial lending loan book value of mortgage brokers (\$)

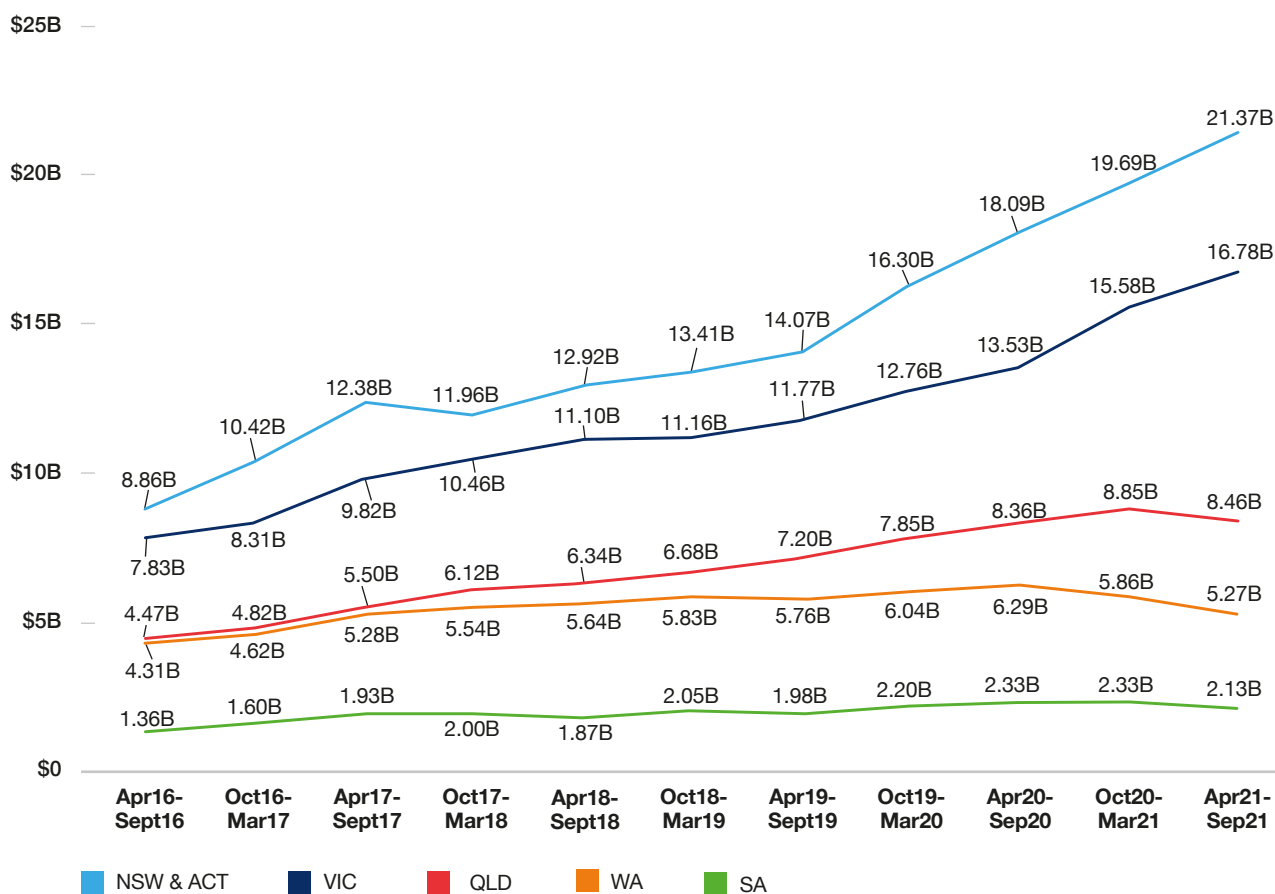


Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included.

The total book value of commercial lending for mortgage brokers continues to grow, reaching a record high of \$54.19 billion.

Period-on-period, the commercial book value has increased by \$1.69 billion or 3.21%, year-on-year the value has increased by \$5.28 billion or 10.8%.

Commercial lending loan book value of mortgage brokers, by state (\$)



Note: Commercial brokers as those mortgage brokers who had written a commercial loan through their aggregator's panel for the period. Mortgage brokers who solely wrote loans direct with lenders are not included.

For the six months to the end of September 2021, the total commercial loan book increased across the two largest states.

New South Wales and ACT's book value recorded the highest growth, reaching a new high of approximately \$21.37 billion representing an increase of \$1.68 billion or 8.53% since the last period. New South Wales and ACT's rate of growth has been consistent over the last four reporting periods.

Victoria recorded solid growth with an increase of \$1.16 billion or 7.45% since the last period to record a total book of \$16.74 billion.

Queensland declined by \$390 million or down 4.41% to \$8.46 billion.

Western Australia also recorded a decline with values decreasing by \$590 million down 10.07%, whilst South Australia declined \$200 million over the last six months.

State-by-state analysis

New South Wales and Australian Capital Territory

During the April 2021 – September 2021 period, NSW and ACT brokers settled \$68.26 billion in home loans compared to \$43.47 billion during the equivalent 2019-20 period, an increase of 57.0%.

These results contributed to a growth in value of the state's overall home loan book, up by 11.7%, from \$283.28 billion to \$314.99 billion.

On an individual basis, the average New South Wales and ACT broker settled \$10.18 million in home loans for the period per broker, up 32.3% year-on-year, from \$7.19 million. This result contributed to the increase in value of the average loan book value of \$46.96 million per broker, from \$4.81 million a year ago, up 4.8%.

The population of 6,708 brokers for the period – up compared to 6,049 a year ago, lodged on average 17.7 loans. This equates to a total of 118,961 loans lodged for the state, for the period, up 27.9% compared to a year ago at 92,989.

Home to 36.7% of the national population of brokers, New South Wales and ACT brokers settled 41.1% of the national value of home loans settled – a favourable relationship between metrics.

Brokers earned \$132,286 gross up-front for the period, compared to \$93,416 the previous year, and \$70,435 gross trail for the period, compared to \$67,212 last year, for a combined gross commission of \$202,721. In total, this was up by 26.20% from a year ago.

Victoria

During the April 2021 – September 2021 period, Victorian brokers settled \$48.06 billion in home loans compared to \$33.26 billion during the equivalent 2019-20 period, up 44.5%.

These results contributed to a growth in value of the state's overall home loan book, up by 11.59%, from \$213.50 billion to \$238.24 billion.

On an individual basis, the average broker settled \$8.87 million in home loans for the period per broker, up 28.55% year-on-year, from \$6.82 million. This result contributed to the increase in value of the average loan book value of \$43.95 million per broker, from \$41.17 million a year ago, up 6.8%.

The population of 5,421 brokers for the period – up compared to 4,876 a year ago, lodged on average 20.4 loans. This equates to a total of 110,716 loans lodged for the state, for the period, up 22.9% compared to a year ago at 90,065.

Home to 29.6% of the national population of brokers, Victorian brokers settled 29.0% of the national value of home loans settled.

Brokers earned \$115,246 gross up-front for the period, compared to \$88,687 the previous year, and \$65,921 gross trail for the period, compared to \$61,753 last year, for a combined gross commission of \$181,167. In total, this was up by 20.42% from a year ago.

Queensland

During the April 2021 – September 2021 period, Queensland brokers settled \$24.37 billion in home loans compared to \$15.28 billion during the equivalent 2019-20 period, a jump of 59.5%.

There was an increase in the value of the state's overall home loan book, which was up by 9.5%, from \$119.27 billion to \$134.98 billion.

On an individual basis, the average broker settled \$8.29 million in home loans for the period per broker, up 36.71% year-on-year, from \$6.02 million. The value of the average loan book of \$45.88 million per broker, declined from \$46.98 million or down 2.3% a year ago.

The population of 2,942 brokers for the period – up compared to 2,539 a year ago, lodged on average 24.4 loans. This equates to a total of 71,847 loans lodged for the state, for the period, up 25.3%

compared to a year ago at 57,321.

Home to 16.1% of the national population of brokers, Queensland brokers settled 14.7% of the national value of home loans settled.

Brokers earned \$107,697 gross up-front for the period, compared to \$78,252 the previous year, and \$68,822 gross trail for the period, compared to \$70,465 last year, for a combined gross commission of \$176,519. In total, this was up by 18.69% from a year ago.

Western Australia

During the April 2021 – September 2021 period, Western Australian brokers settled \$14.94 billion in home loans compared to \$8.45 billion during the equivalent 2019-20 period, an increase of 76.9%.

The state's overall home loan book rose to \$107.27 billion, up 14.7% from \$93.48 billion.

On an individual basis, the average broker settled \$7.59 million in home loans for the period per broker, up 64.2% year-on-year, from \$4.62 million. This result contributed to the increase in value of the average loan book value of \$54.48 million per broker, from \$51.41 million a year ago, up 5.9%.

The population of 1,969 brokers for the period – up compared to 1,829 a year ago, lodged on average 20.7 loans. This equates to a total of 40,743 loans lodged for the state, for the period, up 18.7% compared to a year ago at 34,333.

Home to 10.8% of the national population of brokers, Western Australian brokers settled 9.0% of the national value of home loans settled.

Brokers earned \$98,654 gross up-front for the period, compared to \$60,030 the previous year, and \$81,719 gross trail for the period, compared to \$77,109 last year, for a combined gross commission of \$180,373. In total, this was up by 31.53% from a year ago.

South Australia

During the April 2021 – September 2021 period, South Australian brokers settled \$8.80 billion in home loans compared to \$6.08 billion during the equivalent 2019-20 period, up 44.8%.

There was an increase in the value of the state's overall home loan book, up 10.3%, or \$4.6 billion to \$50.48 billion.

On an individual basis, the average broker settled \$8.23 million in home loans for the period per broker, up 37.1% year-on-year, from \$6 million. The average loan book value of \$47.22 million per broker grew from \$44.13 million a year ago, up 7.0%.

The population of 1,069 brokers for the period – up compared to 1013 a year ago, lodged on average 29 loans. This equates to a total of 31,031 loans lodged for the state, for the period, up 12.7% compared to a year ago, at 27,542.

Home to 5.8% of the national population of brokers, South Australian brokers settled 5.3% of the national value of home loans settled.

Brokers earned \$106,998 gross up-front for the period, compared to \$78,001 the previous year, and \$70,836 gross trail for the period, compared to \$66,191 last year, for a combined gross commission of \$177,833. In total, this was up 23.33% from a year ago.

Tasmania

During the April 2021 – September 2021 period, brokers settled \$1.18 billion in home loans compared to \$779.80 million during the equivalent 2019-20 period, up 52%.

There was slight growth in value of the state's overall home loan book, up by 1.95%, from \$5.13 billion to \$5.23 billion.

On an individual basis, the average broker settled \$9.12 million in home loans for the period per broker,

up 51.0% year-on-year, from \$6.04 million. This result contributed to the increase in value of the average loan book value of \$40.21 million per broker, from \$2.09 million a year ago, up 5.3%.

The population of 130 brokers for the period – consistent with 129 a year ago, lodged on average 9.7 loans. This equates to a total of 1,261 loans lodged for the state, for the period, down by 67.7% compared to a year ago, at 3,093.

Home to less than one per cent (0.7%) of the national population of brokers, Tasmanian brokers settled 0.7% of the national value of home loans settled.

Brokers earned \$118,495 gross up-front for the period, compared to \$78,585 the previous year, and \$60,318 gross trail for the period, compared to \$48,131 last year, for a combined gross commission of \$178,813. In total, this was up by 41.11% from a year ago.

Northern Territory

During the April 2021 – September 2021 period, Northern Territory brokers settled \$345.38 million in home loans compared to \$193.49 million during the equivalent 2019-20 period, an increase of 78.5%.

The value of the Territory's overall home loan book saw an increase of \$99 million or 3.75% to \$2.77 billion.

On an individual basis, the average broker settled \$7.51 million in home loans for the period per broker, up 113.3% year-on-year, from \$3.52 million. This strong result also helped to bolster the value of the average loan book value at \$60.19 million per broker, from \$50.66 million a year ago, up 18.81%.

The population of 46 brokers for the period – down compared to 55 a year ago, lodged on average 8.1 loans. This equates to a total of 371 loans lodged for the territory, for the period, down 57.5% compared to a year ago, at 873.

Home to less than one per cent (0.3%) of the national population of brokers, Northern Territory brokers settled 0.2% of the national value of home loans settled.

Brokers earned \$97,606 gross up-front for the period, compared to \$45,734 the previous year, and \$90,295 gross trail for the period, compared to \$75,984 last year, for a combined gross commission of \$187,901. In total, this was up by 54.37% from a year ago.

About the MFAA's Industry Intelligence Service (IIS) Report

The MFAA's Industry Intelligence Service (IIS) Report provides reliable, accurate and timely market intelligence for the Australian mortgage broking sector.

It is designed, produced, and delivered by comparator, a CoreLogic business and a recognised provider of performance benchmarking, market diagnostics and ad-hoc investigative services to the retail financial services sector in Australia and New Zealand.

The IIS Report profiles quantitative variables including:

- broker resourcing,
- deployment,
- recruitment and retention,
- new business acquisition, and
- loan portfolios.

It provides performance metrics or benchmarks for the industry and for the prevailing models of wholesale aggregators and franchised broker models.

Individual results for participating aggregators are completely confidential and are never provided to the MFAA, nor to other aggregators or brokers.

The MFAA's IIS Report is produced twice a year, for the six months ending March 31 and the six months ending September 30.



Level 21, 2 Market Street, Sydney NSW 2000 Australia. Telephone 1300 734 318

Benchmark your business

For the six month period
1 April 2021 – 30 September 2021



Benchmark your business

Where does your business fit in comparison to the rest of the state and national average?
Are you above, in the middle or behind the pack?

Use the information in the tables as a tool to evaluate your business.

New South Wales and Australian Capital Territory

| | National average | NSW and ACT | My data | % Difference |
|--|------------------|-----------------|---------|--------------|
| Average value of new home loans settled per broker in each state during the 6 month period | \$9.1 million | \$10.18 million | | |
| Average number of new home loan applications lodged per active broker in each state and in total during the 6 month period | 23.6 loans | 18.7 loans | | |
| Average value of the home loan book per broker in each state and in total, at the end of the period | \$46.7 million | \$46.96 million | | |
| Average gross up-front remuneration generated per broker, prior to costs per annum | \$117,992 | \$132,286 | | |
| Average gross trail remuneration generated per broker, prior to costs per annum | \$70,054 | \$70,435 | | |
| Average gross remuneration generated per mortgage broker, prior to costs per annum | \$188,046 | \$202,721 | | |

My key actions

Victoria

| | National average | VIC | My data | % Difference |
|--|------------------|-----------------|---------|--------------|
| Average value of new home loans settled per broker in each state during the 6 month period | \$9.1 million | \$8.87 million | | |
| Average number of new home loan applications lodged per active broker in each state and in total during the 6 month period | 23.6 loans | 21.4 loans | | |
| Average value of the home loan book per broker in each state and in total, at the end of the period | \$46.7 million | \$43.95 million | | |
| Average gross up-front remuneration generated per broker, prior to costs per annum | \$117,992 | \$115,246 | | |
| Average gross trail remuneration generated per broker, prior to costs per annum | \$70,054 | \$65,921 | | |
| Average gross remuneration generated per mortgage broker, prior to costs per annum | \$188,046 | \$181,167 | | |

My key actions

Queensland

| | National average | QLD | My data | % Difference |
|--|------------------|-----------------|---------|--------------|
| Average value of new home loans settled per broker in each state during the 6 month period | \$9.1 million | \$8.23 million | | |
| Average number of new home loan applications lodged per active broker in each state and in total during the 6 month period | 23.6 loans | 25.6 loans | | |
| Average value of the home loan book per broker in each state and in total, at the end of the period | \$46.7 million | \$45.88 million | | |
| Average gross up-front remuneration generated per broker, prior to costs per annum | \$117,992 | \$107,697 | | |
| Average gross trail remuneration generated per broker, prior to costs per annum | \$70,054 | \$68,882 | | |
| Average gross remuneration generated per mortgage broker, prior to costs per annum | \$188,046 | \$176,519 | | |

My key actions



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