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| **Press release****For immediate release****July 31, 2015** | Michelle HutchisonHead of PR & Money Expertfinder.com.au+61403 192 994+61 2 9299 7602Michelle@finder.com.au |

**16 banks hit above APRA target for investment lending growth**

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| * New [finder.com.au](http://finder.com.au/) analysis of APRA Banking Statistics shows 16 banks grew investment loan books by more than 10% in the past year – including 3 of the 4 major banks
* Banks collectively increased investment lending by 16.5% year-on-year to $507.4 billion
* Property investors warned to watch the market as more lenders expected to tighten down on investment lending
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**JULY 31, 2015, SYDNEY, AUSTRALIA –** Property investors are being warned to watch their home loan interest rates, while new investors will face a tougher time securing an investment loan, following new research into home loan market lending growth by one of Australia’s biggest comparison websites [finder.com.au](http://finder.com.au/)[[1]](#footnote-1).

The [finder.com.au](http://finder.com.au/) analysis of data from the Australian Prudential Regulation Authority (APRA), released today (July 31, 2015), shows that 16 banks have grown their investment home loan lending by more than 10 percent in the past year to June 2015, including three of the four major banks: ANZ, Commonwealth Bank and NAB.

Banks have collectively grown their investment lending by 16.5 percent in June 2015 compared to June 2014. Total investment loans by the 73 banks monitored by APRA has grown from $435.7 billion in June 2014 to $507.4 billion in June 2015.

Investment lending in the past year has grown more than three times that of their owner-occupied lending. These banks have collectively grown their owner-occupied books by just 4.5 percent (compared to 16.5 percent for investment loans), from $829.9 billion in June 2014 to $866.8 billion in June 2015.

Michelle Hutchison, Money Expert at [finder.com.au](http://finder.com.au/), said APRA’s move to curb investment lending has done little to ease growth.

“While APRA has implemented measures to curb investment lending growth, many banks have clearly not responded as their lending has continued to rise.

“In fact, 16 banks have increased their investment lending by more than APRA’s recommended 10 percent growth rate in the past year, including some of our biggest banks.”

The biggest increase in investment lending growth was by Macquarie Bank by 81.6 percent to $9.0 billion, largely due to acquiring loans books from other institutions.

The third-largest investment home loan lender in Australia – ANZ – saw the second-biggest spike in investment home loan growth, of 51.4 percent year-on-year to $83.5 billion.

In contrast, the biggest investment lender in Australia – Westpac – grew its investment lending by just 9.9 percent in the past year to June 2015, to $152.5 billion.

**Banks that have increased year-on-year investment lending growth by more than 10%**

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| **Banks** | **Loans to households - investment, as at June 2015** | **One-year growth** |
| Macquarie Bank | $9.0 billion | 81.6% |
| Australia and New Zealand Banking Group | $83.5 billion | 51.4% |
| MECU | $523 million | 44.1% |
| Defence Ban | $112 million | 34.9% |
| Members Equity Bank | $3.9 billion | 32.0% |
| Teachers Mutual Bank | $758 million | 26.8% |
| Arab Bank Australia | $148 million | 25.4% |
| Police & Nurses | $695 million | 25.0% |
| Police Financial Services | $207 million | 19.7% |
| QT Mutual Bank | $262 million | 16.4% |
| Heritage Bank | $1.7 billion | 16.4% |
| Police Bank | $151 million | 14.4% |
| National Australia Bank | $66.6 billion | 14.0% |
| AMP Bank  | $3.0 billion | 13.8% |
| Suncorp-Metway | $12.4 billion | 11.1% |
| Commonwealth Bank of Australia | $129.7 billion | 10.2% |

Source: APRA Monthly Banking Statistics data analysed by [finder.com.au](http://finder.com.au/), ranked by highest year-on-year growth

Growth over the past two years to June 2015, saw investment lending by these banks increase by 28.6 percent, from $394.5 billion in June 2013. Compared to owner-occupied lending, it grew by 12.2 percent, from $772.9 billion in June 2013.

Taiwan Business Bank saw the biggest growth in investment lending of 300 percent over the past two years, moving from $4 million to $16 million. While Macquarie Bank also had the biggest growth for owner-occupied home loans since June 2013 of 155.7 percent, from $5.8 billion to $14.8 billion.

“Borrowers need to be mindful that some lenders may pull back on investment lending harder than others, by following the lead of AMP earlier this week and ceasing offering investment loans, or increasing rates or tightening down on lending criteria,” said Mrs Hutchison.

“In this turbulent market, it’s vital to do your research and compare providers and their offerings, weigh up the pros and cons, and ensure you’re getting the best possible deal for your personal situation.”

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1. Experian Hitwise since 2013 [↑](#footnote-ref-1)