Bendigo and Adelaide Bank

Bendigo and Adelaide Bank's response to the questions on notice from the inquiry into Australia's financial regulatory framework and home ownership received on 11 October 2024

All responses are current as of October 2024, unless stated otherwise.

Question No.	Question	Bendigo and Adelaide Bank Response
1	What proportion of total home loans do loans to first home buyers constitute for your organisation, in terms of their total value?	In terms of total value, first home buyers constitute around 15.7 per cent of residential loans for Bendigo and Adelaide Bank.
2	What proportion of home loans to first home buyers go to those in the regional metro centres, as compared to capital cities?	For all active loans for first home buyers, 45 per cent of the home loans are for properties in regional, rural or remote areas. This is compared to 55 per cent of home loans in major cities of Australia. Of those, 30 per cent are in inner regional areas, such as regional metro centres.
3	What is the average size of home loans to first home buyers your organisation issues?	As of end of June 24, the average size of home loans to first home buyers was $459,577. For comparison, as of June 2019, the average size was $340,833.
4	What is the average interest rate your organisation grants for a first home buyer's home loan, both in fixed and variable terms?	As of September 2024, the average interest rate for our first home buyer's home loan portfolio is 4.8 per cent for fixed and 6.1 per cent for variable.

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5	What is the average age of first home buyer your organisation grants a home loan to?	For all first home buyer customers who are currently holding a loan with our Bank, the average age is 39 years. For customers which settled in the last 180 days, the average age is 34.
6	What proportion of home loans to first home buyers go to singles and how many go to couples?	For our Bank, 52 per cent of home loans for first home buyers are for single borrowers. As compared to two mortgagees on a loan, which account for 45 per cent of all loans to first home buyers. The remaining three per cent are three or more mortgage holders.
7	What proportion of home loans to first home buyers go to those who receive a guarantee or security from a family member who is not a spouse?	Our Bank does record the relationship between guarantor and the borrower. However, the resources required to analyse and interpret the data relating to the proportion of home loans that receive a guarantee from a family member or spouse would require the Bank to substantially divert resources from other operations.
8a) and 8b)	Of the first home buyers granted a home loan by your organisation, how many of these customers: a) Used a government scheme to assist with paying their deposit? b) Made use of another government scheme or incentive to assist in the purchase of their property, such as the First Home Buyers Guarantee?	8a) Prospective home buyers, including first home buyers, must have a minimum genuine five per cent savings deposit to access a government scheme in the first instance. Under the scheme rules, this cannot be derived from loan funds or via the scheme contribution. 8b) Under the Federal and State scheme rules, a buyer is unable to utilise two government schemes at one time. There may be instances when customers use a State or Territory based scheme for stamp duty or first home buyers grant to top up existing savings. Given the nature of these schemes, our Bank does not have available data regarding the number of first home buyers who have utilised these incentives.

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		Our Bank has delivered a variety of homebuyer schemes including the Federal Government's Home Guarantee Scheme and the Victorian and NSW Shared Equity Schemes and acknowledge the immense value of these schemes in getting people into housing. Since 2020, our Bank has assisted nearly 7,300 customers using these government programs to get access to housing. These schemes make home ownership possible for a specific customer cohort.