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Credit unions and building societies emerge from GFC with 30% growth in new home loans



Today nearly one in ten homeowners are using a credit union or building society for their home loan according to new ABS figures released by Holiday Coast Credit Union.

The demise of unregulated lenders in the wake of the global financial crisis has driven a 30% increase in the take up of new home loans provided by credit unions and building societies over the last 12 months.

Abacus, the peak body for credit unions and building societies has launched a national TV advertising campaign highlighting research which shows homeowners with a mortgage from a credit union or building society are \$35,000 better off over the life of the loan. Now as the housing market booms again, new statistics show that credit union and building society market share of the number of new owner occupied home loan commitments has risen to 8.6% in March 2010 from 6.4% a year ago. CEO Neville Parsons said the resilience of Holiday Coast Credit Union is one of the good news stories of the global financial crisis.

“While a lot of attention during the GFC was on government efforts around the world to stabilise large banks, we remained strong because we have a secure member base and our structure is such that we lend from our own deposits rather than accessing toxic overseas wholesale markets.”

Now credit unions are launching a \$2.5 million advertising campaign that take the major banks head on and highlight the advantages of lower interest rates and a true focus on the needs and expectations of members.

The advertisements are based around independent research from InfoChoice showing that on average homeowners who take a mortgage out with a credit union or building society are \$35,000 better off over the life of the loan.

Neville Parsons said home buyers in the Holiday Coast region could benefit from the Canstar Cannex Award winning Home Loans with a choice of our premium 5 Star rated Home Sweet Home Loan, our Live Life Home Loan or if wanting to fix the interest rate then our extremely competitive 3 year fixed rate Home Loan that is among the best interest rates available in Australia at present for 3 year fixed rate Home Loans.

“Home buyers disenfranchised with the major banks have a competitive alternative with their own local Holiday Coast Credit Union and are encouraged to call into one of our 18 branches servicing your local community and find out how you can benefit from being a member”, said Neville Parsons.

The new TV advertising campaign is airing nationally from 16 May 2010 supported by a website for people to find out more information in relation to the joint industry campaign - www.comesbacktoyou.com.au.

The campaign is backed by 82 credit unions and building societies with 4.5 million members including Holiday Coast Credit Union.

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