

HEADLINE: Calibre sale as lenders fight over dwindling market

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Consolidation in the non-bank mortgage sector is continuing, with Firstfolio acquiring a controlling stake in Calibre Financial Services, following previous purchases of Club Financial Services and Apple Loans. Other recent deals include Pepper Home Loans' purchase of GE Capital's mortgage book and the loan portfolio of Bank of America Merrill Lynch's First Permanent; while Phil Green, founder of Babcock & Brown, led a consortium to acquire the mortgage book of General Motors Acceptance Corp.

Australian Bureau of Statistics figures show non-bank home loan groups wrote only 1 percent of all mortgages in May, compared to around 15 percent of the market prior to the financial crisis.

Firstfolio has launched a mortgage with an interest rate that moves in line with the cash rate set by the Reserve Bank of Australia.

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MENTIONS: Apple, Australian Bureau of Statistics, Babcock & Brown, GE Capital, General Motors, Merrill Lynch, Pepper Home Loans, Reserve Bank of Australia