

MEDIA RELEASE

HOMEOWNERS REDUCE WINTER BILLS WITH ENERGY EFFICIENT IMPROVEMENTS

- RateSetter loan data shows green borrowers are spending \$13,230 on energy efficient improvements to their homes
- Almost one in five RateSetter home improvement loans (18%) are for green renovations
- Nine in ten home improvement borrowers rate green options and products as important in their renovation

10 July 2017: As temperatures dip and winter energy bills soar, Australian homeowners are borrowing an average of \$13,230 to make their homes more energy efficient according to an analysis of thousands of RateSetter's personal loan customers. The peer-to-peer lender says that almost one in five (18%) home improvement loans are now taken out for green renovations that will reduce their energy bills.

The analysis of RateSetter data also shows that amongst all renovators, 89% see the use of energy efficient and environmentally friendly options as important or somewhat important to their project; selecting options such as energy efficient lighting, alternative power sources and low toxicity products in their renovation.

RateSetter's survey of loan customers also found that around four in ten (41%) current home improvement borrowers indicated that they would make additional green changes to their home over the next 12 months. Batteries and solar panels, energy efficient lighting and solar water heaters were the most popular modifications being considered by homeowners.

Commenting on the trends, Daniel Foggo, CEO of RateSetter said, "We have seen a large increase in the amount of homeowners borrowing to improve the energy efficiency of their home. The recent launch of our Green Loan Marketplace was borne out of this demand and we were thrilled that the Government's Clean Energy Finance Corporation invested \$20million to kickstart the marketplace, helping us offer even better value finance to our green borrowers."

According to RateSetter data, homeowners borrow an average of \$16,794 for renovations. The most popular tasks undertaken is general painting and decorating (35%), upgrading outdoor areas (20%), followed by energy efficient upgrades (18%). The average renovation loan term is 41 months.

Table 1: Most popular renovations amongst RateSetter home improvement borrowers

Home improvement	% making this improvement
Painting and decorating	35%
Outdoor upgrades	20%
Energy efficient upgrades	18%
New or upgrading kitchens	17%
New or upgrading bathrooms	15%
Installing a swimming pool	6%
Bedroom extensions	5%
Living area / kitchen extensions	4%
Granny flat / studio build	2%

The survey also probed the reasons for renovating and found that only 20% of home improvement borrowers are investing in renovations to increase the value of their property ahead of a sale. Of the remainder, 11% require more space for their expanding family and 20% are renovating or extending a property they bought recently.

Mr Foggo concluded, "Personal loans can be a very cost effective way of financing renovations. A personal loan rate of around 8% on a \$10,000 loan can be considerably less expensive than using a credit card or extending your mortgage and repaying over 10 to 15 years. The competitive rates offered by peer-to-peer lenders such as RateSetter are seeing innovative new lenders take a larger share home improvement market as consumers seek out the lowest possible rates. Our new green loan market gives borrowers even better rates to reward them for choosing energy efficient measures."

For more information, or for any interview requests, please contact:

Katy Lithgow

BlueChip Communication

E: katy@bluechipcommunication.com.au

P: 02 9018 8603

About RateSetter

RateSetter is a peer-to-peer lender which connects investors with creditworthy borrowers. By using technology to replace traditional middlemen and reduce the costs of providing financial services, RateSetter allows investors and borrowers to transact together and share the benefits.

RateSetter was the first Australian peer-to-peer lending platform to open to retail investors.

The RateSetter group was founded in the United Kingdom in 2009 and has grown to become the largest peer-to-peer lender in Europe. To date it has facilitated more than 380,000 loans totalling over \$2.9 billion.

RateSetter was established in Australia in 2012 and launched to the Australian public in 2014. It is locally owned and managed, and is backed by the RateSetter group, Carsales Limited, Stratton Finance as well as other investors.

RateSetter was the first peer-to-peer lender to introduce a provision fund, in order to help protect investors from borrower late payments or default. As a result of the provision fund, and other risk mitigation strategies, all lenders have received their principal and interest repayments in full.

RateSetter is regulated by ASIC, and holds an Australian financial service licence (number 449176) as well as an Australian credit licence (number 449176). Peer-to-peer lending is not without risk. RateSetter takes its legal and compliance obligations seriously. Please read the [Product Disclosure Statement](#) for the RateSetter Lending Platform before deciding to invest.

To find out more about how RateSetter works, or to enquire about lending or borrowing, please visit the RateSetter website at www.ratesetter.com.au or follow RateSetter on Twitter at [@RateSetterAUS](https://twitter.com/RateSetterAUS).