

Doing your homework on your mortgage broker

If signing up for a mortgage is new to you and this is the first time you are seeing a mortgage broker, there are some key things you should check. Here are the questions you should ask any mortgage broker to make sure they are honest and professional, and, most importantly, working in your best interests.

1. Do you offer a choice of home loans?

Not everyone has the same needs in a home loan or is in the same financial situation. Your mortgage broker should explain to you the different home loan mortgage products he has access to and the pros and cons of each of them. Make sure your broker has a variety of lender types (banks as well as other mortgage lenders) as this will give you a better range of choice.

At North Brisbane Home Loans we have access to a wide variety of mortgage products and excellent relationships with well known and respectable financial institutions. We can offer a choice of more than 350 home loans and can provide you with a full list of our lenders.

2. How do you compare loans and work out which one is best for me?

You should ask the broker what process they use to compare loans and how it is they work out which loan is best for you. Ask to see the Loan Comparison Rate Schedule and discuss the differences between 2 or 3 different loans that would suit your circumstances. Make sure that the broker explains how he knows what kind of interest rate is best for you so that you are borrowing within your means. You will need to pay back your mortgage each pay, but you will also need to be able to live! He should be taking into account your family and work situation right now and any changes that may occur in the future before selecting a product for you.

At North Brisbane Home Loans we have invested in sophisticated up to the minute software that keeps us updated with current interest rates and helps us to analyse and compare loans to determine what will be the best loan suited to you. Using our Software and our experience, we will walk you through a number of different loan scenarios and advise on the pros and cons of each of them, based on your personal, family, work and financial circumstances.

3. What are the fees associated with your service?

Some mortgage brokers charge an upfront flat fee for their service to you and others don't. Make sure you find out what extra costs might be involved for you in having a mortgage broker organise a home loan for you. If they do charge fees, ask them what extra services you will receive for these fees. Also check on what fees might be refunded under what circumstances.

At North Brisbane Home Loans there are NO FEES to you for us to arrange your mortgage. We do all the work for you, we do all the negotiations, the paperwork and the follow up and there is no cost to you at all for this service. We not only make the process easy for you, we don't charge you for it.

4. What are the commissions you receive?

It is common practice for lenders to pay a commission to a mortgage broker for bringing them a new client. After all, the mortgage broker is saving lenders a lot of time and effort in getting new clients. What you do need to look out for though is whether some lenders try to attract mortgage broker clients by paying higher commissions than other institutions, or by paying higher commission for larger mortgages. You don't want your broker's judgement to be clouded by the size of a commission he's likely to be paid. Ask them to disclose the commissions they receive and how these commissions are calculated.

At North Brisbane Home Loans we can provide you with full disclosure of commissions we receive and how they are calculated. We work to provide you, our client, with the best option to suit your needs, regardless of the commission we are paid. And because we provide you with the most competitive quotes from a variety of lenders, the final choice is in your hands, not ours.

5. What are all the costs associated with a new mortgage and purchasing a property?

Even though your mortgage is being settled there are likely to be other costs involved in settling a property – solicitors' fees for conveyancing; compulsory pest /building inspections; house insurance. There are also likely to be fees associated with establishing the loan and with servicing the loan. Make sure you ask about all of these sometimes 'hidden' extra costs so there are no nasty surprises.

At North Brisbane Home Loans we provide you with a list of any of the additional charges that you will face, and we discuss these with you when we are trying to decide on the best loan to suit your circumstances. We want you to have all of the necessary information about fees associated with your loan and with settling your property so that you can make a rational decision about how much you can afford to borrow and exactly what you need to pay back over time. With North Brisbane Home Loans you will be sure to know if the loan rate includes upfront as well as ongoing fees and charges.

6. How long will the loan processing take?

You've seen the house of your dreams at the price you're comfortable with and you want to make an offer on it before someone else snaps it up. Will your mortgage broker be able to come through with a loan in time? You need to find out what the loan processing times are likely to be to avoid disappointment.

At North Brisbane Home Loans, we help you to establish a 'pre-approved' loan BEFORE you go house hunting. This way you won't be disappointed at missing out on the house you want. It also helps you to ensure that you are entering a mortgage that won't be beyond your means. Seeing a house before you have a mortgage can sometimes encourage you to want to borrow more than you can really afford.

7. How long have you been in business?

Entering into a mortgage is likely to be the biggest financial decision you will ever make in your entire life time. It will affect your quality of life, your future security and your family happiness. These are big stakes to be playing with. You need to find a mortgage broker with a solid track record of success in the mortgage broking field over a number of years (in both the good times and bad). Make sure you talk with past clients, to see what the experience and outcome was like for them in dealing with a particular mortgage broker.

At North Brisbane Home Loans we have over 22 years experience in the mortgage broking field. We have served hundreds of clients and saved them thousands of dollars through the timely and appropriate advice and service we have provided them with. We have many past clients who would be more than willing to share with you their experience of a mortgage brokered through North Brisbane Home Loans. Many of these clients have provided testimonials on our website.

8. What evidence do you have of your professional standards?

You are well within your rights to ask your broker for proof of their professional standards. Ask your broker whether they belong to the MFAA which is the professional body overseeing standards in the mortgage broking industry. Also find out what professional qualifications they have so that you know they will be operating within professional guidelines and with qualified knowledge of processes and procedures. You could also ask if they have a Customer Charter which outlines their service levels, their remuneration and their dispute resolution policy.

At North Brisbane Home Loans we are long standing members of the MFAA. We have accredited diplomas in our field and we have won state 4 industry awards including Queensland Broker of the Year. All this is evidence that we operate our business at the highest professional standards in our industry and in our state.



9. Do you have professional indemnity insurance?

It's important that your broker has professional indemnity insurance so that they are covered in case they are sued for negligence or breach of professional duty. If you have to take legal action against them for some reason, they will be insured to cover this. This provides a layer of consumer protection for you the borrower.

**At North Brisbane Home Loans we have this insurance.
All MFAA members are required to have up to date professional
indemnity insurance**

10. What privacy guidelines do you follow?

When you are applying for a mortgage you are required to disclose a lot of private information. You will want to be reassured by your broker that your privacy is protected, that is, that they won't disclose any aspect of your personal or financial history to any other non-loan related party. Make sure that they comply with the privacy legislation that protects your interests.

**At North Brisbane Home Loans we make sure we comply with all
of legal requirements associated with privacy in the state and
federal laws. We comply with the Privacy Act Credit Reporting
Provision and the National Principles for the Fair Handling of
Personal Information. We make sure that your private business
remains private.**

Call us now at North Brisbane Home Loans to organise a meeting with one of our qualified brokers who will assess your circumstances and advise on how much you may be able to borrow, and the best way to structure it.