



**HOMEFREE**  
MORTGAGES

## **FAQ's**

---

# FAQ's

## What is a Mortgage Broker?

A Mortgage Broker is a go-between person, between the borrower and the lender, who negotiates the loan on your behalf.

We are the ones responsible for finding you or your company the best and most competitive product to suit your needs.

At Homefree Mortgages, we will approach your lender of choice and, when possible, we will negotiate special pricing below the advertised rate.

## What are the benefits of using a Mortgage Broker?

There are a number of benefits to using a broker, particularly through the application process.

Firstly, we do the legwork and research for you. We are already up to date with all of the new products and rates that you may not be aware of.

At Homefree Mortgages, we make it our business to take care of everything for our clients. Even once your loan has settled, we encourage you to contact us for anything you may need.

Essentially, we are a one stop shop. You will never have to sit on hold to your

## Homefree Mortgages

bank if you are wanting to ask a question or change an account. We do that for you. We also liaise with your conveyancer or solicitor and real estate agent if required.

## What does a Mortgage Broker do?

A Mortgage Broker takes the stress out of buying a home or investment property for you. We shop around for the most competitive rate and product that is going to suit your specific needs.

We will explain everything clearly, so that you can understand exactly what is happening.

We take care of the initial application from the start, all the way through to settlement, and beyond.

## How is a Mortgage Broker paid?

A Mortgage Broker is paid by receiving a commission or fee from lenders. This commission will vary depending on the lender as well as the size of the loan.

Firstly, an upfront commission is paid. This is the largest proportion of our payment and is normally around 0.55% to 0.77% (inc. GST) of the loan value.

The second part of our payment is through a recurring commission, also

known as a "trailing commission". This is paid on a monthly basis and is calculated based on the remaining loan amount each year. While some lenders offer no ongoing commission, others offer an ongoing commission of 0.165% to 0.33% based on the remaining value of the loan.

## How much will using a Mortgage Broker cost me?

Absolutely nothing! Our service to you is free of charge as we make our money through commission from our lenders.

The commission can vary slightly with different lenders, though it is still fairly standard across the industry regardless of which lender we arrange your financing through. This way you can be sure that there are no conflicts of interest and that we are always looking for the mortgage that will best suit you and your circumstances.

