



Independent mortgage brokers have had a significant positive impact on the lending industry. Over 50% of the mortgages in the US are originated by brokers. Today, the use of a professional mortgage broker is one of the key strategies used by sophisticated borrowers.

Myth: It costs more to get a mortgage through a broker.

It does not cost more to get a mortgage through a broker than it does a banker. It can actually cost less. Brokers originate loans at wholesale rates and are paid by the lender while providing the borrower the same competitive rates and fees as a bank.

Benefits of using a Mortgage Broker:

- \* Specialization: Brokers specialize in mortgages. Banks do not specialize solely in mortgages. Using a broker provides you with a higher level of service and expertise in life's largest financial transaction.
- \* Competitive: Brokers deal with multiple lenders which gives you access to these multiple lender products and rates whereas banks have 1 set of products and rates: their own. Using a knowledgeable broker ensures you will receive unbiased advice, the right product for you and a competitive price.
- \* Flexibility: In dealing with multiple lenders a broker can easily direct a loan file to a different lending institution should a problem arise, whereas with a bank if a problem arises it could quite easily cost you a declined purchase offer or additional time and fees to apply with a different bank. Using a mortgage broker for your transaction provides an added level of safety.

What is a Mortgage Broker?

A mortgage broker is an independent real-estate financing professional who specializes in the origination of residential mortgage loans. Mortgage brokers normally pass the actual funding and servicing of loans on to wholesale lending sources. A mortgage broker is also an independent contractor working with as many as 100 lenders at any one time. By combining professional expertise with direct access to hundreds of loan products, your broker provides the most efficient way to obtain financing tailored to your specific financial goals.

What Do Mortgage Brokers Do?

In the volatile home-lending market, mortgage brokers can serve as safeguards, offering their clients security, safety, and peace of mind. One of the broker's most important functions is escorting your loan application through the entire process, constantly patrolling the transaction components for possible breakdowns. A professional mortgage broker can wade through the mountains of rate data and program options, researching current market conditions to find the most accurate and up-to-date information about cost-effective loan options.

Brokers Handle the Details!

There are literally thousands of variables that can affect the outcome of your mortgage transaction. That's why you need a mortgage broker to act as a liaison between the title and escrow company, real estate agent, lender, appraiser, credit agency, the underwriters, the processors, attorneys, and any other services which may affect your transaction.

A mortgage broker also:

- \* Discusses and explains financing program options
- \* Informs you of lock-in options
- \* Explains all documents of the loan application
- \* Explains all associated costs of the loan application
- \* Explains the disbursement of all loan proceeds
- \* Explains the loan process, from application to closing
- \* Provides you with a good faith estimate of cost and fees
- \* Communicates with you throughout the loan process in a timely manner
- \* Coordinates the final closing of your transaction.