

Why use a Mortgage Broker?

If you asked your bank representatives how are fixed and variable mortgage rates calculated and did not know how to answer your question, what would you think? If you asked your bank representative how they calculate their fixed rate mortgage penalties and they did not know, would you still want to work with them? Majority of people still do.

In Canada we are brain washed into believing that going directly to a bank is the safest way to get a mortgage. What we do not know, is that banks are a retailer of different products just like Wal-Mart for example. They are not an expert in one particular thing. Yes, they are a large institution and tend to be solid, but so are all the other mortgage lenders. All the mortgage lenders operating in the Canadian markets that provide **Grade-A Mortgages** (clients qualifying on income and credit) are all backed by **CMHC** (Canadian Mortgage and Housing Corporation i.e. The Government).



Most of these mortgage lenders ironically are owned by banks and insurance companies as subsidiaries. Examples of this are MCAP who are owned by BMO. ING DIRECT is now with Scotia Bank, First National is funded by TD Etc. Based on this, there should be no concern working with a non-bank. At the end of the day, it all relates back to the Banks in some form.

Non-Bank lenders have less overheads and because of this they can provide (most of the time) lower interest rates, better product management, and great service. However, this does not mean a Bank is not a good fit for certain individuals. Some products only bank's offer could be better suited for a client's particular needs. Ultimately, you and your mortgage adviser should make that decision based on your financing needs and particular situation.

Mortgage Brokers are independent, trained professionals licensed to represent and provide **You** with the best advice for your mortgage needs. Mortgage Brokers primary expertise is locating funding for mortgage financing. They know where the best products and rates can be found. Furthermore, they have the knowledge required to present a proposal for financing to lenders in the best way possible to successfully obtain mortgage financing. This is where the experience and expertise really matters.

Mortgage Brokers represent **You**, the customer, not the lender. Because they are not employees of a lending institution, Brokers are not limited in the product they can offer you. Brokers seek out the best lender package to suit your specific situation, whether it's with a Chartered Bank, Trust, Insurance Company, or Private Funds.

Unlike the banks, brokers do not cross-sell their clients. They will not encourage you to bring over your savings, checking or credit cards to get their best rates. Brokers can find you the very best rates from multiple lenders nationwide, not just the rates of a single institution.

Brokers are also less concerned than banks about buyers who are self employed, recently divorced or have damaged credit histories including bankruptcies. They can easily originate loans for the self-employed

and those preferring no documentation or low documentation loans. It's also much easier to acquire financing for investment properties and vacation homes through a broker. Very importantly, brokers are very willing to work on **YOUR TIME** ... not just during banking hours.

There is a wide assortment of options and features available to homebuyers today. Shopping around takes a lot of time and effort. The mortgage process in today's very competitive marketplace intimidates many Canadian homebuyers. It makes sense to work with a mortgage professional that will represent you and ensure the mortgage you get is the one best suited to your needs.

Since real estate tends to represent the single largest investment most of us ever make, it is vital to secure the best financing available. Every borrower has different needs, every property is unique and every lender has its own rules and programs. Choosing the wrong mortgage could cost you thousands of dollars. Mortgage Brokers are trained professionals who can help you save on your mortgage dollar.

10 Reasons why you should use a Mortgage Broker

- Access to over 50 different lenders, banks, trust companies, investors and financial institutions.
- Fast credit and loan pre-approvals with no cost or obligation.
- Up-to-date on all the mortgage rates, terms and re-payment options available on the market.
- They only specialize in mortgages and are knowledgeable on current trends.
- They are experts at matching you with the best-suited mortgage.
- Get mortgage rates at wholesale, guaranteed up to 120 days.
- They work for YOU, not the lender.
- They increase competition in the market place, thus keeping rates low.
- They save you time and money!
- Brokers have vested interest in satisfying your needs since they rely on your referrals and repeat business.



If you are interested in learning more, feel free to contact:

Robert Clancy, AMP,

Mortgage Agent
VERICO Safebridge Mortgage Solutions
SAFEBRIDGE Financial Group

Tel: 416 899-1467

Fax: 1866 385-4049

Email: robert@safebridgefinancial.com

www.bestratesmortgages.ca