

## Mortgage Brokers Alberta

### A Mortgage Broker

Mortgage brokers are professional liaisons who help borrowers find the best lenders. People looking for a real estate loan would come to a broker to work on their behalf.

Banks and other lending institutions were traditionally charged with the job of selling their products. As the market became more competitive, these businesses began to rely more heavily on the services of a professional mortgage broker. In most real estate markets, particularly those within the United States and Canada, the biggest sellers of mortgage products are mortgage brokers. The broker is responsible for finding a specific lender or bank that will provide a loan to their client. In Canada, the lender pays the mortgage broker. Fees are only charged to the borrower if they have below average credit.

Governmental regulations have been set up to help regulate mortgage brokers to ensure that they are operating under finance and banking policies. Then again, each and every jurisdiction will have different laws which the brokers in the area must abide by. There is only one state in the United States where mortgage brokers are not regulated.

The broker has many tasks that they do. These responsibilities can be divided into 6 main categories, including: Retail Banking, where the broker deals with small businesses and individuals directly; Business Banking, where services are offered to mid-market companies; Corporate banking, which is directed at big companies in particular; Land mortgage banking, that deals with serving land mortgage loans; Private banking, that deals with high net worth individuals and their families; and Investment banking, that only relates to activities on the financial markets.

The majority of the lending and banking institutions are privately owned earning profits and there are some government run banks that operate as non-profits. Central banks are the most common government owned banks. Central banks are often given the responsibility of controlling the interest rate or supervising various commercial banks. In the event of a crisis, they could likewise act as a last resort lender.

A mortgage broker's activities change depending on which jurisdiction they are situated in. In various places, a mortgage broker is responsible for the suggestion they provide to their customers. They are held financial liable should the advice prove to be detrimental to the customers best interest. Nonetheless, in other places the broker may be limited to a sales job that just directs their client to a different lender and is given a commission from the lender.

The mortgage broker will usually administer the same responsibilities. Marketing is the first task used to attract clients and to evaluate the financial situation of the borrower. This involves analyzing the clients credit history and affordability. The next step is to look through all of the available lenders to find the ideal mortgage product for the customer. Finally, they would apply for a lenders contract, collect the required documents, and complete the lender application form. As soon as the legal disclosures have been discussed with the customer, the material is all given to the lender and the deal is closed.