

Revolutionary Range of NO LMI

- story by leila lusher

With the Australian lending climate changing rapidly, LMI requirements are becoming more stringent. As of the beginning of April, a leading Mortgage Insurer has declared that requirements will be increased further to include signed Declarations by Brokers certifying they have sighted all original supporting documentation including payslips, letters of employment and bank statements. Mortgage Ezy has been writing ever increasing volumes of Balance Sheet Lending to 80%. However, up to date, borrowers requiring LVRs above 80% have been required to have LMI regardless of the Lender used. From today, that's all going to change. Now, at Mortgage Ezy you will be able to offer your clients No Mortgage Insurance on Premium Full Doc Solutions up to a 100% LVR. At this time the Risk Fee (which is substantially less than LMI) will only apply on the LVRs above 85% (not 80% as is the case with LMI).

At the Australian Mortgage Summit (AMS) in Brisbane last month, the driving force behind the Jumbolicious Non-Bank Lender Mortgage Ezy Mr Peter James launched his revolutionary range of loans without Mortgage Insurance.

He said "Today, market conditions have changed and we have all noticed the criteria and guidelines for Mortgage Insurance have become tougher". He went on to emphasise "The biggest threat to brokers is the commoditisation of mortgages. The majors seek to have home loans viewed as all the same only

to be differentiated on price alone. The danger should this view point prevail, is the benefits of a broker will be undermined and banks will be tempted, as Bank of Queensland and HSBC have already done in Australia, to terminate the broker channel altogether or follow the New Zealand lead and eradicate trail to drive down rates to win market share."

James is a powerful advocate for broker's rights and Mortgage Ezy is bucking the Bank's trend. This National Non-Bank Lender relies purely on third party distribution and delivers to brokers the most innovative solutions in the country while giving them market leading rates and commissions. Mortgage Ezy is first in delivering both Full and Lo Doc Loans with NO LMI UP TO 100%. Interviewed at the AMS, Peter James explained "On a \$500,000 loan at 85% in Queensland, with his No Mortgage Insurance Solutions, the comparable saving is \$8,600.00 with up to \$12, 279.00 saved on 100% lends".

James said this was only available through the Mortgage Ezy Broker Channel, giving a unique point of difference in comparison to the banks. He elaborated "Many clients have historically provided a 20% deposit to avoid costly Mortgage Insurance in the past. Now, they will pay nothing at all, right up to 85%, meaning they can afford their homes and investment for 25% less deposit and avoid the

heavy burden of Mortgage Insurance".

Gone are the different requirements and loan limits on a state by state basis. Mortgage Ezy's no LMI Solution has one guideline across the country. Borrowers in Perth for example are afforded the same benefits as those in Sydney with loan amounts available to \$600,000 at 100%. Of course greater loan amounts are available at a lower LVR.

This is one of the many new initiatives that Mortgage Ezy has introduced at the cutting edge of the industry which has driven the company to a meteoric rise to national recognition and prominence, winning Australia's Service Excellence Awards last year and accomplishing back to back successes in the latest BRW Fast 100 Awards.

Mortgage Ezy's extraordinary success is due to Peter putting his brokers first, with no cross channel conflict. His Brokers can act as resellers in the market giving them flexibility to tailor their own rates and commissions to 2% with trails of .5 at rates starting at more than 1% under the banks. Mortgage Ezy has tied its fortune to its brokers in a true partnership giving them solutions not found anywhere else and its decision not to go to market without them has paid huge dividends as Brokers have supported them in spades. •

- Contact Mick Conyngham at Mortgage Ezy for further information (07) 5554 3333

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