



TOP 10 **MISTAKES** PEOPLE MAKE GETTING A **HOME LOAN**

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1. THEY ONLY VISIT “THEIR” BANK

So many times, we see clients who only visited “their” bank for advice. There are many reasons for this such as comfort, the known factor and convenience. While this may be a good starting point to get the ball rolling it should never be your only point!

SCENARIO: Tod and Michelle banked with XYZ bank. They had banked there for over 10 years and so their natural inclination when they were looking to buy their first home was to visit their local branch. They found their dream home and had been gifted the deposit by parents. Unfortunately for them their bank didn’t offer any products suitable for a gifted deposit and they were declined. Tod and Michelle assumed all banks were the same and therefore missed out on their dream home.

Had Tod and Michelle come to see the team at I Know The Broker, we could have found multiple solutions and they would have been able to secure their dream home instead of having their dreams popped and resigning themselves to feeling unworthy of owning a home.

2. THEY SHOP ON RATE ONLY

What’s your best rate? This is the first question we are asked by 90% of our clients. For so long we have been told to question our rate.

My question to you though is do you want a house, or do you want a rate? Most people are looking for a home first! We need to work backwards in essence.

We need to know what your deposit is, where your deposit came from, how long you’ve had your deposit, are you building or buying established, what type of work do you do, are you full-time, part time, casual or self-employed. Do you have children? How old are they? Do you receive any family tax benefits? What is your credit rating? Do you have any other debts such as car loans, personal loans, credit cards, HECS debts, investment loans?

Armed with this information, we can then tick which banks policies you fit and then from their work out which will offer you the best rate 😊. I Know The Broker are all about numbers and getting you the best deal. Our number one goal is to firstly find the bank that will lend you the money and at the very best rate. This is not always the best rate that is being advertised but it will always be the best rate from a bank that WILL get you into your new home!

3. THEY ACCEPT “THEIR BANKS” ANSWER

A casual worker walks into a bar and says, will you lend me some money? Sorry not a bar a bank haha.

The bank officer asks, how have you been working casually?

The casual worker says 3 months.

The bank officer tells him to come back in nine months and they will look at it.

The casual worker is now a bit deflated and so does walk into a bar lol!

Jokes aside, had this casual worker, walked into the right bank he could have (providing everything else stacked up) been able to apply for a loan then and there.

Never accept a decline if you've only visited one bank – NEVER.

4. THEY APPLY AT MULTIPLE BANKS

This is usually done with the best intentions at heart. They walk along the main street and drop in to a couple of banks along the way. Not understanding the nature of their credit file and how it works, they chat to a loan officer and decide to go for a pre-approval. It won't hurt they figure to apply at a few banks, just in case...

Now this all sounds innocent enough but every time someone looks at your credit file it gets a mark. Now one or two marks aren't going to make too big a difference but too many and you may end up failing credit scoring and your application is immediately rejected and can't be overturned.

5. THEY ASSUME THEY DON'T QUALIFY

So many people that end up reluctantly getting in touch when either their parents or friends insist that if they could do it than anyone can! These people are usually those that have either been through point 1 or 3 above or they simply have the belief that they don't earn enough to qualify.

You don't know what you don't know as the saying goes. So why not get in touch with the team at I Know The Broker and let them run the numbers. Let them help you if you're not there yet. The conversation is only going to go one of two ways. I'll either give you a nice surprise which is what happens 90% of the time or we will be able to give you feedback and a plan on what needs to be done to get ready. It may be some simple strategies to help you pay down your current debt and guiding you on where to focus or help with a savings plan and a goal. We find it's always a lot easier to save when you have a goal and you know that it's going to work once you reach that goal!

6. THEY DON'T GET CREDIT CHECKED FIRST

Let's be honest here, most of us have missed the odd bill here and there. Most of the time it's ok, you fixed it up in time. But there are other times that maybe you were overseas or moved and the bill ended up with a debt collector.

Forearmed and forewarned is always a better spot to be in when approaching a bank. It's in not always a deal breaker but it's always better to be forthcoming with the explanation rather than waiting for the bank to ask the questions.

If there is a more major mark on your credit file it just means that alternatives need to be sought. There are companies that can help with your credit file or you may need to go to an alternative lender. It all depends but there is almost always a solution.

7. THEY AREN'T AWARE OF INDUSTRY SPECIALS

Sometimes it pays to study! Many doctors and dentist are aware of the special deals available to them but there are many other professions that are also eligible for special deals that could save them in the tens of thousands and even more than that over the life of the loan.

If you are a doctor, dentist, vet, chiropractor, optometrist, physio, or you work in Accounting, Legal, Mining, Energy and Resources industries it's worth asking the question of if you might qualify. The savings will far outweigh a quick 5 minute phone call 😊.

8. THEY TAKE ON MORE THAN THEY CAN AFFORD

I know the 5 bedrooms, 4 bathroom, triple lock up with room for the caravan looks incredible, but with a little love and care the little one down the road with only two bedrooms and one bathroom can also look like a castle!

Your first home doesn't have to be your forever home or it might become your forever home further down the track with a beautiful renovation. We've all seen the block – it's easy! But in all seriousness, try not to get too caught up in the house, especially if it's your first home. The location, the size of the block, public transport and schools are all important too. In the end you will need to prioritise if you can't tick all the boxes. It might be a big house further from the city or a smaller house but in the neighbourhood you wanted.

Either way, it's important to not push yourself and live for the house. The house remember, is built to be lived in, not for!

9. THEY CHANGE JOBS

This is one of those things that if you can help it, try and stay in the same job for as long as you can. Banks are looking for someone that is stable, mature, dependable and responsible. Getting a loan is a bit like dating really, you'll need to show them your inner Capricorn not your crazy flippant, spontaneous no plans inner Aquarian 😊. You could try offering long walks on the beach too if you wanted!!!

Jokes aside, stability before and during a loan application are going to go a long way to helping you secure the lending you need. This is in both your job, your savings patterns and your address.

10. THEY DON'T NEGOTIATE ON RATE

Why pay the advertised rate. There are a lot of banks out there and competition has never been more fierce. If you're in a position and even if your not, you should always ask for a better rate, the first years fee waived or a set of steak knives.

We're all human and when we feel like we're getting a good deal on something it makes us feel good. So let the team at I Know The Broker negotiate for you and see what we can come up with. Some banks may surprise you 😊.

WHY CHOOSE I KNOW THE BROKER FOR ALL YOUR LENDING NEEDS?

Choosing a finance broker can be a difficult process with a wrong choice and poor advice costing you many times over. There are some key questions to ask any finance broker.

1. How knowledgeable are you about lending?

I Know The Brokers Answer: Head Broker Renee Garsia has a wealth of experience behind her. Having bought, renovated and sold 5 properties before she was 30, Renee has a deep understanding of all the intricacies of lending. Armed with her “hands-on” knowledge, Renee has also gone above and beyond in educating herself to make sure she can offer you the best very best strategies to accomplish your property goals and aspirations.

With a passion for everything real estate and wanting to provide the best possible service to her clients Renee has far exceeded the certificate 4 that is required to practice and attained an Advanced Diploma in Financial Planning a Diploma in Mortgages and Finance and her sales and agency licence in Real Estate. This allows you to rest easy that you’re getting the very best advice.

2. What qualifications do you have for providing advice?

I Know The Brokers Answer, Renee Garsia has the following qualifications and memberships:

- Advanced Diploma in Financial Planning
- Diploma in Finance and Mortgages
- Real Estate Agency Licence
- Real Estate Salesperson Licence
- MFAA Membership

3. How do you make applying for a loan easier for your clients?

I Know The Brokers Answer: One of the biggest issues we find is that clients get frustrated with all of the paperwork they need to provide and time spent on the application.

From bank statements (sometimes multiple) to credit cards, current mortgage statement and personal loans, detailed budgets and finding a time when everyone can meet or go to an office or bank, it can become far more stressful than necessary.

I Know The Broker uses every piece of technology available to cut down the time required by up to 90%.

1. DocuSign to sign all credit proposals and quotes
2. Software to collect all required bank statements within minutes
3. Software to create your budget based on your real data
4. Option of Skype or Zoom to enable meetings to happen at a time that suits everyone from the comfort of your home or office – even on the beach if that where you’d rather be!

I Know The Broker uses a structured process, customised for each client, that addresses each of the clients requirements and objectives in a manner that drastically reduces the time the client needs to spend collecting paperwork.

4. What kind of results have you achieved?

I Know The Broker's Answer, The following are just a brief summary of the results achieved with I Know The Broker:

“ annual saving of **\$12,000** in interest
Debt Consolidation to **avoid bankruptcy**
Streamline of over **13 debts** into one payment
Negotiated rate **1.3%** less than advertised rate
Loan approved in under **24 hours** saving clients losing deposit ”

Details of these results and can be found on the [Testimonials](#).

Or find out how I Know The Broker can help you with your lending requirements and achieve your goals by requesting a [Complimentary Home Loan Assessment](#) now. This evaluation will include the following:

- Increase Your Borrowing Capacity
- Reduce the interest you pay over the life of the loan
- Overcome the obstacles in applying for a loan
- How to holiday on your home loan!
- **Secure the home you dream of from all your hard work**

In addition, you will also receive:

- Free Personal Credit Checks for all applicants
- Free Suburb/property report
- Free personal budget, based on YOUR data, compiled for you!
- You will also receive a Free copy of our **How To Pay Your Loan Off Sooner and Save Thousands Manual** and **Top 10 Mistakes People Make When Applying For A Loan** as soon as you complete the form to give you an immediate start.

[I Know The Broker](#)

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