

# Helping home buyers choose the right loan

Mortgage consultants will offer independent advice free of fees

**LEE CHING WERN**

chingwern@newstoday.com.sg

HOMEBUYERS confused by the array of housing loan products available on the market can now seek the help of a mortgage consultant – the latest profession to emerge in the local financial industry.

An independent adviser who does not work for any of the banks, a mortgage consultant provides his or her clients with updated information on the different loans available and helps them to find the ones that best suit their needs.

Yesterday, the first batch of 150 accredited mortgage consultants received their professional certificates in a graduation ceremony organised jointly by the Mortgage Industry Association of Singapore (MIAS) and the training provider Global Creatif Financial (GCF).

Today, there are only two companies in Singapore that provide mortgage consultancy services – GCF and American International Assurance (AIA). These companies work with ten financial institutions in Singapore, including 6 local financial institutions and 4 foreign qualifying full banks, to market their home loan products.

"Most people don't have the time to go to ten banks to compare. We value-add to the clients because we are a one-stop shop with access to information from all the banks. Every week, our research department does com-



TODAY FILE PHOTO

**FROM CONFUSION TO CLARITY:** Mortgage consultants will compare different loan offerings from the various banks and help the homebuyer obtain the best deal.

petitive analyses of these products," said Ms Annie Lim, managing director of GCF.

The consultancy is free for the consumer, as the institution from which he or she chooses to take the loan will have to bear the cost of the service.

While mortgage consultancy has been around for a long time in other countries, it only came about in Singapore two years ago when the MIAS was set up.

"In other countries, 40 to 60 per cent of home loan transactions are made through mortgage consultants," said Ms Lim. She expects the number of consultants in Singapore to increase to between 300 and 400 by the end of this year.

Banks, too, see the benefits of working with mortgage consultancy services.

ABN Amro Bank, for instance, has outsourced its entire mortgage department to GCF, a move which helped reduce its fixed costs.