

# Mortgage Business Chilliwack

## Mortgage Industry And Who Makes it Work

### Mortgage Broker

In every mortgage contract, there is the lender and the borrower. Mortgage deals and transactions could only be successfully completed when both parties have agreed to the deal. The mortgage broker has the demanding task to make certain that all of the necessary steps are correctly carried out by both parties. Mortgage brokers work for both the lender and the borrower.

If a transaction of property includes the help of a mortgage broker, then there are three parties who would make up the transaction. The lender will give a loan that improves their portfolio, whereas the borrower is given the loan to be able to buy the house and the broker who works on behalf of both parties for a small commission. An analysis of a mortgage brokers' skills in a standard lending deal should clarify the positions of both borrowers and lenders while illustrating the scope of services which the broker carries out.

Mortgage brokering comprises many steps like for example acquiring, helping in obtaining or trying to get a mortgage loan for a borrower from a mortgage lender. This takes place in return for consideration or in anticipation of consideration.

### Other Mortgage Originators

There are various roads to explore when pursuing a mortgage. For example, financial institutions have mortgage reps who have the main focus to develop alternatives and leads from their contacts in the community. Some of these representatives are commissioned or bonus based.

Construction sites and previous clients may be just some of the numerous sources from which the people in the mortgage industry come from. Sometimes, financial institution branches may refer business to their mortgage representatives when clients are not capable of visiting the branch. These representatives would often visit clients at their house or at their place of employment when this option is more convenient.

### Lender

The lender is a person, or institution or group of people who make mortgage funds available to borrowers. These lenders can be credit unions, life insurance companies, financial institutions like mortgage or loan companies, trust companies, chartered banks, MICs or likewise known as mortgage investment companies, governments or private individuals.

### Realtor

A realtor is an individual who is defined as being duly licensed by provincial statute. They, on behalf of another, for in expectation of a reward, a fee or a gain, directly or indirectly, from whoever person, in any manner, attempts or offers to acquire or dispose of real estate. The realtor is duly licensed to solicit homes for sale, is willing to work with prospective buyers, market properties for sale and has proper disclosure.

The real estate industry itself is governed by provincial laws. The majority of realtors are members of a provincial real estate association, along with the national association, the CREA or Canadian Real Estate Association and also members of a local real estate board. They strictly adhere to the code of ethics and corresponding guidelines set forth by each association.

### Property/Mechanical Inspector

The mechanical inspector, property inspector or home inspector are qualified to evaluate a house and property. They provide detailed written reports on things such as the interior structure, exterior structure, electrical work, plumbing, structural and roof stability, insulation and heating and cooling system amongst other factors.

### Appraiser

A real estate appraiser determines the market value of the home. This evaluation is based on its condition and the selling price of comparable homes that have been recently sold within the area. The estimate of market value determined by the appraiser helps the lender determine a reasonable loan amount for the mortgage.

### Lawyer

Lawyers are very important parts of whatever contract of real estate. They have the responsibility to carry out duties like the following: Assist with and reviewing the Contract of Purchase of sale; Preparation and review of mortgage; Make certain that all closing documents have been properly completed, including the title insurance and the title search; Collect the transaction fees and disburse the funds to the appropriate parties; Explain all closing documents to the clients, record all documents with the appropriate local governments and get signatures. Lastly, the lawyers must prepare and present a final Statement of Adjustments.

### Mortgage Insurer

In Canada, high-ratio, institutional mortgages, that are considered those representing over 80% of the property value must be insured against default. As part of the borrowing process, the borrower would obtain and pay for the insurance that protects the lender against non-payment.