

YOUR HOME, YOUR MORTGAGE

- Allistar Walker

From the moment you turn the key in the lock and take those first steps through your new front door, the security of owning your own home is second to none. But the path to home ownership can be stressful and if not fully prepared it can prove to be a time of great confusion, indecision and hard work – especially when it comes to finance.

Recent months have seen a number of first home buyers come into the market, lower prices and lower interest rates being the attractant. The banks are now sitting a lot tighter on existing interest rates, being sluggish or reluctant to move any down in response to the Reserve Banks move, dropping the Official Cash Rate by 0.5%.

We may be at the point where interest rates for mortgages are not going to go any lower. In fact the longer term rates of 3 to 5 years could actually rise a little. What should a buyer do? This and many other questions when purchasing a home or renewing an interest rate term are what confront both the first-time buyer and experienced home owner.

Assess Your Needs

A NZMBA (NZ Mortgage Brokers Association) mortgage broker will take the time to understand your needs, discuss your financial circumstances and identify your loan requirements. As a first step, they will discuss your property goals, factoring in your loan requirements in light of your lifestyle, job, family and other aspects.

Once you have a clear understanding of your financial situation and goals, your broker (advisor) will be able to advise you on your home loan options.

Compare Loans

As part of their service, your NZMBA mortgage broker will recommend one or more home loans that fit your borrowing needs. They will be able to search through their database, which includes multiple lenders – to zoom in our specific loan products that meet your requirements. This service is also ongoing – you have your broker's advice for many years.

Expert advice is so important in these fragile times. It will save you much time and stress. When I commenced mortgage broking about 15 years ago, I wasn't even convinced of a brokers 'value proposition'. Now after 15 years in the field, the 'value proposition' to our clients is very clear. We now have available our own comprehensive guides 'Your Home, Your Mortgage' for prospective clients to help them make the best decisions in this process.

A good broker will become a respected part of your arsenal to get you where you want to go. The beauty if it doesn't need to cost you anything and they can often get a better deal from the bank than you can get.

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