

# Mortgage Business Langley

## The Mortgage Industry Participants

### Mortgage Broker

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

If a contract of property includes the help of a mortgage broker, then there are three parties who will make up the transaction. The lender will provide a loan that improves their portfolio, while the borrower receives the loan to purchase 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 transaction should clarify the positions of both borrowers and lenders while illustrating the range of services that the broker performs.

Mortgage brokering consists of numerous steps like obtaining, assisting in acquiring or trying to obtain a mortgage loan for a borrower from a mortgage lender. This happens in return for consideration or in anticipation of consideration.

### Other Mortgage Originators

When pursuing a mortgage, there are various avenues to explore. Like for instance, financial institutions have mortgage representatives who have the main focus to develop options and leads from their contacts within the community. A portion of these representatives are commissioned or bonus based.

The individuals who represent mortgage company could come from many sources like previous clients and construction sites. At times, financial institution branches can refer business to their mortgage representatives when clients could not visit the branch. These representatives will often visit clients at their house or at their place of employment if this option is more convenient.

### Lender

Lenders or lending institutions are those who make funds available to borrowers. These lenders can be life insurance companies, credit unions, financial institutions like for instance trust companies, loan or mortgage companies, MICs or mortgage investment companies, chartered banks, private individuals, or governments.

### 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, indirectly or directly, from any person, in any manner, offers or attempts to acquire or dispose of real estate. The realtor is willing to work with potential buyers, is duly licensed to solicit homes for sale, has proper disclosure and market properties for sale.

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 also known as Canadian Real Estate Association and also members of a local real estate board. They strictly follow the code of ethics and corresponding guidelines set forth by each and every association.

### Property/Mechanical Inspector

A Mechanical or Property Inspector is a qualified home inspector who will evaluate the property and provide a written report on the the interior structure, exterior structure, electrical work, plumbing, structural and roof stability, insulation and cooling and heating system among other things.

### Appraiser

A real estate appraiser determines the market value of the house. This assessment is based on its condition and the selling price of comparable homes which have been recently sold in the area. The estimation of market value determined by the appraiser helps the lender determine a reasonable loan amount for the mortgage.

### Lawyer

The lawyer is a very important part of any real estate contract. Lawyers are responsible for the following: Review and preparation of mortgage documents; Reviewing and assist with the Contract of Purchase and Sale; Ensure that all closing documents have been correctly accomplished, including the title search and the title insurance; Explain all closing documents to the customers, record all documents with the appropriate local governments and get signatures; Collect the transaction fees and disburse the funds to the appropriate parties. Finally, the lawyers should prepare and present a final Statement of Adjustments.

### Mortgage Insurer

High ratio, institutional mortgages in Canada are those mortgages that represent over 80 percent of the property value will have to get insurance against a non-payment. As part of the borrowing method, the borrower will acquire and pay for the insurance that protects the lender against default.