

Products recommended by us must be in your best interests and the reasons for product selection should be recorded and explained to you.

While costs (interest rates, fees and charges) are often a major determining factor when deciding on a home loan, the cheapest may not always be the best outcome for the borrower.

ASIC's BID guidelines state that some consumer circumstances will mean that the benefits provided by certain features may outweigh the importance of cost.

While some people may value access to an offset account, others may prioritise faster approval time. Mortgage brokers are expected to exercise judgement in considering the relevance of these factors with reference to the consumer's individual circumstances.

Regardless of legislation, how could a bank or other lender always 'act in your best interest', if they can only offer you a limited number of products?

The ANSWER is... **They can't!**

***A lender may offer you products, but a mortgage broker MUST act in your best interest.***

We have always sought finance options for our clients that best suit their own individual circumstances and work in their best interests, so don't expect anything to change from us. We will keep focussing on doing the right thing by our clients.

Not only are market conditions and interest rates tempting our clients to buy, but there is now the added confidence that, amongst the other benefits of using a mortgage broker, we are legally obliged to offer finance options that are in your best interests.

To find out how you could secure a better mortgage deal that MUST be in your best interest - read our guide here.

#### Sources

1. ANZ-Roy Morgan Consumer Confidence virtually unchanged a108.9 to start 2021, but 2.7pts higher than a year ago - Roy Morgan Research
2. Real Estate Auction Results for Saturday 6th February 2021 (domain.com.au)
3. Acting in the client's best interests | ASIC - Australian Securities and Investments Commission
4. Regulatory Guide 273 RG 273: Mortgage brokers: Best interest duty (asic.gov.au)

**Contact us** on how the 'Best Interests Duty' can help you find the best home loan.

