

ASIC's review of mortgage broker remuneration



THE SCOPE

WE GATHERED 4 YEARS WORTH OF DATA FROM



19x

LENDERS



14x

AGGREGATORS
(6X LARGE, 4X MEDIUM, 4X SMALL)



44x

BROKER BUSINESSES
(COVERING 198 INDIVIDUAL BROKERS)



4x

COMPARISON WEBSITES



3x

REFERRER AGGREGATORS

THE LENDERS INCLUDED



4X MAJOR BANKS
(+3X OF THEIR SUB-DIVISIONS)



2X FOREIGN BANKS
5X OTHER BANKS



3X CREDIT UNIONS & MUTUAL BANKS



2X NON-BANK LENDERS

WE COLLECTED AND ANALYSED

157

data points
about each home loan

X

1.4

million home loans
totalling over 200m data points

THE DETAILS

The 157 data points included analysis of

Borrower characteristics

Loan channel

Loan features

Application process

Property information

Loan pricing

Loan performance

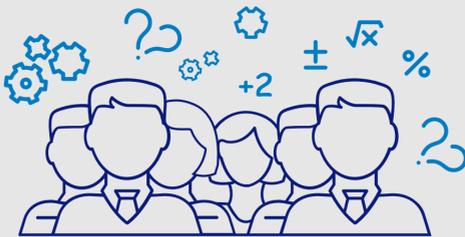
Commission payments

We analysed this home loan data to understand the consumer outcomes arising from the performance of loans originated through lenders and brokers

WE SURVEYED

3,000 consumers to better understand

perceptions and experiences with brokers



WE ANALYSED

\$550 billion in new loans sold in 2012 to 2015

we wanted to see where brokers sent loans and how much they got paid

THE OUTPUT

The review led to our comprehensive report. Now available online.



THE REPORT

The report sets out:

- How brokers, lenders' staff and others are paid for selling home loans.
- The other incentives provided.
- How loans through brokers compare to loans taken out directly from a lender.
- How lenders, aggregators and broker businesses monitor what brokers do.