



chocolate money

the sweetest loans

A PHONE CALL WHICH MAY SAVE YOU THOUSANDS!

Chocolate Money's clients have been able to renegotiate their mortgage interest rates by allowing their Chocolate Credit Advisor to do this on their behalf.

This is how it works:

1. When your broker organised your mortgage, it would have been very competitive at the time.
2. Since then, banks have been steadily raising mortgage interest rates – things have changed recently with the Reserve Bank dropping the cash rate.
3. Banks have also started to loosen their lending parameters, meaning they are able to become more competitive, lend high amounts and offer discounts and rate reductions.
4. Therefore, by providing your broker some updated details on the state of your mortgage, your broker can engage your EXISTING bank to request they lower your interest rate.

The reason to do it via your broker and not directly with the bank:

1. The bank knows it's in the broker's interest to move you to a different bank which is more competitive as it benefits the borrower as well as the broker because the broker will get paid a commission. For this reason, the bank will take notice and know that losing your mortgage is a probable outcome if they don't negotiate.
2. The bank also knows that the broker knows the details of your loan and already has contingency banks and loans in place in case the bank does not 'come to the party'.
3. The banks bet on peoples' complacency therefore they know that if they refuse the discount to the consumer, it's unlikely the person will go through the rigmarole of finding another lender and all the mucking around which is required. A broker though excels at making this process as easy as possible for the consumer – which is why the broker's call will be taken more seriously.

What if you obtained your loan directly from a bank:

1. It's unlikely your bank manager will approve the discount as they already have your business
2. Go to a reputable broker (like Chocolate Money) who will attempt to obtain a discount from your existing bank before approaching another.

Please note that this environment is not always available as banks go through cycles of acquisition and retention. If you would like more information, call Chocolate Money on **1300 137 539**.

Please note: This information is general in nature and not to be considered specific advice of any kind as your situation has not been taken into consideration.

