



Mortgage broking

Before you all skip ahead to the next chapter without daring to enter into the exciting world of mortgage broking picture this: Victorian federation home, five spacious bedrooms, mahogany panelling, sprawling yard that goes on for miles. Or maybe a swinging bachelor pad in the heart of the CBD is more your thing.

Mortgage brokers are the people who make owning a property happen. They research lenders to find the best rate for paying off that prestige purchase, acting as the go-between between the buyer and the bank. They determine clients' borrowing needs and ability, select a loan suited to their circumstances and manage the process through to settlement.

And with the housing and property market not likely to stop growing anytime soon, 'broke' is something you won't be as a mortgage broker. It can be very profitable and provide flexibility too – you can chose to work in an office or work from that Victorian federation home that you brokered for yourself.

CV hospitality

management >> owner,

importing business >>

owner, marketing company

>> office manager,

roofing company >>

junior finance consultant >>

mortgage broker

Jennifer Schelbert – Mortgage Broker



Jennifer runs a mortgage broking company, Mrs. Mortgage Pty Ltd, from her home in Melbourne. Her business finds and negotiates the best available bank loans for people.

Today Mrs. Mortgage is a growing firm that has more than one ‘Mrs. Mortgage’ working for it. As the company continues to grow, it still holds true to its core values of high ethics, while working for

the client in the best possible manner.

q&a

What work do you do on a typical day?

My job varies from day to day but the main priorities each day are checking and tracking pending settlements and monitoring the progress of new loans that have been submitted. Later in the day I’ll have appointments with clients as well as work on new submissions and current client servicing. In the afternoon I find time to take my dog for a walk to the beach – one of the benefits of working from a home office. My work day usually ends in early evening.

Who are your typical clients?

My client base is equally divided between first-home owners, investors and refinancers. They are from all walks of life – it’s a nice mix of professionals as well as blue-collar workers. For example, I have one of Australia’s largest wheat farmers who turned his attention from wheat to developing a property investment portfolio.

I particularly enjoy working with first-home owners. It’s an absolute pleasure to be able to help and assist them own their first home which is, after all, the ‘great Australian dream’.

How do you find clients?

My Yellow Pages advertisement has been very successful and I rely heavily on word of mouth to attract new clients. I take opportunities to write editorials in the local paper in order to establish my market position and a small number of clients come from my contacts in the industry such as real estate agents, conveyancers and accountants.

What qualifications do you have?

I have a Certificate III in Mortgage Broking from TAFE, a Certificate IV in Mortgage Broking from Financial Services Institute of Australasia (FINSIA), a Diploma of Financial Services (Finance/Mortgage Broking Management) from TAFE and am currently studying for a Diploma in Lending from FINSIA Melbourne.

It's important to realise that anyone can change their career path at whatever age. I am 58 and have completed my studies in mortgage broking over the past three years and am still on the study path having just begun a Diploma in Lending. I was brought up to believe that you can't teach an old dog new tricks. I defy that saying and say to the non-believers, 'Woof Woof'.

How did you start working from home?

I was working for a traditional office mortgage broker and when he sold his business I decided that the time was ripe for me to work for myself. I didn't have time to find funding for offices or anything like that so I started to operate my business from home. I decided that my core business would be working families from the suburbs, so it made sense to operate from an unimposing office where I could work at any hour of the day, seven days a week, without difficulty.

How did you initially fund your business?

I had some funds saved, along with a small amount of equity in a property, which I was able to invest into the business. One of the most important points of starting out in a home office is that the significantly lower overheads allow one to put the funds into more productive items. My initial funds were spent on office essentials, such as a computer and copier, rather than expensive rents and promotional activities.

When you first started, what surprised you most about working from home?

I was at a point in my life where I thought it would be nice to work solo and only have to consider myself and my own decisions, however, I discovered that isolation can be tough.

What do you love most about working from home?

I love not being answerable to anyone and not having to be concerned about shutting up a shop front.

My husband is a five-and-a-half star chef and has unusual hours, so when he is at home during the day I am able to spend some time with him. Sometimes he even assists with my business – he is a director of Mrs. Mortgage.

Working from home also means that I can spend an hour taking my dog for a walk on the beach every day and I enjoy having the time to give something back to my spotty mate who has always been a good and loyal mate to our family.

What do you find most difficult?

Loneliness can make me very introverted as I work by myself most of the time. The majority of my work is done by phone or email, and I often miss contact with other people. I have overcome this by catching up with friends on a routine basis so we can talk about business or any other matters. I also make sure that I leave the house at least once a day with my dog, so that I can have a change of scenery and look at something other than the computer screen.



Jennifer speaking in front of a crowd

How do you keep up to date with changes in the financial world?

Mrs. Mortgage is a licensee of Choice Aggregation Services, one of the largest mortgage aggregators in Australia. Through my licence I am able to tap into state-of-the-art mortgage management tools and a team of top-line mortgage experts. Mrs. Mortgage is also a full member of the Mortgage Finance Association of Australia. MFAA members must adhere to the Industry Code of Practice and the MFAA requires all its members to have completed Certificate IV in Mortgage Broking as a minimum, and also be a member of **COSL**.

I also have three very close friends who are personal and business development coaches and when I'm in doubt or need some guidance, any one of them will take my call at any given time and give me a helping hand.

glossary

COSL means:

– Credit Ombudsman Service Limited. This organisation has established an external dispute resolution scheme which provides consumers and members with an alternative to legal proceedings for resolving their disputes.

What do you think is one of the biggest myths about working from home?

The biggest myth is that working from home isn't as professional as working from an office, but this is not the case. I make initial contact with most of my clients by phone and when I speak to them for the first time they're not usually aware that I work from home. If they need to come and see me in person, I find that they're often more relaxed in my home. Having done the same job working for someone else from an expensive office, I am certain that it is easier working with a client from home.

How would you describe your work–life balance?

The nature of my work means that I work long hours. This is not unusual for someone who owns their own business. However, I am able to spend normal working hours on family and other matters, and get the work done later. As clients have their own work commitments during the day they often need to have appointments at night, so again this gives me some flexibility.

Do you ever find yourself procrastinating?

If this happens I pick up the phone and call one of my friends, either for advice on a matter or for a chat, as this helps to keep me focused. I can also pull out my business plan if I am unsure of the direction I am going, and this reminder enables me to get things back on track.

How have you dealt with difficult situations in your home business?

There was one time when an institution that I used was not providing the level of service that I expected. I had three separate loans being processed at the same time by an institution and they all returned declined. On the insistence of one of the clients I resubmitted their loan at a different bank, where it was approved immediately. I hastily called the other two clients, however they had already gone to another broker. Thus, I lost two clients from what I later discovered was a bad credit judgment from the institution.

What would you do differently next time?

I have learnt from this experience to double-check everything that the institutions and I do. We are human and make mistakes. I have also learnt that a 'no' can sometimes be handled and if I give up when I think I am right, I am not doing the right thing by the client or myself.

How do you organise your office space at home?

I have converted two small bedrooms into offices and I keep all my business within this space. The only time I take work on to the dining room table is if a client comes to visit me.

All of my files are under lock and key and I have a separate hard drive to back up all my data just in case. I have seen small business owners lose all their sensitive information because they have failed to ensure the business data is protected.

What methods do you use to organise your time?

On Sunday evenings I plan the week in advance and organise my activities into time blocks. My diary keeps me focused and moving forward and stops me from getting distracted. In the front of my diary I always have an updated copy of my business plan, for times that I need to re-focus on why I am a mortgage broker and the reason I am in business.



How do you manage the complexities of operating a business online?

As I am not an IT guru, I set up my business online with a provider that offered assistance seven days per week and after hours. Whilst they charge double the hourly rate of others, their IT people arrive and get the job done in no time, at the end of the day this is a cheaper option.

How did you set up your website?

I am onto the second version of my website. Both versions were set up by professional web designers but I had major input into colours and layout. My first website was based on the knowledge I had at that point in time, but as my own knowledge and education has evolved I have made some radical changes such as calculators and links to mortgage-related websites. This ensures that current and/or potential clients can empower themselves by gaining their own knowledge.

How do you deal with having an irregular income?

My business is set up so that overheads can be cut right back and I can operate on a shoestring. Also having a husband who works a separate job means that household bills will always be paid and

on time. To be honest, in recent times this has not come up for this business, although it was a factor in the beginning.

Do you have any tips on how to best manage accounting, income and tax?

Get a good accountant and be prepared to pay them correctly. I have a bookkeeper who comes in on a regular basis to keep the books up to date and those couple of hours a week are crucial to keep me abreast of where the finances are up to.

I have worked out a budget, I know what my business costs to operate and I know what brings business in the door, hence each month I set aside a percentage of my gross income and put it into a reserves account. This way when it comes time to repeat my Yellow Pages ad, for instance, I have the funds to do it.

detour

Like the idea of managing other people's money? Find out how in Career FAQs *Banking*.
www.careerfaqs.com.au

Homework Hints

Pay all your tax on time by setting the needed funds aside, so that when the tax bill comes in you have the funds to pay it – never spend more than you make.

What advice would you give to someone who is about to start their own business at home?

Plan it out carefully, work out a budget, get a very good accountant, take a deep breath and soar at being your own boss and achieving results for yourself and your own clients.

Having a good business plan is vital – I do not think I would be where I am today without one. I have run businesses before, very successfully, but without a clear plan I can see that these businesses were not built to last.

Where do you see yourself in the future?

I intend to establish my business in Melbourne, and within a couple of years, I plan to open a similar office in Sydney. Once this is established, I will continue the pattern in Queensland.

in brief

Mortgage Broker
\$\$\$ 70–80K
 quals Dip in Financial Services, Cert III in Mortgage Broking, Cert IV in Mortgage Broking, Dip in Lending (current)
 hrs/wk 45+
 work-life fair