

New research spotlights mortgage brokers impact in simplifying Lenders Mortgage Insurance for home seekers

Insights from a new research survey confirm that mortgage brokers are critical to building aspiring home buyers' understanding of how Lenders Mortgage Insurance (LMI) can facilitate their home ownership pathway.

The research, conducted in partnership between Helia and the Mortgage & Finance Association of Australia (MFAA), sought to understand mortgage broker perceptions of LMI, how mortgage brokers talk about LMI with their clients and how much home buyers currently know about LMI.

LMI is one option for home buyers to meet the requirements for a home loan, where they have less than a 20 per cent deposit. More than 250 mortgage brokers responded to the survey and half said they would like clients to have a basic understanding of LMI before they first approach a mortgage broker.

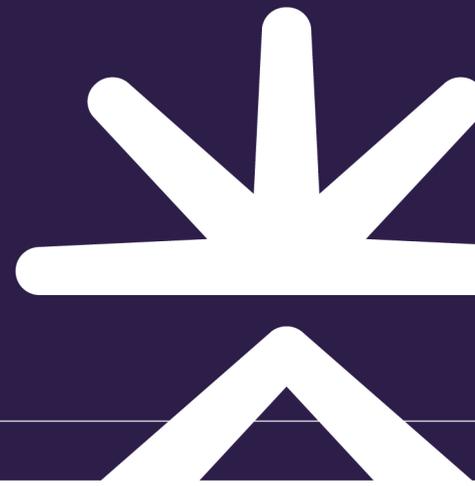
Mortgage brokers play a vital role in demystifying Lenders Mortgage Insurance

“The research highlights the critical role of mortgage brokers in building home buyers' understanding of the options and pathways available to them, including LMI. As trusted advisors, mortgage brokers can help bridge the knowledge gap by providing a clear explanation of LMI and how it can benefit home buyers to get into their home sooner,” said Greg McAweeney, Chief Commercial Officer at Helia.

When asked what the biggest challenge for their clients is when it comes to navigating LMI, mortgage brokers said it is understanding the cost versus benefits of LMI.

The research also found that, even though LMI can help people get into homes sooner, it is not a pathway routinely recommended by mortgage brokers, with 74% of survey respondents saying less than 20% of their total business volume involved LMI.

Speaking on the research, MFAA CEO Anja Pannek said “it reinforces the crucial role mortgage brokers play in bringing choice and competition to the market through identifying products that meet their needs and circumstances, including LMI”.



“This research highlights how important mortgage brokers are ensuring prospective home buyers are aware of all their options, including when LMI can be the right choice. Mortgage brokers are a trusted source of information for home buyers and are in a position to explain how LMI works as they do all options for buying a home,” said Ms Pannek.

“We know that mortgage and finance brokers increase both competition and choice for home buyers through identifying products that meet their specific needs. The research highlights that LMI could be part of this choice Australians have when it comes to securing a home loan, and it’s something they should know about” said Ms Pannek.

These findings, and other insights from the research, will be valuable in informing the production of resources for both mortgage brokers and their clients about LMI so they can make an informed decision about their home buying options. The report includes case studies and a seven-point small deposit health check, provided by Helia.

The insights from the report will be highlighted at the upcoming Looking Ahead 2024 event on 14 February. For more information [click here](#).

About the report

The report was commissioned by Helia and MFAA in partnership with CoreData. The research was conducted late 2023. The findings and whitepaper are based on a survey of 256 practising mortgage brokers spread across Australia.

[Download the Mortgage Broker Research Report – Navigating LMI](#)

For more information contact:

Media
Dimi Bartolillo, Head of Marketing and Brand
M: 0411 151 743

About Helia

Helia Group Limited (Helia) is the leading provider of Lenders Mortgage Insurance (LMI) in Australia. The Helia Group has been part of the Australian residential mortgage lending market for over 55 years (since the Housing Loans Insurance Corporation was founded by the Australian Government in 1965 to provide LMI in Australia).