



press clip

Banks competing online for mortgages

Nick Gardner

INTEREST rates may be plummeting but there's always a way to get an even better deal from a mortgage lender — especially as home sales have been falling off a cliff.

A new website is providing genuine competition in the mortgage market by getting the banks to compete in an online auction for your business.

Bidmyloan invites borrowers to enter basic details about their income, property value and loan size, and then have up to 20 banks bid for their business.

Declan Murphy, the site's founder, said almost everybody saves money because banks are able to offer individually tailored rates plus they don't have to pay huge commissions to brokers.

"It's working brilliantly so far," Mr Murphy said. "We have an average of 15-20 bids per applicant and more people are coming onto the site by the day."

Westpac, St George and Citibank are just three of the 19 lenders currently using the system.

"Most banks love to get low ratio loans on their books because they are

such low risk, but we have specialist lodoc and non-conforming lenders too."

Andy Pilkington, an advertising director from Bondi, is about to sign up on a mortgage through bidmyloan that will save him \$3000 a year.

"I was on a pretty good deal already and I really didn't expect the site to come up with anything better," he said.

"Weirdly, the best offer came from my existing lender, Westpac, which had refused to give me a cheaper deal when I spoke to them a few months ago."



Finding a better deal: Andy Pilkington's new home loan negotiated online will save him \$3000 a year