

# growth challenge in spite of

## INTRODUCTION

**COMPILING THIS** year's Top 25 Brokerages report has brought home just how much the market improved last year while sending a chilling reminder of how bleak a year 2008 really was.

The global financial crisis hit everyone hard in 2008. Activity dipped across all sectors as sky high interest rates, stagnating property markets and a crippling lack of liquidity stifled volumes for most brokers.

But by December 2008 the foundations of a market recovery had been set when the RBA sheared the cash rate down to 4.25 per cent – eventually hitting a 50 year low of 3 per cent in April 2009.

Lowering the cash rate in conjunction with

boosting first home buyer incentives served to reignite the housing market. Recovery then spread from first time buyers through to investors and other market segments as buyers capitalised on comparatively cheap mortgages.

Make no mistake: last year was not without its challenges. While there was a significant upswing in activity, the spectre of the global recession still loomed over Australia as our economy dipped dangerously close to negative growth.

There were fears that unemployment would hit 8.5 per cent last year as levels approached 6 per cent however forecasts turned out to be wildly pessimistic.

It is therefore interesting to analyse the performance of Australia's biggest brokerages to see what common trends have emerged and where the leading groups are focusing their efforts.

Understanding how market leaders earn their crust is valuable to any industry and mortgage broking is no different.

The willingness of the leading businesses to share valuable information as to how they generate revenue is invaluable in helping to map the changing face of our industry. It also helps to reveal the true impact of diversification.

On this note I'd like to thank all the brokerages that took the time and effort to participate in this year's ranking and I look forward to working with you in the future.

**Jim Hall**  
Publisher  
*The Adviser*

## PARTNER'S MESSAGE

### new order emerges

**MANY WOULD** agree that the past year has been one of the most interesting for the Australian property industry: we witnessed a strong market recovery on the back of an extremely volatile and challenging early 2009.

We enter the new financial year cautiously optimistic, with arguably the world's most stable financial system, a resilient property market

and a growing economy. There is still an element of caution though as the world economy is still fragile and our domestic growth presents its own challenges.

Given the fact that 70 per cent of Australians' wealth is in property, the role that mortgage brokers play in this market is critical. Considering the findings of *The Adviser's* 2010 Top 25 Brokerages ranking, the top performers continue to strengthen their client relationships, maintain pace with constant industry evolution, and the most successful ones have capitalised on the opportunities that this new order presents.

Continued recognition of Australia's top brokerages is important for our industry and RP Data is proud to partner *The Adviser's* ranking.

The 2010 results show that although the strong brands have performed well, the smaller groups also continue to shine. This gives the industry confidence that good quality brokers can succeed in the market should they maintain strong customer service and use the best tools that the industry provides.

RP Data welcomes the opportunity to work with the mortgage industry to lift profitability of all brokers (regardless of size) through the development of services

that improve customer growth, operational efficiency and compliance.

We also welcome the increased market confidence that new industry regulation brings. Although it has its own set of challenges it also offers great rewards that embrace the spirit of change.

We look forward to the continued high performance from brokers to raise the bar.

Congratulations to this year's Top 25 Brokerages.

**Graham Mirabito**  
CEO  
RP Data

**TOP 25  
BROKERAGES**



# TOP 25 BROKERAGES

RANK	BROKERAGE	BUSINESS STRUCTURE (YEAR END 2009)	YEARS IN BUSINESS	BROKER COUNT	STAFF COUNT	2009 VOLUMES (\$)	LOAN BOOK (\$) (YEAR END 2009)	ONLINE LODGEMENT (%) NUMBER ONE LENDER	BROKER PRODUCTIVITY (\$) VOLUME PER BROKER
1	MORTGAGE CHOICE	Franchise	18	562	96	9,410,600,000	37,920,000,000	98	16,744,840
2	Aussie	Both	18	796	170	10,143,000,000	35,752,000,000	95	12,742,462
3	Loan Market Home Finance Brokers	Non-Franchise	16	420	51	5,750,000,000	15,000,000,000	96	13,690,476
4	Smartline	Franchise	11	200	32	2,812,000,000	10,290,000,000	98	14,060,000
5	The Mortgage Gallery	Franchise	19	95	7	1,479,000,000	4,900,000,000	95	15,568,421
6	LJ Hooker Financial Services	Franchise	6	120	6	1,570,000,000	3,700,000,000	78	13,083,333
7	Club Financial Services	Franchise	9	43	18	705,420,000	2,528,310,000	87	16,405,116
8	Resolve Financial Solutions	Non-Franchise	13	28	17	702,356,081	1,358,000,000	N/A	25,084,146
9	Australian Mortgage Brokers	Franchise	10	62	6	722,491,579	2,531,400,000	98	11,653,090
10	Tiffen & Co and The Mortgage Detective	Non-Franchise	15	8	7	269,842,554	1,063,615,259	100	33,730,319
11	The Loan Arranger	Non-Franchise	14	14	3	319,116,574	1,029,576,007	100	22,794,041
12	Money Advisers	Non-Franchise	12	30	3	457,950,000	1,163,000,000	98	15,265,000
13	Home Loan Connexion	Non-Franchise	10	55	4	469,254,591	1,530,977,254	90	8,531,902
14	Investloan	Non-Franchise	10	6	12	280,000,000	650,000,000	99	46,666,667
15	House + Home Loans	Non-Franchise	9	8	6	177,000,000	900,000,000	99	22,125,000
16	Smartmove	Non-Franchise	6	5	9	166,074,922	629,494,495	98	33,214,984
17	Auspak	Non-Franchise	13	20	4	514,000,000	343,000,000	95	25,700,000
18	Oxygen Home Loans	Non-Franchise	6	18	2	213,000,000	985,000,000	100	11,833,333
19	Zobel Finance	Franchise	4	16	3	200,479,905	578,467,118	100	12,529,994
20	Acceptance Finance	Non-Franchise	8	22	9	293,000,000	904,000,000	N/A	13,318,182
21	Property Planning Australia	Non-Franchise	8	6	5	180,812,757	558,000,000	100	30,135,460
22	Custom Finance Group	Non-Franchise	13	10	1	196,000,000	731,000,000	100	19,600,000
23	Able Finance Services	Non-Franchise	11	7	3	166,145,572	516,372,725	100	23,735,082
24	Australian Property Finance	Non-Franchise	12	5	8	146,099,000	500,000,000	95	29,219,800
25	Mortgage Success	Non-Franchise	6	5	5	114,380,000	436,000,000	98	22,876,000