

Types of Brokers and their respective roles

Brokers are agents or professionals who mediate between a borrower and a lender. These agents collect all the necessary information about the borrower or lender, depending on who is their client, including medical history, employment of the person with whom his client is likely to deal, to ensure a smooth and risk-free transaction. Brokers also provide their clients' necessary credit and financial information to the lenders, saving their clients loads of work. There are different types of brokers, whom you can approach depending on the kind of work you are planning to get done from them.

Mortgage broker: A mortgage broker guides its clients through the entire process of choosing an appropriate mortgage package with attractive package offers. They are apt at finding their client the most suitable mortgage package that suits their necessities well and help them in obtaining and filling up their mortgage form. In the US, mortgage brokers affect more than 80% of the total home loans issued. Even banks prefer to go through brokers and often outsource the work of identifying and qualifying borrowers.

Real estate broker: A real estate broker is in the business of finding buyers for those who want to sell their real estate properties. They are in this business to help their clients sell their properties at the highest possible process. If they have a buyer as their client, then they help him to buy a suitable property at the most reasonable price. Once the transaction is through, the brokers get a certain percentage of the transaction value as their commission. In the US, such a commission is generally 6% in case of real estate property mortgage and is usually paid by the seller. The commission amount is split equally between the selling and the listing agent.

Forex broker: Forex brokers are either individuals or firms who assist both individuals and firms to trade effectively in the foreign exchange marketplace. These brokers earn through pip or "spread". Spread refers to the minimum price hike in currency. For example, in Euro/US Dollar, a shift to 0.9008 from 0.9007 is calculated as a spread, whereas in US Dollar/Japanese Yen, shift to 127.41 from 127.40 is a spread.

Stockbroker: Stockbrokers are individuals or companies engaged in buying and selling stocks on behalf of either a person or a company and try to match up the buyers with sellers. Investors pay stockbrokers to seek advice from them regarding investment decisions and finance management. These brokers also give knowledgeable guidance to their high- net worth individual clients for managing their finances well and investing in portfolios for considerable wealth creation.

Insurance broker: Like other brokers, an insurance broker is also in such for buyers, but for insurance of multiple things including life, car, accident, calamity etc. Such a broker assists its customers in choosing the best insurance program suiting their needs.

If you are an investor on look out for the best investment avenues, then a broker is the best person you can approach for suitable investment guidance.

About the Author

William King is the director of [Wholesale Canada Wholesalers and Canadian Dropshippers Dropshipping Directory](#), [Wholesale UK trade Suppliers & Wholesalers Dropshipping Directory](#), [Dubai Property & UAE Property & Dubai Real Estate Portal](#) and [Pakistan Property & Pakistan Real Estate Portal](#). He has 18 years of experience in the marketing and trading industries and has been helping retailers and startups with their product sourcing, promotion, marketing and supply chain requirements.

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