

DEBBIE COOLEY MORTGAGE · NMLS# 210817

5 Questions to Ask Any Mortgage Broker

Before you trust anyone with a \$400,000 decision — these are the five questions that separate independent brokers from sales reps, and good loan officers from order-takers.

By Debbie Cooley · Licensed Florida Mortgage Loan Originator since 1984

Why these five questions matter

A mortgage is the largest financial decision most people will ever make. The wrong loan can cost tens of thousands of dollars over the life of the loan — and the wrong broker can put you into the wrong loan because of how they're paid, not because it's right for you.

Yet most homebuyers spend more time researching a \$30,000 car than the \$400,000 mortgage they're about to sign for. Part of that is because the mortgage industry can be intimidating — full of jargon, conflicts of interest, and sales pressure.

This guide gives you five specific questions to ask any mortgage broker, banker, or loan officer before you commit. The right answers don't take any specialized knowledge to recognize — they're about transparency, alignment, and competence.

If a broker can't or won't answer these clearly, that's information. Walk away. There are 1,000+ licensed mortgage loan originators in the Tampa Bay area alone — find one who treats you with the respect a \$400,000 decision deserves.

1.

How are you compensated, and who pays you?

Why this matters

Mortgage broker compensation can come from two sources: **borrower-paid** (you pay it as part of closing costs) or **lender-paid** (the lender pays the broker, typically reflected in a slightly higher rate). Federal law requires this to be disclosed up front, but how clearly it's explained varies wildly.

The compensation structure can affect your rate. A broker paid by the lender has an incentive to choose the lender paying them most — which may not be the lender with the best rate for you.

Good answer

"My compensation is a percentage of the loan amount and is disclosed on your Loan Estimate. It's the same regardless of which lender we go with — so I'm choosing the lender based on what's best for you, not based on who pays me more. You can choose to pay me directly (slightly lower rate) or have the lender pay me through a slightly higher rate. I'll model both for you."

Bad answer

Vagueness, deflection, or "don't worry about that, the rate is the rate." Compensation should be transparent and consistent across lenders, not variable based on which loan they steer you toward.

2.

How many wholesale lenders do you work with — and how do you decide which to use for my loan?

Why this matters

The whole reason to use a broker (instead of a bank) is that they have access to many lenders. If a broker only works with 2 or 3 lenders, you might as well go direct to a bank — you're not getting the comparison shopping the broker model is supposed to provide.

More importantly, you want to understand *how* they choose. The right answer involves comparing actual rates and fees, not picking based on convenience or relationship.

Good answer

"I work with 30+ wholesale lenders. For each loan, I run your scenario through several lenders to identify who offers the best combination of rate, fees, and loan terms for your specific credit profile, property, and goals. I'll show you the top 2-3 options and explain why I'm recommending the one I am."

Bad answer

"I have one or two lenders I work with for everything." That's a lender's loan officer in disguise, not an independent broker. Or: "I just go with whoever I've used most." Without comparison, you're not getting the value of a broker.

3.

If a competitor's program is better for me than what you can offer, will you tell me?

Why this matters

Brokers and bankers earn nothing if you take a competitor's loan. The temptation to steer every conversation back to what they can offer is real — even when another product is genuinely better for you.

This question reveals integrity. Listen to how they answer — most won't have thought about it directly, so the response will be honest in either direction.

Good answer

"Yes — and I have. There are situations where a credit union or a specific bank's portfolio product genuinely beats anything I have access to. If I see that, I tell you. The trade-off is I lose that one loan but I keep your trust and your future referrals. That math has worked out for me for 40 years."

Bad answer

Anything that pivots back to "but my products are very competitive" instead of acknowledging the question. A broker who can't admit when they're not the right fit is not the right broker.

4.

Walk me through every cost on the Loan Estimate — what's negotiable, what's not, and what's a bank fee vs. a third-party fee?

Why this matters

The Loan Estimate is a federally-required document that breaks down all costs. Many borrowers receive it, glance at the bottom-line monthly payment, and sign without understanding the line items.

A good broker can explain every line — and tell you which fees are the lender's (potentially negotiable), which are third-party (less negotiable), and which are government fees (not negotiable). They should also know which lenders charge unnecessary junk fees vs. clean structures.

Good answer

Walks you through Section A (origination), Section B (services you can't shop for), Section C (services you can shop for), and Section E (taxes and government fees). Identifies anything that looks unusual. Offers to negotiate fees that have flexibility.

Bad answer

"It's all standard, nothing to worry about." Or: focuses only on the rate and monthly payment, glossing over the fee structure. You're entitled to understand what every dollar goes to.

5.

If something goes wrong — appraisal comes in low, underwriter requests something unusual, rate locks expire — what's your process? Who do I call?

Why this matters

Mortgages don't always close cleanly. The appraisal can come in below the contract price. Underwriters can request unexpected documentation. Rate locks can expire if the file slips. Title can find a problem with the property.

When something goes wrong, you want to know two things: (1) is the broker reachable, and (2) does this broker have the experience to navigate it? A 5-year industry veteran will have seen 90% of issues; a 1-year originator may not.

Good answer

"You call me directly — my cell number stays with you through closing. I've handled every scenario you've described and a hundred others. When something comes up, I tell you what's happening, what our options are, and what I recommend. No surprises."

Bad answer

"You'd contact our processing team" or "our customer service line." If your point of contact during closing is a call center, you're working with a high-volume shop, not a personal broker. That can work — but it's a different model and you should know that going in.

How to use these questions

Ask any mortgage broker (including us) all five questions in your first conversation. The answers — and the way they answer — will tell you what you need to know.

If you'd like to start with a free 15-minute consultation where we'll walk through your specific situation and answer these five questions for our practice, here's how to reach us:

Schedule a free consultation

Phone: 727-688-2851

Email: debbie@debbiecooleymortgage.com

Online: debbiecooleymortgage.com/contact

About Debbie Cooley

Debbie Cooley has been originating Florida mortgages since 1984. Three-time past President of the Gulf Coast Chapter of the Florida Association of Mortgage Professionals (FAMP), current Education Chair, and an independent broker who works for clients — not lenders. NMLS# 210817.

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