

Understanding Consumer (Residential) Mortgage Broker Fees

What fees are prohibited?

Application Fees

Brokers can't charge you fees before your residential mortgage is approved and funded.

Commitment Fees

Brokers can't charge you fees when you apply for or receive a commitment for a residential mortgage.

Cancellation Fees

If you decide not to go through with your mortgage, your broker can't charge you.

Other Non-Third-Party Fees

Brokers are not allowed to charge you any other fees before your residential mortgage is funded or if you decide not to proceed.

What fees are allowed?

Third-Party Expenses

Brokers can charge you for actual costs paid to other parties, like appraisal fees and legal fees, if you agree to these costs in advance.

What to Expect from Your Broker:

Clear Documentation

Seek documentation that clearly outlines the services, fees, and your responsibilities to help you understand what they can expect and what they may have to pay.

Transparency

Brokers should be open and honest about all fees and costs from the start.

Trust Accounts

Any money you pay in advance for third-party expenses must be kept in a trust account.

Pressure Tactics

Be wary of brokers who pressure you by saying signing a contract is urgent, or that rates may go up.

If you think a mortgage broker has charged you illegal fees or used pressure tactics, we encourage you to report it to BCFSA at 604-660-3555 (toll-free at 866-206-3030) or email: BrokerConduct@bcfsa.ca