



# Aggregator offers ownership stake

A new sub-aggregation group working under Firstfolio is offering mortgage brokers who join the platform the opportunity to own a stake in the company. Licensed Finance Brokers of Australia (LFBA), founded by managing director Julian Mitton, said that the opportunity for a new aggregation group has arisen from the takeover of many broking groups by the major banks.

With NAB owning Choice, FAST and PLAN, Westpac owning RAMS and CBA with a 30% stake in Aussie Home Loans,

Mitton sees this as the perfect opportunity to bring disgruntled brokers together to share in the success of the aggregator.

Mitton told *Australian Broker* that the goal would be to build up the business for three years and then sell it – sharing the income with the brokers who have helped build it.

“With about 40% of home loans written by mortgage brokers, we wanted to find a way to harness this bargaining power and share the collective financial benefits with those who actually do the work,” Mitton said. “Brokers normally earn nothing when an

aggregation or franchise group is sold to another financial institution while the business owners become millionaires. We want to change that.”

Mitton has promised brokers “market-leading commission rates” as well as the industry’s lowest flat rate fee.

Firstfolio CEO Mark Forsyth sees the tie-up with LFBA as a natural fit for its expansion plans. “We are seeking rapid growth of our wholesale lending program and LFBA is a good fit with these ambitions,” he said.

