



# This time last year

## EFM product reaps accolades

LAST YEAR, RISMARK INTERNATIONAL AND ADELAIDE BANK launched Australia's first equity finance mortgage product. At the time, concerns that the complexity of the product might hinder brokers' ability to sell it prompted the real estate fund manager and lender to develop a rigorous training and accreditation program.

ONE YEAR ON, Rismark reports that more than 2,000 mortgage brokers have been accredited nationally.

"We also provide borrowers with a specialised PDS that carefully explains all of the pros and cons around the product, in addition to the standard loan documentation. This PDS was designed in consultation with ASIC," said Christopher Joye, Rismark's managing director.

"We've commissioned InfoChoice to develop a number of product calculators that help consumers understand how much EFM's can cost relative to

standard loan products. Finally, we've commissioned the industry body, the MFAA, to develop its own independent EFM accreditation program for mortgage brokers and other product distributors," continued Joye.

While Joye could not give exact numbers, he said consumer demand for the EFM product has been very strong, especially in light of the recent rate rises.

Neither is the credit crunch having too much effect on Rismark.

"Rismark doesn't source capital through the traditional securitisation markets and is therefore comparatively insulated from the impact of the credit crunch. However, it's clear that non-bank lenders and securitisers in general are having a torrid time," Joye said.

Rismark's EFM has not only been attracting the attention of brokers and borrowers. *Your Mortgage* magazine selected the EFM as the 'Best New Product of the Year in 2007' while *Money*

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*Magazine* billed it as the 'Best New Product of the Year in 2008'. InfoChoice has described EFM as "the most innovative lending product in 15 years".

Rismark itself has been racking up the accolades. In February, the MFAA awarded it with the 'Non-bank Lender or Mortgage Manager of the Year - 2008'. It was also selected by the *Australian Banking & Finance* magazine as Australia's 'Best Financial Start-Up in 2007'.

"We're proud to be Australia's shared equity pioneer and very pleased indeed with the raft of accolades that the EFM product and Rismark have received," Joye said. **MPA**



Chris Joye