



COMMUNITY
BROKER
NETWORK

FAQs For New Home Warranty Rates

Why are you making the change?

Future sustainability and viability of the team. We have been looking to implement higher rates for some time but did not implement as we didn't believe the service standards were there. We believe that we have strengthened our position to charge accurately yet keep our combined fees in line with the current market.

Why should I pay more if you're not processing in Winbeat anymore?

We were finding that a high percentage of our time was spent in your broking systems which is not going to be providing you with the best value for our time. The more time we can spend on the actual transition of the data from builder to insurer is going to ensure quicker turnaround times for the items you need in a timely manner.

For those who are utilising Broker & Partnering for all processing, please let us know so we can tailor a solution that works for you.

Why are you charging more when you take out our management fee also?

Put simply, the HUB needs to remain profitable in order to stay viable. This hasn't been the case and has been under pressure to be corrected for a number of years. As the vast majority of our brokers expressed their desire for it to remain within CBN, we now feel the increased rates and the management fee will combine to ensure the HUB remains cost effective, ensuring this service can be offered favourably into the future.

What if I charge less than what you're charging per certificate?

This will be a good opportunity to change. We know our competitors are charging between approximately \$300 to \$500 per certificate. If you would like support in implementing a Home Warranty fee structure, we will be willing to help in doing this.



What if the premium is less than the broker fee being charged? How can this be justified to the builder?

We understand that this may occur, particularly for the builders that work on the smaller jobs, however we also know that the work involved in a standard COC that fits within a builder's profiles is the same whether \$700,000 project or a \$25,000 project.

We have placed the fees at a consistent level regardless of job/premium size to ensure simplicity for the brokers when quoting and because the amount of work and time is the same for the HUB. We don't agree with some other brokerages model of a sliding scale as it prioritises the bigger projects, whereas we prefer to see consistent, equal service levels to all your builders.

Why is the self-service portal submission rate less than the manual submission rate?

We have implemented a cheaper rate for submissions that come through the portal given that there is much less administrative work involved in these submissions.

What does the 'Direct' option mean in the new rate structure?

Some brokers don't feel comfortable dealing in Home Warranty and would prefer to refer the builder to us to manage on their behalf. This structure allows us to earn a higher fee for the increased involvement we might have with your builders. This would be agreed before commencing the process so that it is clear how involved you want us to be.