

WHAT A LEAD IS WORTH

What is a mortgage lead worth to you?

The most you can pay for a lead and still break even is simple to work out: your average loan size, times the upfront commission you keep, times the share of leads that settle.

$$\text{Average loan size} \times \text{Upfront commission you keep} \times \text{Leads that settle} = \text{Break-even cost per lead}$$

	Loan type A	Loan type B	Loan type C
Loan type For example home loans, refinance or SMSF			
Average loan size (A\$)			
Upfront commission you keep (%) After your aggregator's split. Lenders typically pay 0.65% to 0.70%			
Leads that settle (%) Out of every 100 leads, how many settle?			
Upfront commission per settled loan (A\$) Loan size × commission you keep			
Break-even cost per lead (A\$) Commission per settled loan × leads that settle			
The seller's price per lead (A\$) From the seller's quote			
Room left for your time and clawbacks (A\$) Break-even minus the seller's price			

Worked example

$A\$600,000 \times 0.6\% = A\$3,600$ per settled loan. If 3% of leads settle:

A\$108 per lead to break even

An illustration from example numbers, not a price. Use your own.

What the sum leaves out

- Lenders typically pay brokers an upfront commission of about 0.65% to 0.70% of the loan, then a smaller trail each year on the balance (MFAA, March 2025).
- Lenders can claw back upfront commission if the loan is paid off within 18 months to two years of settlement.
- This sum counts upfront commission only, so it stays on the safe side. Leave room for your time and the leads that never answer.

Source: [MFAA: how brokers are paid](#)