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Webinar ID **264-384-738**

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Minimize Control Panel



How to ask a question



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MORTGAGE PLANNING FOR MORTGAGE ADVISORS—PART III

Selling & Marketing As
An Expert Advisor...

Dave Hershman
OriginationPro

Dave Hershman—Top Industry Author and Speaker



- Produced almost 600 transactions in his first 18 months in the industry—including closing 60 in his 12th month;
- Run sales forces for large production organizations;
- Directed the sales force for the largest mortgage technology organization;
- Written seven books in the areas of finance, management, sales & marketing—including two best-sellers published by the MBA;
- Helped found a Federal Bank, serving as a board of director;
- Been a keynote speaker at hundreds of industry events

ORINATIONPRO.COM

OUR GOALS TODAY

- ✘ The advisor approach—selling without rates
- ✘ Sales and lead conversion skills
- ✘ Key marketing concepts
- ✘ Maximum Rules of Synergy Marketing
- ✘ Marketing other experts through your sphere
- ✘ Better than homebuyer seminars: Advisor Seminars
- ✘ Synergy Partners
- ✘ The PR Machine
- ✘ Newsletters of experts

**And
Coaching
—Q&A
on any
topic**

LATEST NEWS ON THE HOUSING FRONT

- FHA is in the news...
 - Dave Stevens is nominated for FHA Commissioner
 - HUD Secretary Donovan testifies before Congress—
 - Admits FHA default rates are up. Is FHA the next pillar to fall? Could portend new tightening of FHA requirements or higher MIP fees.
 - Default rates higher for DPA program
 - Announces SWAT Teams will be swooping in on problem lenders.
- NAMB withdraws its challenge to the new appraisal program
- Freddie Mac tightens condo requirements for FL: attached new units must be approved by Fannie Mae.
- Fed to continue purchase of Treasuries this week as well as putting pressure on banks to sell toxic assets despite change in accounting rules
- Congress is considering regulating YSPs. NAMB is supporting so far. Latest news, mark-up on this bill has been postponed and hearing may be held. Key issues..
 - Will bankers also be required to disclose?
 - What will the restrictions be? Does not look to be a total ban but limiting putting someone into a higher cost program because YSPs. How do they do this? It will be hard! Great example: Margins on Option ARMs.
- National licensing is coming for loan officers—including minimum credit score and net worth

NEW FHA LOAN LIMITS— CONFORMING JUST RELEASED

FHA Base Limits

One-Unit \$271,050

Two-Unit \$347,000

Three-Unit \$419,400

Four-Unit \$521,250

Units	Contiguous States, District of Columbia, and Puerto Rico			Alaska, Guam, Hawaii, and the U.S. Virgin Islands		
	General	High-Balance Loans		General	High-Balance Loans	
		Permanent High-Cost	Temporary High-Cost		Permanent High-Cost	Temporary High-Cost*
One	\$417,000	\$625,500	\$729,750	\$625,500	\$938,250	NA
Two	\$533,850	\$800,775	\$934,200	\$800,775	\$1,201,150	
Three	\$645,300	\$967,950	\$1,129,250	\$967,950	\$1,451,925	
Four	\$801,950	\$1,202,925	\$1,403,400	\$1,202,925	\$1,804,375	

STIMULUS PACKAGE

Of Major Importance: Tax Credit

- From \$7500 to \$8,000 (or 10% of home's value, whichever is less)
- Purchase from January 1, 2009 to November 30, 2009
- It is "refundable" which means they get it even if they did not pay taxes
- Must be a first-time homebuyer (cannot have owned a home for three years)
- Must make less than \$75,000 as a single, less than \$150,000 if joint filer (phases out above that to \$95K for single and \$170K for joint)
- Some summaries say that you can actually go back and amend returns and file against your 2008 taxes. Implications for down payments? One state has already...
- It is now a credit, instead of a loan. Must remain in home for three years, or entire amount is recaptured upon sale.
- Must be a principal residence
- If you use a revenue bond program to purchase you can still use the credit

OBAMA PLAN—HOME AFFORDABLE REFI

- Present loan must be a conforming loan (see “look-up” systems)
- Effective with loans delivered April 1, 2009 until notes dated June 10, 2010.
- Maximum LTV is 105% of value.
- Includes high-cost conforming loans (729K).
- Existing seconds can be subordinated above that (no new seconds allowed)
- Relaxed MI requirements...existing MI company must “play along” providing same coverage as original loan. If originally did not need MI—will not now.
- Must be a lower mortgage payment or a more stable product.
- Subject to LLPA but not adverse market delivery fees.
- No cash-out allowed nor can money be used to pay off junior liens.
- No short-term adjustables or conversion from fixed to adjustable.
- Any types of properties approved by agencies.
- Any types of transactions: owner-occupied, second homes, or investors.

HOME AFFORDABLE REFI—EXPANDED?

- *For Freddie Mac:* Must be originated by the servicer or an “Affiliate” of the servicer. Must have the mortgage file of the loan being refinanced. Must be 3 months seasoned with no 30—day lates in past 12 months (or for the term of the mortgage if less than 12 months). Must be manually underwritten. Seller to warrant value using a new appraisal or AVM or statement that value has not dropped from original value. Freddie Mac “look-up” link: <https://ww3.freddiemac.com/corporate/> At least one wholesaler allowing brokers—if serviced by them.
- *For Fannie Mae:*
 - DU Refi Plus: can be done by any Fannie Mae approved lender using DU (does not have to be the servicer of the loan). Enhancements to DU will be available by May 2, 2009. Ineligible recommendation allowed for LTV or minimum representative credit score. Follow appraisal requirements required by DU. Full income documentation.
 - Refi Plus: loans can be manually underwritten but must be originated by the servicer. Servicer can represent value has not dropped or if not, full appraiser for estimated LTVs over 95% and full appraisal or exterior only for LTVs under 95%. Can use verbal VOE and no debt-to-income ratios calculated, but lender must determine borrower has ability to repay.
 - No subprime, Alt-A, reverse, second or government loans
 - No seasoning required and no minimum credit score requirements
 - Fannie Mae “look-up” web link <http://www.fanniemae.com/homepath/homeaffordable.jhtml>

THE MOST IMPORTANT \$39..

...You will ever spend

Start with a free package..

Package, includes—Book of Home Finance (soon to be updated) and more; Audio Marketing Seminar; Performance Library of articles—all accessible on the dashboard of the system;

Add in the most comprehensive sphere marketing system...

The NewsletterPro Marketing System is the most effective marketing tool to your most important target.

Then top it off with

A complete certification program that comes with coaching from the number one industry expert

And there is no obligation: you can cancel at any time

Upgrade available-Includes MyMortgageCommunity & Velma

WHAT IS CMA?

Certified Mortgage Advisor

- Ten webinars including today's. There is a choice of at least three webinars for the tenth webinar.
- Includes three part planning/advisor course.
- Schedule on www.certifiedmortgageadvisor.biz
- Six months to attend all 10 courses (15 hours of training)--**must attend LIVE!**
- Certification page posted on site (above) with list of class dates so you can track. **It is your responsibility to track!**
- Continuing education---CMA Case Studies---We don't want you to stop learning
- Must be a NewsletterPro Marketing System subscriber for six months
- Test is issued. Passing score gives you CMA certification
- Marketing materials coming as well..Logo, seminars and more!
- **New: Webinar registrations, slides and audio all on home page of newsletter system.**

SUMMARY OF PART I— ECONOMIC CONCEPTS

- What does it mean to become an advisor?
- What do you have to know to become an advisor?
- Topic One: The real estate process
- Topic Two: Three economic reasons to own
- Topic Three: Rate advice
- Topic Four: Concepts of Prepayment

All webinars will be repeated

SUMMARY PART II— COMPARING OPTIONS

- ✘ Changing the question
- ✘ Comparing point options
- ✘ Comparing different loan terms
- ✘ Comparing mortgages over future scenarios
- ✘ Comparing mortgage combinations
- ✘ Qualifying concepts: focus on suitability and overcoming obstacles

SALES/MARKETING GOALS

- Framing the issue..
 - Do you want to spend your career answering the question---What is your rate on a 30-year fixed mortgage? OR,
 - Do you want to spend your career answering the question—What is the best mortgage for me? Or what should I do?
- The CMA curriculum is designed not only to change the question, but to give you the substance to enable you to answer confidently.
- The keys—the Advisor Approach
 - Understand the difference between sales and marketing
 - Of the two—marketing is more important—because the goal is to get you in front of the “right” people.
 - If you market rates or promises, you will get responses by rate shoppers. The key is to present yourself as an expert advisor. What are you promising? What are you saying?
 - Networking vs cold-calling? With networking you start in a position of trust. With cold-calling you are at home plate.

INCREASING RESPONSE

- The way you elicit response will determine how easy it is to convert
 - How hard is it..to convert a cold call vs a strong referral?
 - Therefore, you must look at your marketing first
- Create a sense of urgency
 - Not just— “if you act now”
 - Timing may be everything in your marketing: example, rent increases. **Or today’s example: Homebuyer Tax Credit**
 - You do so with knowledge—for example, benefits vs costs (comparison, refi webinars cover these)
- Response mechanisms—we will come back to these
 - Free reports
 - NewsletterPro Marketing System

INCREASING RESPONSE-II

- Differentiate yourself—two keys
 - Social proof is important when marketing as an expert
 - Your saying it is not important. Others must say it for you.
 - Must have actual name (you have to get permission)
 - Law of reciprocity and a great way to add value—who have you written for?
 - Include in all aspects of marketing—flyers, websites, emails (Even email signature)
 - Wall of fame in office?
 - You need a plan to get them—don't ask them to write—2% vs. 98%
 - Phone call after closing puts you in position (covered later)
 - Guarantees
 - Does not have to be about giving their money back
 - Does not have to focus on rate
 - Could be on service or product or satisfaction
 - Today—just great response makes you unique (that is sad—but it is also an opportunity)
 - Gives people piece of mind—few will test the guarantee.
 - If one does test the guarantee—great way to publicize

LEAD CONVERSION SKILLS

- Create a great first impression
 - Typically that impression may be made by voice mail or email.
 - What does your voice mail message or email signature look like? Does it look/sound like everyone else? (Hi, I am not at my desk right now....)
- Do not answer the phone unless you are ready
 - People respond to how you say it as much as what you say.
- Know what you are going to say...
 - Not talking about scripts here—but conversation practice. **PERSONALIZED!**
 - The person asking questions controls the conversation
 - Just don't throw questions out, making it an interrogation. Open questions start conversations.
 - ***The goal is not to pre-qualify or fill out app—but gain trust.***
 - The key is listening skills—and you can't listen unless they are talking
- Practice—you do not get a second chance. How much role-playing do you do right now? Do you know how to role-play?
- The number one key? Follow-up!
 - Speed wins every time
 - Not just the short-run—but the long-run too. How long does it take to buy a home from conception to fulfillment of dream?

SAMPLE QUESTIONS—NOT YOUR SCORE

- How did you hear about (or referred you to) me (or my company)?
- What is your name and phone number?
- Are you calling about a purchase or refinance?
- Have you signed a contract yet?
- Have you begun looking at homes?
- Do you have a Realtor?
- What is the purchase price and what loan amount are you looking for?
- Are you considering a new home?
- What geographic areas are you considering? Is this close to where you live now? Transition...
- What type of property are you financing?
- How long have you known the Realtor/financial planner?
- Is this your first home?
- Are there questions I can answer regarding the home financing or purchase process?
- What are your long-term financial goals?
- Have you had any professional advice in this regard?
- By when must you make application?
- Talked to anyone regarding integrating your home into your long-term financial plan?
- Are you looking for the lowest monthly payment or to minimize your cash contribution?
- Have you considered a 20-year mortgage which will give you 2/3 the benefits of a 15 year with less than 50% of the additional cost?

KEY MARKETING CONCEPTS

- Marketing is not something you do—it is the way you think.
- You must overcome marketing reluctance (close cousin to sales reluctance).
- You must deal with infinity. The number of actions you could take are endless. You must choose a few—do them right and do them consistently. The word here is focus. This is the one reason the vast majority of those who try to do their own newsletters fail.
 - The key—is integrating marketing into your everyday tasks—maximum synergy marketing. I may push you to diversify—but it all must be connected.
- You cannot change the world in one day. You must stick with the activities to see the results.
- You must believe. Do not try something with a negative attitude. If you don't believe it will work—it won't.
- Things you must do—as part of plan implementation--
 - After closing call—three things: Thank You; Is there anything I can do...; is that anything I could have done...
 - Attend settlements if they are local (if not call in)
 - Say thank-you-the most important close in the world
 - Become an expert—what CMA is all about

SEVEN RULES OF SYNERGY MARKETING

- Rule #1—Every activity must achieve another objective.
 - Key objective—don't get lost in the refi boom—leverage it. **Realtor Oppty.**
- Rule #2. If you are marketing by yourself, you are wasting synergy. Who else is trying to reach the same target as you and is selling a non-competing product?
 - Here the key is partnering with other experts—CPAs, financial planners, attorneys, etc. How do you meet them? Through networking? How about a network group comprised solely of experts?
 - What do you have to offer? The NewsletterPro Marketing System will give you plenty. Watch out for the rule of infinity—a few partnerships and go deeper—synergy partners. This is one of the most important rule for what we call **LEVERAGING** your marketing efforts. Example—Realtor Sales Meeting. *Imagine if you did a REAL sales presentation—who would want to be there?*
- Rule #3. Some targets are more effective than others. The most effective target? Closest relationship and highest concentration of business. This means your personal sphere is most important (and why sphere marketing is one of our required courses).
 - You must overcome call reluctance and remember, you are not necessarily looking for a “deal “ from friends. What are you looking for?

SYNERGY RULES CON'T

Rule #4. Some tools are more effective than others. Examples of tools of experts:

- We already talked about two—social proof and guarantees.
- Newsletters
- Seminars
- Articles—published in local paper? Special reports as response mechanisms
- Start a Blog—put it on a real estate, financial or general site. Plenty of material available.
- Press Release—get the publicity machine rolling (sample will be part of CMA marketing).
- See next slide
- Public Speaking skills---a future CMA webinar? Another differentiation tool.
- Example, Seminars. Want to give a first time homebuyer seminar?
 - First, try a topic that makes you unique--- refi/cash flow seminars for planners?
 - Overcoming the four challenges to home ownership
 - How to buy a home using someone else's money
 - Key ingredient—three economic reasons to own a home.
 - You will get these powerpoints as part of the certified mortgage advisor cert.
 - Second, present with synergy partner
 - Ultimate partner—government
 - CPA for taxes? Financial planner? Insurance agent?
 - Share cost and leverage marketing
 - Add substance—are they a good speaker?

PR MACHINE—GET IT ROLLING

- × **Public Relations.** Websites offering free PR and Article Releases. Here are a few:
 - × www.ezinearticles.com
 - × www.goarticles.com
 - × <http://www.1888pressrelease.com/>
 - × www.eworldwide.com
 - × <http://www.free-press-release.com/>
 - × www.pr.com
 - × www.prfree.com
- + The sites will typically default to a fee, review carefully to avoid this
- + There is a difference between an article and press release. Some sites will not submit your article/press release if it is not in the correct format or newsworthy.
- × **Getting to the Press**
 - + www.haro.com (Site will send to you daily a list of request from writers looking for an expert or source)
 - + www.prleads.com
 - + Media List. You can purchase a list of media and pitch stories.

Courtesy of Jonathan Klein, Certified Divorce Professional Institute

GOING BACK TO WEBINAR #1

Advisor Webinars

- Concept One: The economic reasons to own.
 - The home as an investment: concept of leverage
 - The home as a tax deduction: concept of rental equivalency
 - The home as an inflation hedge: concept of inflation protection
- Are you teaching this to Realtors/financial planners? How well do they know it?
- When they see you are the expert—you can sell first time buyers better than them, the whole concept changes.
- Concept Two: Sphere marketing and synergy rules
- Concept Three: Never present a webinar without partners.

SYNERGY RULES CON'T

- Rule #5 Every activity can be made more effective through additional doses of synergy. The goal here is to go deep instead of trying 10 activities.
- Example: Newsletters
 - Synergy Rule Number One—integrate them into your whole marketing plan. Example, post them on your website
 - List of 30 or 3,000—up to you (with email marketing, expense is minimal)—go deeper
 - Share articles with synergy partners—leverage (Real Estate Page)
 - Use to deliver sales meeting presentations
 - Get articles published
 - Use response mechanisms—get them to call. (see next rule)
- Rule #6. Do not market without a response mechanism. Here we go back to the concept of name ID versus the phone ringing. You must do both.
- Rule #7. If you are not offering something of value—do not bother marketing.
 - Value must be unique. Think of how less valuable a rare coin becomes if it is no longer unique.
 - Our capitalist history is represented by companies who became industry leaders because of their uniqueness. For one Dominos Pizza—they didn't care what it tasted like or if they ran over someone—they just got it to your door in 30 minutes or less (until they ran over someone).

THE MARKETING PLAN

- Key is to have a comprehensive marketing plan that delivers value
- Key component of Sphere Marketing Webinar is to set up this plan
 - Identify your sphere—go backwards
 - Grow your sphere—go forwards
 - Prioritize your sphere—you can't have lunch with 3,000. Develop the "pyramid"
 - Deliver value to a great percentage of your sphere—for example, those who don't qualify?
- Key is to deliver value to your sphere
- What is your unique value?
- Does your sphere think of you as a loan officer/Realtor—or an expert?

DELIVERING VALUE TO SPHERE..

- First-time buyers—how are you helping put them in position?
- Did you know the average buyer takes up to two years to move ahead? How are you going to stay with them for that time?
- Answer: Long-term value

FINANCIAL DESTINATION

FDI—A Comprehensive Solution to Risk-Based Premiums And getting transactions to happen

- Professional credit restoration improvement—not a bandaid
- Debt reduction plan
- Unlimited budgeting and other financial advice (such as the tax benefits of owning) from CFPs and CPAs
- ✘ Cost? Less than most charge just for credit services. \$59 monthly. \$15 to join. No long-term obligation.
- ✘ Even better—you can chose—just refer deals in without joining. Or when you join as a rep—you get \$20 monthly for each client that participates! (rep cost a one time fee in addition to joining as a member)
- ✘ More information: www.hershmanfinancialgroup.com
- ✘ 24/7 Webinar: <http://fdi.OriginationPro.com/>
- ✘ Live Webinar tomorrow (Thursday). www.OriginationPro.com

NEWSLETTERS

Ultimate Value Delivery

- Expertise. Portray you as an expert—no handy homeowner hints—
Test—Realtor Sales Meeting
- Understandable—no complex bond language
- Relevant up-to-date news they can use today
- Easy—it can't take your time to write, personalize or send
- Flexible—different pieces for different segment of your sphere—some targets are more important than others.

NEWSLETTERS

Ultimate sphere marketing—(Con't)

- Response. Designed to make the phone ring with more than one piece available. You are not Proctor and Gamble.
- Flexible (again)—different formats from HTML to PDF to Mail pieces (even 1 to 4 page)
- Leverage. Consumer pieces to give to Realtors to send to their consumers.

WHY NEWSLETTERPRO?

- Written by industry expert for over 20 years
- Unlimited use for one price
- Print and HTML pieces that are easy to personalize
- More than just a newsletter—
 - 4-pages and 1-page
 - Sales and real estate/finance article
 - Bonus flyers and letters
- Coaching and Training by Dave Hershman (CMA certification)
- The cost is \$39 monthly for both NewsletterPro & the CMA training program.
- You can cancel at any time
- Need mail or email fulfillment system? You can upgrade to MyMortgageCommunity and the VELMA personal marketing assistant—cost \$69 monthly

WHY NEWSLETTER PRO?

All these pieces—and more for one low price!

The collage displays several newsletters from Newsletter Pro:

- Real Estate Trends** (March 2007): Features articles such as "How Much Is The Weather?", "Fewer Selling On Their Own", and "Homeowners Face Adjustments".
- Real Estate Report** (April 8, 2007): Includes an "ECONOMIC COMMENTARY" section.
- The Sales Update** (APRIL 2007): Focuses on "Synergy Can Really Make a Difference!" and "HIRING AN ASSISTANT AND...".
- Real Estate Update** (Volume 1, Issue 8, April 2007): Contains "The Real Estate Boom Revisited" and "Selected Interest Rates".

Each newsletter includes various graphics, charts, and professional photos, demonstrating the high-quality, diverse content available through Newsletter Pro.

FIRST

Log In

NEWSLETTERPRO™
MARKETING SYSTEM

Login to your NewsletterPro account

Username: (case sensitive)

Password: (case sensitive)

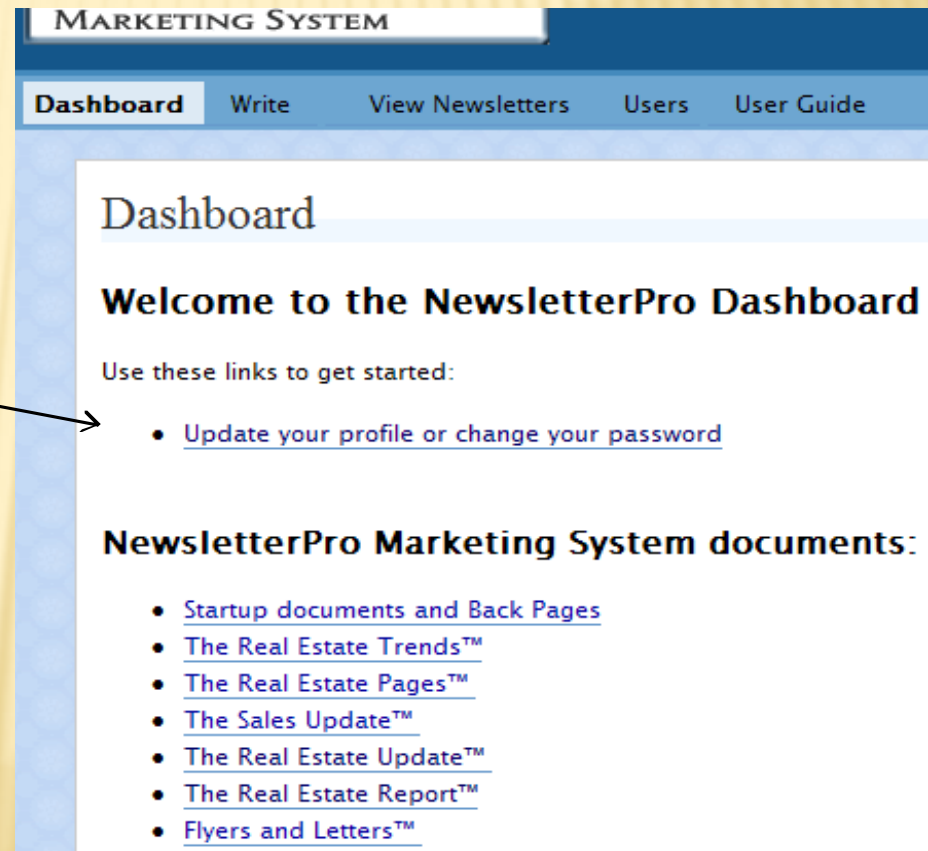
Remember me

Login »

[Lost your password?](#)

THEN...

Go to Update Profile



MARKETING SYSTEM

Dashboard Write View Newsletters Users User Guide

Dashboard

Welcome to the NewsletterPro Dashboard

Use these links to get started:

- [Update your profile or change your password](#)

NewsletterPro Marketing System documents:

- [Startup documents and Back Pages](#)
- [The Real Estate Trends™](#)
- [The Real Estate Pages™](#)
- [The Sales Update™](#)
- [The Real Estate Update™](#)
- [The Real Estate Report™](#)
- [Flyers and Letters™](#)

STEP ONE

Update

Your

•Name

•Contact

Info

•Personal

Paragraph

•Address

Block

About yourself

Username: (no editing)

First name:

Last name:

Display name on your newsletter as:

Enter your personal co-branded text here to be displayed (in addition to your contact and address information) in your personalized section of each newsletter:

OriginationPro Mortgage Company is dedicated to bringing the American Dream of Home Ownership to our clients.

We provide a variety of competitively priced mortgage products and services that are designed to help you achieve your financial goals.

As the experts in the world of real estate

Contact Info

E-mail: (required)

2nd E-mail: (can be the same as above; this is the "reply-to" email for unsubscribing)

Phone 1: -

Phone 2: -

Company:

Update Your Contact / Address block

This information is mandatory for CAN-SPAM email laws:

Address 1:

Address 2:

City:

State:

Zip:

STEP ONE—PART TWO

On same page you can update your

- Disclosure
 - Choose calculator links
 - Change your password
- Don't Forget To Hit
"Update Profile"
Button

The screenshot shows a user profile update form with three main sections:

- Disclosure:** A text area with the instruction: "Enter any disclosures that your state and/or licensing status may require. If you require no special disclosures, then leave this field blank." The text area contains the text: "Licensed mortgage company in the states of MD, DC and VA".
- Mortgage Calculator Links:** A section with the instruction: "Pick the display order and number of calculators that you want displayed in your right-hand navigation bar." It contains three dropdown menus:
 - Link 1: Calculate a mortgage payment
 - Link 2: Compare the cost of owning versus renting
 - Link 3: Lower your payments through debt consolidation
- Update Your Password:** A section with the instruction: "If you would like to change your password type a new one twice below. Otherwise leave this blank." It contains two password input fields:
 - New Password:
 - Type it one more time:

At the bottom right of the form is a button labeled "Update Profile »".

STEP TWO

After you update your profile, you can then download your company logo—

- Click on “Company Logo” on profile page
- Locate your logo on your hard drive to upload
- Click “Upload File”
- Make sure the logo no larger than the size specified



You can upload your company logo with the extension of .jpg, or .jpeg & 100 pixels in width.

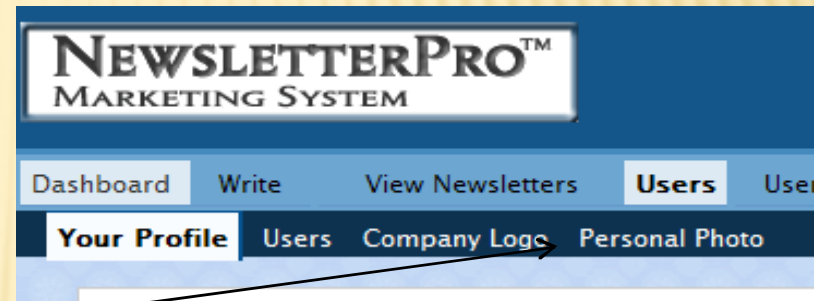
***Need help sizing your logos and photos? For a nominal fee, Colorwork system. Please contact Joy Reiher at jreiher@colorworkspromotions.com for

File:

STEP THREE

Back to the Profile Page
you can now download
your picture

- Click on “Personal Photo”
- Locate the photo on your
hard drive
- Click on “Upload File”
- Make sure the photo is
no larger than the size
specified




You can upload your personal photo with the extension of **.jpg**, or **.jpeg** as long as it is no larger than 100 pixels in width.

***Need help sizing your logos and photos? For a nominal fee, Colorworks Promotions can help you. Please contact Joy Reiher at jreiher@colorworkspromotions.com for a quote.

File:


AS EASY AS 1-2-3: YOU ARE SET UP



REAL ESTATE REPORT

February 5, 2008

ECONOMIC COMMENTARY




Super Tuesday

This economic commentary is being published of all days on Super Tuesday. By the end of the day we may know who one or both of the Presidential candidates will be. This is the same day that either New York or Boston will be hosting Super Bowl parades—making it a real "Super Tuesday." We will boldly make a prediction. Whatever two candidates arise from the fray, they will claim that they have the plan to rescue the economy and the real estate foreclosure issue. But is this reality? Of course, not. The Federal Reserve Board has moved rates down 1.25% in less than two weeks. Finally they are acknowledging the severity of the problem. As we have said all along, this move will do more to help the markets than anything else. Adjustables will not adjust upward as much and rates are more affordable to finance real estate in general.

ORIGINATIONPRO™
Power Tools for Mortgage Professionals

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(111) 222 - 3333
(222) 333 - 4444



OriginationPro Mortgage Company is dedicated to bringing the American Dream of Home Ownership to our clients.

BUT THAT IS NOT ALL...

- The main page/dashboard also gives you access to all print materials, including archives
- Each document has a version in Microsoft Publisher. If you have that program (part of Office Professional)—you can edit in any way. These then can be turned into PDFs or included in an email.
- Each document also has a “PDF” version which allows you to add your name in the box. The PDF version can be mailed or emailed as an attachment.
- **VELMA will help you automatically personalize the 4-page newsletter**

Dashboard

Welcome to the NewsletterPro Dashboard

Use these links to get started:

- [Update your profile or change your password](#)

NewsletterPro Marketing System documents:

- [Startup documents and Back Pages](#)
- [The Real Estate Trends™](#)
- [The Real Estate Pages™](#)
- [The Sales Update™](#)
- [The Real Estate Update™](#)
- [The Real Estate Report™](#)
- [Flyers and Letters™](#)

START-UP DOCUMENTS

The start-up documents include—

- A sample welcome letter to your newsletter prospects;
- Instructions to add a banner to your Outlook Signature so that those you email can sign up;
- Back Pages. These help turn the one-page documents into self-mailers.

Start-up documents:

[Welcome Letter For Real Estate Newsletter](#)

[Letter To Prospect](#)

[Outlook Signature File and Installation Instructions](#)

(These documents allow you to configure your email signature in Outlook and encourage additional opt-ins to your program)

Back Pages:

[Back Page #1 for Letter Size Newsletters](#)

[Back Page #1 for Letter Size Newsletters - Publisher Version](#)

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THE REAL ESTATE UPDATE

- ✘ Four page document
- ✘ Traditional self-mailer newsletter
- ✘ For all parts of your sphere
- ✘ Industry news, economic commentary, charts
- ✘ Includes finance article

REAL ESTATE UPDATE
Volume 2 Issue 9 September 2008

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Specializing in

- Residential Purchases
- Residential Refinances
- Commercial Properties
- Home Equity Loans

Three Trends Worth Watching

There is no doubt the direction of interest rates has a significant bearing upon how quickly the real estate market will rebound. Lower rates provide refinancing opportunities for loans that are reaching maturity. Low rates also help first-time homebuyers get into homes. So the quest for the "what-if" direction... are rates going? Many analysts feel that rates are going up because of the pressure of inflation. One thing we are not going to do is speculate or predict what will happen in the future. However, we do watch the trends and these trends are important... Oil prices. The mercuro rise in oil prices has been the ultimate spark that has ignited inflation. It starts to reason that the recent dip-in-oil prices will help ease inflationary pressures. We speculate!

Gasoline

Regular	326.9
Plus	336.9
	346.9

Did You Know...

Residential sales rose from the first quarter in 13 states (up) from buyers responding to discounted home prices according to the latest quarterly survey by the National Association of Realtors. (Nearly one-quarter of metropolitan areas showed rising home prices in the second quarter from a year ago. In the second quarter, 35 out of 150 metropolitan statistical areas showed gains in median existing single-family home prices from the second quarter of last year, while 118 had price declines. "The biggest home-sales gains over the previous quarter have been in some of the markets with the steepest and fastest price drops," NAP Chief Economist Lawrence Yun said.

Selected Interest Rates
August 14, 2008

30 Year Mortgages	6.52%
2008 High (July 23)	6.52%
2008 Low (Jan 26)	5.46%
15 Year Mortgages	6.07%
5/1 Hybrid ARMs	5.03%
1 Year Adjustable	5.18%
10 Year Treasuries	3.85%

In This Issue

P2 Mortgage Legislation | P2 Sell Your Home in Any Market
P3 A Year of Job Pain | P4 Unmarried Couple as Force

THE SALES UPDATE

- ✘ It is not enough to distribute news, you must teach your B-to-B targets how to sell which is the ultimate value
- ✘ Realtors, financial planners, CPAs, title companies, insurance agents
- ✘ Designed as great sales meeting material for presentations



THE SALES UPDATE
FOR TODAY'S SALES PROFESSIONAL AND ENTREPRENEUR April 2008

Make Your Business Cycle Proof—Part Two
IMPLEMENTING THE 100% MODEL

Last month we discussed the advantages of having a greater portion of your equity guaranteed if you are a professional related to the real estate industry, only 1.6% of the population is considering a transaction at any one time. However, if you can find a way to serve a much greater percentage of the population, you have the ability to make your business cycle proof. In this case we meet a professional from the real estate or real-estate related industry who is making a business transition, retiring in a few years or providing their first home for their offspring.

Certainly, business leaders have changed the rules during the recent credit crisis. The largest growing segment of your clients are people of those who aren't qualified to purchase or even refinance if they already own. We estimate that somewhere between 20 and 40 percent of the population falls into this category because of a variety of reasons that are listed below:

- Credit scores are too low;
- Debt-to-income too high;
- Income levels are too low.

The next question is—how do we serve these people? We typically look at the best way to serve a transaction in the next month and trying to apply "band-aids" to get them approved instead, we need to take a longer-term view of their situation. What we typically do is find those who want to purchase and help them determine their credit score and pay off additional credit obligations. Of course, three years later when they want to purchase again or refinance they are back in the same situation. Actually, many are in worse shape if lenders have a big headache or home values have gone down during the last 3 years. Research has shown that an investor's track of purchasing a home for 3 years or more. This is not a statistic that serves our clients. Getting their finances in shape should be a long-term endeavor—

One's success should be measured in the long run. It really doesn't matter how many credit reports they are going to make a purchase on as a home or car. By that



time, many may be too late. Today's not only do mortgage lenders—charging more for low credit scores, but are more conservative on rates, credit and acceptance and even. Dealers are starting to run reports before they accept a loan. A few credit scores and a person has decided that instead of being in on the credit cycle or a home. And usually, it is the person who can't afford to pay this extra thing.

What someone needs to do is get with someone who will help them optimize their credit in the long run. Usually, we need to make sure every financial decision based upon what affect the decision will have on our credit score. This might mean opening or closing credit on a credit card or closing a line of credit which is not in use. It may mean changing something on the report which is false or perhaps not placed on the report in accordance with applicable laws.

We are not saying that if you serve the real estate industry to serve you, you should become a credit monitoring service. But there are services that exist that not only report credit, but help keep that credit optimized in the long run.

There's also a long-term view. Paying off a debt to get someone's finances in line to qualify for a loan is one thing. Helping a person who is struggling to debt because completely debt free is a much bigger and more rewarding proposition.

The average person isn't thinking it debt as we are for clients with credit offers and even we could see how we pay back over the past 3 years.

"You may have to fight a battle more than once to win it!"

Maxwell Maltby

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THE REAL ESTATE PAGE

- ✗ Consumer articles on finance and real estate topics
- ✗ Can be used for prospect conversions when topic is right (archives become important)
- ✗ Can give to Realtors and Financial Planners to send to their clients—leverage.
- ✗ Can use as response mechanisms



SHOULD I BUY THIS HOUSE?

In the past two months we have talked about the issues of qualification and affordability while we try to answer the question—should I buy this home. This month we will talk about the issue of affordability in regard to a prospective home purchase. Before this point, all of our analysis has focused upon the area of finances. Certainly there are financial aspects of suitability, but there are also other “non-financial” questions with regard to suitability. For example,

❑ Is this home in the right location? Location may be important with regard to commuting to jobs and activities. With higher energy costs and increased traffic in urban areas, commuting takes on a higher level of significance.

❑ Is the home large enough for my present and future family and is this where I want to raise them? This issue requires not only the analysis of family size and school districts, but also the proximity to activities and other services.

❑ Is this the home I would like to retire in? For those whose children are older, the question of retirement comes into play. For example, does the home require major maintenance that you don't have the ability to take on during retirement?

❑ How is this home built? The amenities my family desires? For example, do I want a big yard for children to play in or for other enjoyment? Do I want a big kitchen and dining room in order to entertain?

❑ I want to leave quickly, how marketable or rentable is this home? The best “buy” which is most affordable because it is in the middle of the country may not be the best choice for those who need to be mobile.

We could go on and on regarding the choice of the home and location. However, as you may guess there are also financial aspects of suitability. These include—assessing the home with regard to meeting your financial needs in the future.

For example, last month we spoke of the cost of the housing payments after taxes because this represents the real issue with regard to affordability. Part of the reason this home may be affordable is because of the tax deduction. However, if you are not paying taxes because of other deductions, you may not receive most of the benefit of the home purchase. This is especially true for those who are self-employed and may use their status to “write-off” much of their income. The figure becomes an issue when the status of your income and deductions change. If income is to rise, then the home actually will become more affordable in the future.

If you are employed and will get the benefit of a tax deduction you can make the home more affordable on a monthly basis right now by increasing your withholding exemptions on your IRS Form W-4 which is filed with your employer. This will lower your tax withholding on a monthly basis and can make more income available each month to help you afford the payments.

Another financial issue with regard to affordability involves whether future changes may make the home more or less suitable. We already discussed this somewhat when talking about how adjustable rate mortgages may change in the future and how many purchased homes downgrading when a rate happens. When a fixed-term rate rises, so do the payments on adjustable rate mortgages, especially if the start rate is very low. This

is called a “teaser rate.” Typically, if your payments were to rise by \$200 to \$1,000 per month, depending upon the size of the loan, could you afford the increase? There are other issues with regard to the future. For example,

❑ Will the long-term appreciation of the home help you finance debts at a lower-monthly cost than you are paying now. Debt-consolidation loans using the equity in a home are very popular in a nation that seems to be very dependent upon the use of credit. Of course, the use of this equity means that it cannot be used for other purposes such as retirement.

❑ Will the home require major maintenance in the near- or long-term? The purchase of “fixer-upper” may be very suitable for those who are handy or have liquid assets for contractors. For others, having a home in need of maintenance can be a psychological and financial burden.

❑ Will my situation change in the future? Retirement, job changes, increases and decreases in income. All of these are relevant to suitability.

Qualification, affordability and suitability. All relevant questions to answer before you purchase your next home. ☐

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Qualification, affordability and suitability. All relevant questions to answer before you purchase your next home. ☐

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THE REAL ESTATE TRENDS

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- ✘ Industry news, economic commentary, charts

REAL ESTATE TRENDS

FOR REALTORS, HOMEOWNERS AND PROFESSIONALS

October 2009



Government To The Rescue!

Just when you think things can't get any wilder they do. The last month has given a new definition to the term "wild and crazy." What has happened? The government took over the most important housing entities in the nation—Fannie Mae and Freddie Mac. The government also bought out a major insurer, AIG to the tune of \$85 billion dollars. While they were doing that, the Fed chose to let a major financial company, Lehman Brothers, collapse. Meanwhile the stock market's Dow Jones Industrial Average has been going up and down (more down) hundreds of points from day to day. Now the government is formulating a plan to purchase distressed mortgages from financial institutions.

What is behind this financial madness? The housing crisis. As home prices go down and foreclosures soar, the mortgages that investors have purchased are becoming worthless. While housing is the major cause, it is also the solution. When home prices stop going down and people start buying again, the markets will stabilize. Actually the crisis will be part of the solution. Interest rates have fallen sharply over the past several weeks as the crisis intensifies. Lower rates translate into increased demand for homes because it makes owning a home more affordable. Coupled with lower home prices, lower rates will help hasten the end of the crisis.

The longer the crisis goes on, the more likely that the housing recovery will be

Population Projections

What does the Census Bureau project for the future? The Census Bureau is projecting an increase of 135 million people in the U.S., a 44 percent rise by 2050. This is equivalent to the entire population of Mexico and Canada moving to the United States. The Bureau estimates that this population boom largely fueled by immigration, will require 52 million new housing units, along with more places for people to sleep and work.

The recent housing slump has caused homebuilding to fall significantly below one million units annually, including multi-family units. This means that present home building activities will not be sufficient to meet the needs of future population growth. The longer the housing slump continues, the more acute the shortage in the future. □

Come Get Your \$7,500!

New provisions to be released regarding the tax credit authorized by the recent housing legislation. The government feels that providing an incentive to purchase homes at the present time will help hasten the housing recovery and we agree. Here are some facts regarding the credit.

- First time homebuyers who purchase a principal residence between April 9, 2008 and July 1, 2009 qualify for the tax credit and it is retroactive for buyers who have already closed.

Tax Credit

- The maximum credit is \$7500 or 10% of the purchase price if lower than a \$75,000 sales price.
- If the home is purchased in 2009, homebuyers can deduct annual 2008 tax returns and claim the credit.
- The tax credit is "recaptured" by the IRS, and is an interest-free loan and

Did you know...

- Activity is slowing in the commercial real estate market in response to tightening credit and weak economic growth, according to the National Association of Realtors. In its latest Commercial Real Estate Outlook, the NAR reports the financing problem stemming from the crisis on Wall Street, not a lack of demand, are curbing real estate

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Have The New Lending Rules Locked You Out Of Obtaining A Mortgage?
Now there is a professional solution!


→ Subprime mortgage solutions are disappearing.

→ Fannie Mae and Freddie Mac are charging more for those with lower credit scores.

→ A low credit score is correctable—with the right plan.

→ For the average consumer*, we can increase your credit score in the short term and give you a plan to keep your credit score higher in the future.

*Results will vary by individual.



Did you know that a low credit score can increase your costs for insurance and even hinder your search for a job?

A low credit score will cost you thousands of dollars in extra borrowing costs over your lifetime. It can even

Contact Me for My Free Report...

WHAT WE COVERED TODAY....

- ✘ The advisor approach—selling without rates
- ✘ Sales and lead conversion skills
- ✘ Key marketing concepts
- ✘ Marketing other experts through your sphere
- ✘ Better than homebuyer seminars: Advisor Seminars
- ✘ Seminars for Realtors and Financial Planners
- ✘ Synergy Partners and Advisor Networking Groups
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