

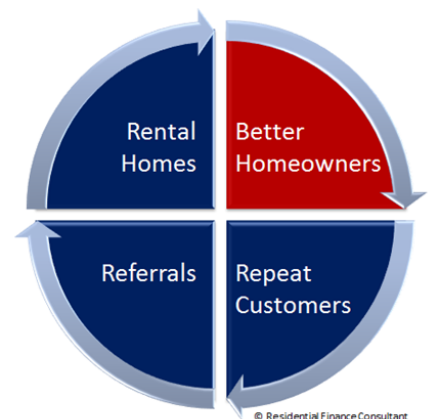
Agents need to brand themselves...



In a poor economy, challenging banking conditions and a weak housing market, agents need to brand themselves as trained professionals with the skills and tools necessary to help buyers and sellers make better decisions.

“I help people understand the tax advantages, financing alternatives, and investment aspects of home ownership and why now is an incredible time to buy.”

Establish objectives and a point of difference that will create long-term relationships.



What is it? - Discovering the Finance Difference

is all about making better decisions. Effortless, fill-in-the-blank apps illustrate the tax advantages, financing alternatives and investment aspects of homeownership that eliminates confusion to get buyers off the fence and sell more homes.



Why is it important? – Consumer's difficulty in getting mortgage financing is today's biggest problem in closing a transaction. Agents haven't had this type of training in over 15 years and they've never had these tools.

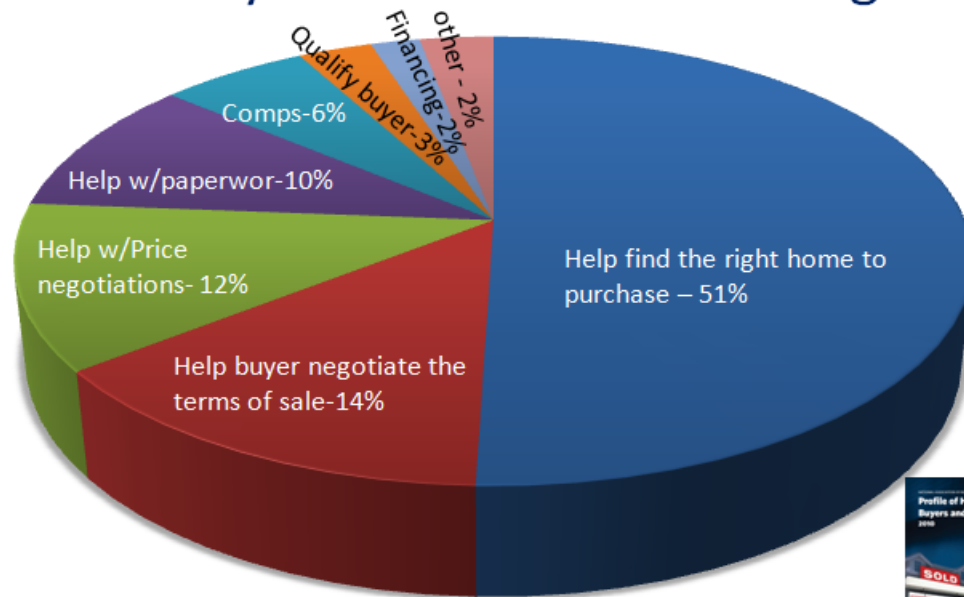
What is the point of difference? – “I help people understand the tax advantages, financing alternatives, and investment aspects of homeownership and why now is an incredible time to buy.” If the public can't distinguish a difference between agents, they'll do it by lowering the price.

What makes it a system? – It starts with a one-day class to bring you up-to-date with the latest tax laws and financing for homeowners. Monthly webinars will advise you of important changes, new programs, techniques, dialogues, and sales strategies. The finance apps are easy-to-use with minimal data entry and updated automatically as things change. The apps are available on any computer or Smartphone with Internet access and can be printed or emailed with agent's branding. Marketing materials are included as Word documents that can easily be personalized.

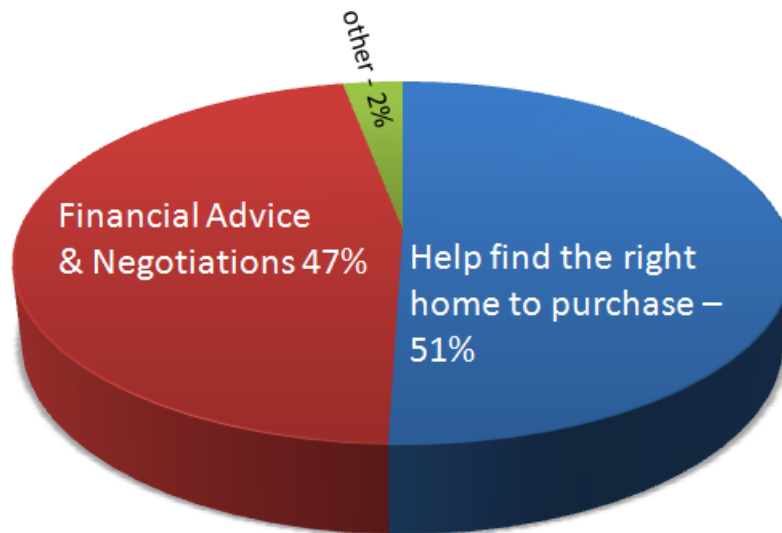
What about the designation? – Successful completion of the Discovering the Finance Difference class entitles the member to use the RFC, Residential Finance Consultant designation in their marketing as long as their membership is active.

Demo – www.PatZaby.com/Seminars/Finance/Demo

What Buyers Want Most from Agents



NAR Profile of Home Buyers and Sellers 2010



Challenges:

- ✓ 91% of transactions last year required financing
- ✓ Over 30% of closed transactions had more difficulty than the buyer expected and that doesn't consider how many were not approved
- ✓ Credit standards are tighter and still tightening
- ✓ Underwriting is more difficult
- ✓ Staying in-touch with customers is a random exercise
 - Don't know what to send
 - Too busy to do the mailing

Objectives:

- Create an agent brand consistent with professionalism
- Develop an automatic lead generation system
- Make listings more marketable
- Convince buyers to buy now
- Help buyers and sellers make better decisions



Benefits to the company:

- Increase professionalism of the agents
 - Less management
 - Higher earnings
- Increase agents' productivity
 - Four to six extra closings in next 12 months
- Strengthen the relationship with in-house mortgage
 - Increased participation
 - Increased conversion through pre-approval process
 - Better understanding of finance process leads to appreciation of its value
- Control of database

Rent vs. Own

Property

Purchase Price	\$250,000
Annual Appreciation	3.00 %
Annual Maintenance	\$1,000

Loan Terms

Down Payment	3.5%
Interest Rate	5.50 %
Term (Years)	30

Taxes and Insurance

Use estimated taxes and insurance

Annual Taxes	\$4,000
Annual Insurance	\$1,400

Comparison

Buyer's Tax Bracket	28%
State Tax Bracket	0.00 %
Rent	\$1,700

Calculate

Results

[Show Details](#) [Download PDF](#)

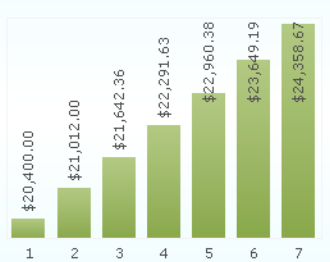
\$737.12 Net Cost of Housing

Mortgage @ 5.50% for 30 years	\$246,678
Total Monthly Payment (PITI + MIP)	\$1,963.67
Net Cost of Housing	\$737.12
Monthly Rent for Comparison	\$1,700
Monthly Cost of Renting vs. Owning	\$962.88
Annual Cost of Renting vs Owning	\$11,554.53

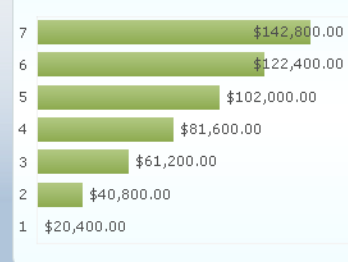
Effect of Leverage

Estimated Equity after 7 Years		\$88,379
Down Payment	9.90%	\$8,750
Appreciation	65.02%	\$57,468
Amortization	31.22%	\$27,589

Annual Rent



Cumulative Lost Rent



This is not intended to be an offer of credit but is an estimate of a possible mortgage based on the lender's underwriting guidelines.

Mortgage Payment

Loan Type:

Property

Purchase Price: \$395,000

Loan Terms

Down Payment	3.5%
Interest Rate	5.00 %
Term (Years)	30
Up-front MIP	1.000 %
Monthly MIP	0.900 %

Taxes and Insurance

Use estimated taxes and insurance

Tax Rate	1.250 %
Insurance Rate	0.500 %

Calculate

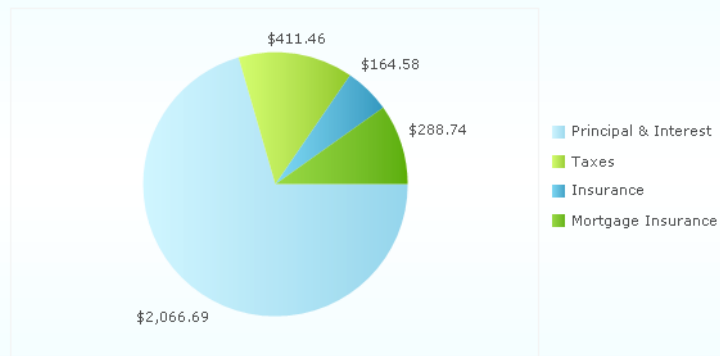
Results

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\$2,931.47 FHA Payment

Mortgage @ 5.00% for 30 years	\$381,175
Up-Front MIP	\$3,811.75
Mortgage including Financed MIP	\$384,987
Monthly Payment (P & I)	\$2,066.69
Monthly Mortgage Insurance	\$288.74
Monthly Tax & Insurance Escrow	\$576.04
Total Monthly Payment (PITI)	\$2,931.47


Payment Breakdown



2/1 Buydown

Sales Price
 Down Payment
 Interest Rate
 Term (Years)

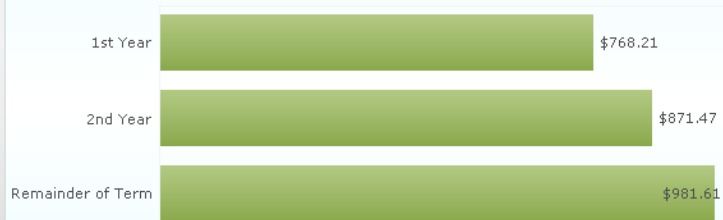
Results

 Download PDF

\$3,883 Cost of Buy Down
 1.99% of Sales Price

	Reduced Price	Buy Down		
Sale Price	\$191,117	\$195,000		
Down Payment	\$6,689	\$6,825		
Mortgage Amount	\$184,428	\$188,175		
Monthly Payments				
		<u>1st Year</u>	<u>2nd Year</u>	<u>Remainder</u>
Interest Rate	4.75%	2.75%	3.75%	4.75%
Payments	\$962.07	\$768.21	\$871.47	\$981.61
Monthly Savings		\$213.40	\$110.14	

Monthly Payments



Assumption Comparison

Purchase Price

Existing Mortgage

Mortgage Amount
 Interest Rate
 Term (Years)
 Payments Made

New Mortgage

Down Payment
 Interest Rate
 Term (Years)

Second Mortgage After Assumption

Interest Rate
 Term (Years)

Holding Period
 Appreciation Rate

Results

 Show Details  Download PDF

Monthly Savings \$187.33
Increased Equity \$18,094

Buyer Scenario #1

Purchase Price	\$215,000
10.00% Down Payment	\$21,500
Mortgage @ 8.00% for 30 Years	\$193,500
Payment	\$1,419.83
Future Value @ 2.00% Appreciation in 7 Years	\$247,280
Future Equity	\$68,336

Buyer Scenario #2

Purchase Price	\$215,000
10.00% Down Payment	\$21,500
Assume Existing Mortgage @ 5.00% for 23 Remaining Years	\$151,859
Assumed Payment	\$926.96
New Second Mortgage @ 8.00% for 30 Years	\$41,641
Payment on Second Mortgage	\$305.55
Total Monthly Payment	\$1,232.50
Monthly Savings	\$187.33

Future Equity	\$86,430
Increased Equity	\$18,094
Percentage Increase	26.48%

If savings is applied to principal monthly on 1st mortgage

Increased Equity	\$105,225
Percentage Increase	54%



Your Best Investment

Term of investment (Years)

Home

Purchase Price

Down Payment

Interest Rate

Term (Years)

Yield / Appreciation Rates

CD (Certificate of Deposit)

Stock Market

Home

Calculate

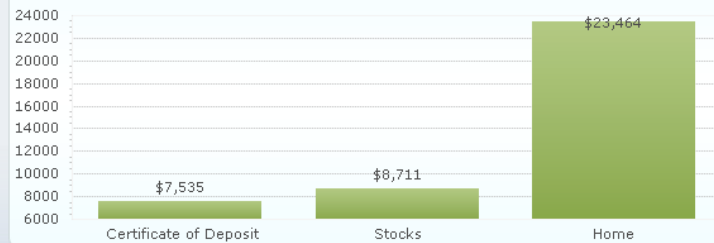
Results

Download PDF

Home is the Best Investment

	CD	Stock Market	Home
Cash to Invest	\$6,825	\$6,825	\$6,825
Wealth Position	\$7,535	\$8,711	\$23,464
Profit Taxed as	Ordinary Income	Long-Term Capital Gains	Exclusion Applies

Your Best Investment



If the Rate Goes Up

Mortgage Amount

Interest Rate

Term (Years)

Calculate

Results

Download PDF

1.00% Increase \$117.51 per month

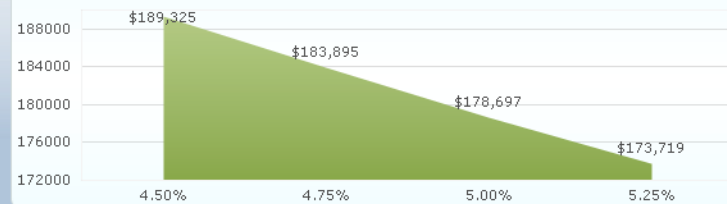
\$195,000 Mortgage @ 4.25% for 30 years \$959.28

Increase	Rate	Payment	Payment Increase	Difference Over Term
0.25%	4.50%	\$988.04	\$28.75	\$10,351
0.50%	4.75%	\$1,017.21	\$57.93	\$20,855
0.75%	5.00%	\$1,046.80	\$87.52	\$31,507
1.00%	5.25%	\$1,076.80	\$117.51	\$42,305

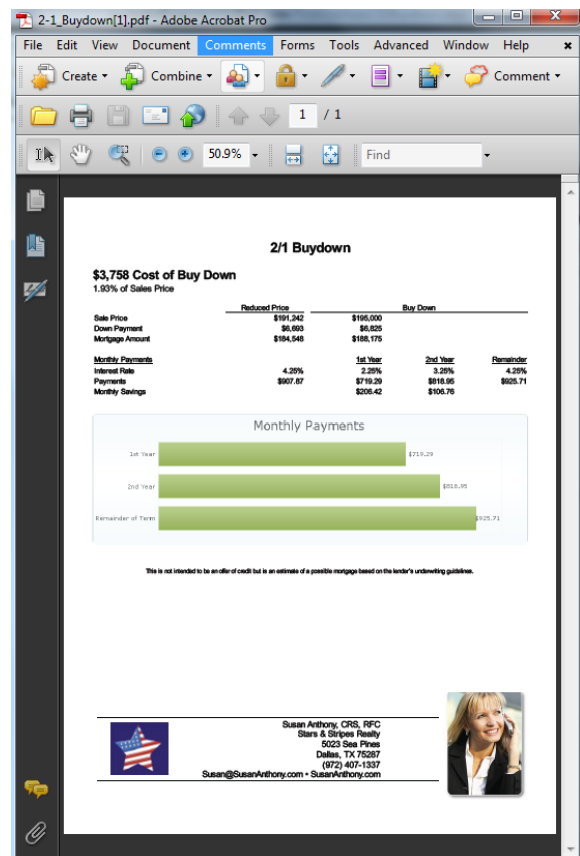
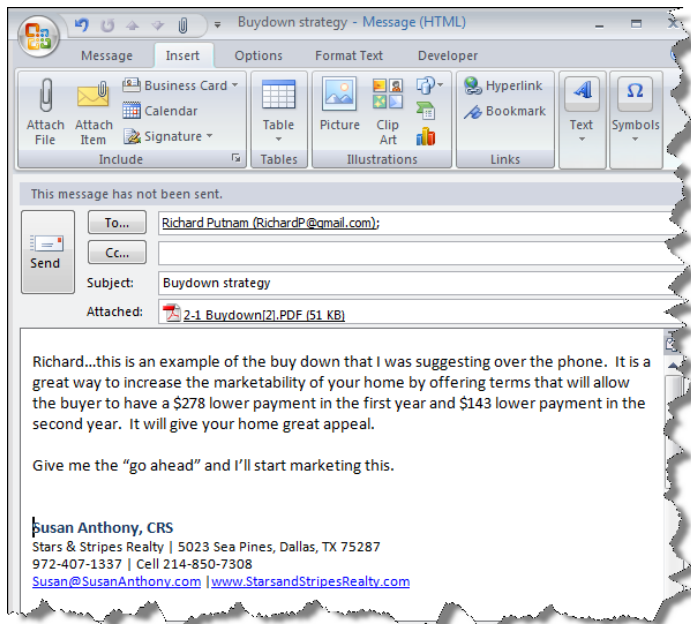
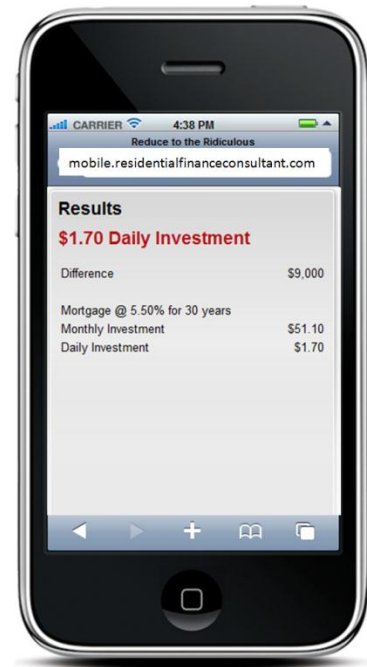
For your payment to remain constant at: \$959.28

	Max Qualified Mortgage	Additional Down Payment
Interest Rate plus 0.25%	\$189,325	\$5,675
Interest Rate plus 0.50%	\$183,895	\$11,105
Interest Rate plus 0.75%	\$178,697	\$16,303
Interest Rate plus 1.00%	\$173,719	\$21,281

If the Rate Goes Up



This is not intended to be an offer of credit but is an estimate of a possible mortgage based on the lender's underwriting guidelines.



Membership Levels		
Basic Membership	Complete Financial	Point of Difference
Buyer & Seller Apps	Buyer & Seller Apps	Buyer & Seller Apps
Finance Webinar	Finance Webinar	Finance Webinar
Monthly Update Webinars	Monthly Update Webinars	Monthly Update Webinars
Marketing Materials	Marketing Materials	Marketing Materials
RFC Designation	RFC Designation	RFC Designation
	Embed Apps on Your Website	Embed Apps on Your Website
	Investment Webinar	Investment Webinar
	Wealth Building Apps	Wealth Building Apps
		Weekly article directly emailed
		Weekly posts to Facebook/Twitter
		Weekly posts to personal blog
\$50 up-front/\$10 monthly	\$100 up-front/\$20 monthly	\$100 up-front/\$39 monthly

Recommended Tuition is \$149-\$199

Pricing Model A – Tuition includes basic membership in RFC

Option 1 -There is a base fee for the class of \$3,500 plus \$60 per student. The more students in the class, will lower the per student cost. There is an additional licensing fee of \$500 if CRS elective credit is required.

Option 2 – a flat fee of \$150 per person with minimum guaranteed of 35 students; plus \$500 CRS licensing fee

Pricing Model B – Tuition excludes basic membership in RFC

Fee is \$3,000 including expenses for as many students as sponsor wants in one class. Sponsor prints the books. CRS elective credit is provided. Instructor will offer the membership to the students. There is a reduction in base fee of \$500 if CRS elective credit is not required.

Pricing Model C – No fee for up to a three hour live seminar called Run the Numbers...Seal the Deal! Sponsor will pay for travel and lodging expenses only. Membership will be offered to the agents at the monthly membership cost only and waive the agent startup fee. They'll be able to attend the Discovering the Finance Difference webinar and get the other benefits based on their membership levels.

"Thanks to you, I became a hero, pro and genius in one negotiation. I listed a home and within 24 hours I had received a WAY low offer... I filled in the gap with a full price tag offer with a rate buy down ultimately getting the buyer and seller on the same page IN ONE COUNTER! The buyer's agent said I was the most knowledgeable agent she'd worked with, the buyer thought I was a hero for coming up with this solution, my seller said that THIS is why they hired a professional and they think I'm a genius."

Brian Copeland, CRS

"As a result of this course I was able to close one sale and one listing to be sold. I am further working with a renter that I've converted to buy who responded to the Rent vs. Buy program specifically. I have already been paid over \$9,000 that I wouldn't have made otherwise. This course really sharpened my professional skills." John Holdren, CRS, RFC

"Pat's course provided our agents the tools needed to set themselves apart in the market, convert buyers, and educate potential clients. The information alone was worth the course fee, and instant access to the amazing "toolbox" of tools included further enhanced the value of this class. We can, without hesitation, recommend this course for any office looking to enhance productivity and provide their agents with a great value on great training." Nate Martinez, CRS

"Very rarely do I recommend seminars; this one is worth having in your city. Out of the 125 of our agents who attended, we had 100% POSITIVE comments! Pat knows his business and trains our agents how to SELL using financing as incentives and leverage – both for buyers and sellers. It was GREAT! The time is RIGHT for this course!" Jim Fite, President, Century 21 Judge Fite Company, Dallas, TX

"I took Pat Zaby's Residential Financial Consultant class offered last fall and couldn't wait to try out some of his examples on my buyers! The first week, I used his "rent vs own" worksheet along with the "interest affects price" analysis to move my "We are going to buy in the spring" buyers to "We want to buy a home and close before Christmas" buyers in one outing! My becoming a certified "Residential Finance Consultant" paid for itself in that sale and I now have access to all of Pat's spreadsheets via the website that I have uploaded to my iPad for quick consulting out in the field. I appreciate CBSHOME providing these opportunities to me!" Deda Myhre, Assistant Manager/Agent, CBSHOME

It is with great pleasure and pride that I recommend the “Discovering Finance Difference” program. Pat Zaby has developed a powerful program helping sales associates distinguish themselves from the competition along with giving sales associates a tool to help sellers and buyers make informed decisions or to make their home more marketable.



Students walk away with practical applications including scripting, handling objection and identifying buyer/seller needs that they can immediately implement in their business. Not only do I think he is good, but I also have received phenomenal positive feedback from the students in all his classes we offered.

Pat is a great instructor, a true facilitator who allows students to think and be interactive with each other. The strength of his achievements, his passion, drive, sense of humor and abilities will truly be an asset for anyone who wishes to utilize his services.

If you have any questions regarding this recommendation, please do not hesitate to contact me.

Debbie Watson, Direct of Professional Development, Ebby Halliday, REALTORS®
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I would like to give my whole-hearted endorsement for Pat Zaby’s “Discovering the Finance Difference” as a CRS elective. Our company sponsored Pat’s class twice this year—once in January and again in February. We had nearly 150 Realtors get their certification, but more importantly, come away with a wealth of information that will be a long time benefit to those agents and their clients.



The attendees, both experienced as well as newer agents, commented on the exceptional tax information that is included in the workshop and all the online financial apps that are offered.

It was not unusual to hear comments such as “that was the best one day seminar I’ve attended since being in the business”.

As a CRS designee, I would welcome and promote the program to any CRS candidate and fellow designee who is looking for a terrific elective.

Mike Capobianco, CRS, CRB, ABR, GRI, Managing Broker
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