

3 Steps to Close 3+ Extra Loans per Month from Financial Advisor Referrals

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Part 1

2 Reasons Why You Should Work with Financial Advisors

Reason #1:

You'll get high-quality referrals & better lead conversion rates.

Referrals from financial advisors are likely to be the highest-quality referrals you'll get. Here's why:

- Borrowers referred by financial advisors are likely to have great credit and lots of assets, making them higher-quality leads
- Borrowers referred by financial advisors are less likely to shop around because they trust the advice given by their financial advisor

This means that when you receive a referral from a financial advisor, you're more likely to turn that lead into a closed loan versus getting a referral from any other lead source.

Financial advisors are perhaps the most overlooked referral source in today's mortgage market.



	Lead Source with 25% Lead Conversion	Lead Source with 50% Lead Conversion
Number of Leads and Referrals	100	100
Your Lead Conversion Rate	25%	50%
Number of Closed Loans	25	50

Look at it this way: If you only have time to talk to 100 people, would you rather talk to 100 people where 50% of the leads will turn into closed loans or would you rather talk to 100 people where only 25% of the leads will turn into closed loans?

Reason #2

You have much less competition.

Do you know any good real estate agents who don't already have an existing loan officer relationship or who don't have loan officers calling them incessantly? This is particularly true for the really great agents! You may have a great value proposition for agents, but it will be extremely hard to break through, given all the other loan officers vying for their attention.

On the other hand, financial advisors typically don't have a great relationship with a loan officer, and loan officers are generally not calling them incessantly for business. This means that working with financial advisors is a "blue ocean" opportunity.

The concept of swimming in a "blue ocean" versus swimming in a "red ocean" comes from a book called *Blue Ocean Strategy*, written by W. Chan Kim and Renée Mauborgne.

In business, we have 2 options:

Option 1: Swim in a Red Ocean	Option 2: Swim in a Blue Ocean
Lots of Competition (red because lots of sharks and lots of blood in the water)	Less Competition (blue because fewer sharks and lots of opportunity in the water)
Less Opportunity	Lots of Opportunity
Very Price Sensitive	Less Price Sensitive

Imagine a massive sea of potential referral partners, most of whom have either a bad or nonexistent experience with a loan officer. That's the blue ocean of working with financial advisors! It's an incredibly wide-open opportunity for you to jump in and show them the value of a partnership.

That brings us to Part 2: Turn the page to learn how to close 3+ extra loans per month from financial advisor referrals.

Part 2

3 Steps to Close 3+ Extra Loans per Month from Financial Advisor Referrals

Step 1: Establish relationships with 5 great financial advisors.

Step 2: Create a compelling reason for advisors to refer their clients to you.

Step 3: Convert 50%+ of the referrals.

We examine each of these steps on the next 2 pages.

You Only Need 5 Financial Advisor Relationships	# of Clients	10% Will Likely Buy a New Property in Next 12 Months (according to NAR)
One Financial Advisor Who Works with High-Net Worth Clients	100	10 Purchase Loans (plus Refis)
One Financial Advisor Who Works with Middle-Income Clients	200	20 Purchase Loans (plus Refis)
One Life Insurance Agent	300	30 Purchase Loans (plus Refis)
One CPA	100	10 Purchase Loans (plus Refis)
One Estate Planning or Divorce Attorney	100	10 Purchase Loans (plus Refis)
Number of Closed Loans		80 Purchase Loans (plus Refis)

80 Purchase Loans (plus Refis)

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50% Lead Conversion

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40 Purchase Loans per Year

That's 3+ loans per month, plus strategic cash-out refis & rate-and-term refis!



Step 1:

Establish relationships with 5 great financial advisors.

You don't need dozens of financial advisor referral partners to build a significant referral machine. The top loan officers we work with generally divide referral partners into 2 categories:

- General/Casual: Market to these partners, but don't invest too much time in them. You can still get some referrals, but don't count too heavily on them as a pillar of business.
- VIP: Establish personal relationships and conduct regular business planning sessions with a select number of relationships that have the willingness and capacity to refer you to at least one purchase loan per month. Best practice is to build a diverse mix of 5-7 total VIP financial advisors, insurance agents, CPAs, and attorneys.

Step 2:

Create a compelling reason for advisors to refer their clients to you.

Referrals from financial advisors generally occur for one of 3 reasons:

- Free review of clients' debts, cash flow, and real estate assets
- Strategic cash-out refinances
- Rate-and-term refinances

Top 3 Reasons for Financial Advisors to Refer You Clients

1: Free Review of Client Debts, Cash Flow, and Real Estate

Financial advisors evaluate a client's liquid investments, insurance, and tax situation.

What if you could offer their clients a free comprehensive review of their debt, cash flow, or real estate assets? This creates tremendous value for financial advisors because it:

- Sets advisors apart from their competition who ignore debt, cash flow, and real estate assets
- Identifies opportunities to improve clients' financial situation
- Identifies opportunities for advisors to increase their assets under management

2: Strategic Cash-Out Refinances

Financial advisors help their clients deal with life transitions such as college funding, eldercare, retirement, divorce, estate planning, business funding, etc.

What if you could be the go-to person on the advisor's team for these types of situations?

3: Rate-and-Term Refinances

Establishing solid relationships with financial advisors BEFORE the next refi boom will result in a huge flood of refinance business if/when interest rates drop.

Step 3:

Convert 50%+ of the referrals

As mentioned earlier, financial advisor referrals result in a much higher conversion rate versus other lead sources. Here are 2 ways for you to increase your lead conversion rate with new skills and proper scripting:

1. Become an integral part of the advisor's team.

A skilled mortgage planner creates unique value for financial advisors and their clients by illustrating the short-term and long-term financial implications of choices like these:

- Should I pay cash or use a mortgage?
- Should I pull cash out of a retirement account for a down payment on a house?
- Should I give up a low-interest-rate mortgage to do a debt-consolidation loan?

2. Equip financial advisors with unique planning resources.

Here are a few calculators we provide to help you generate and convert more financial advisor referrals:

- Debt Planning Calculator
- Cash vs. Mortgage Calculator
- Buy vs. Rent Calculator
- Internal Rate of Return (IRR) and Investment Property Loan Comparison Calculators

Special Note on Cash Buyers

Did you know that 30% of homebuyers pay cash for real estate? This means 30% of the market is ignoring you right now!

What if you could capture cash-buyer business instead of missing out on it?

When someone pays cash for a house or uses a large down payment, they are missing out on the opportunity to earn a rate of return on that money by keeping their funds invested with their financial advisor.

Not only is the client missing out by paying cash, but the financial advisor is losing "assets under management." Financial planners typically charge 0.5% to 1.0% in asset management fees on the funds they manage.

Whenever someone pays cash for a house or uses an unnecessarily large down payment, financial advisors lose money because they can't charge asset management fees on those funds.

That's where you come in: A skilled mortgage planner helps a financial advisor illustrate cash versus mortgage scenarios and how clients would be better off financially by keeping their funds invested with their financial advisor. In doing so, you benefit the client and help the advisor make more money at the same time.

One all-important question remains: How will you get in front of advisors and turn your meetings into closed loans?

Here's how we can help:

Financial advisors all need continuing education (CE) to maintain their certifications. Chances are that nobody is teaching the financial advisors in your market about housing and mortgage strategies that could benefit their clients. Why not?

Most, if not all, financial advisor clients own at least one house. Real estate equity is one of the largest asset classes. Yet, financial advisors aren't trained on how to help clients properly manage these assets or the debts that come along with them. The Certified Mortgage Planning Specialist (CMPS®) Elite Advisor Referral System gives you the accreditation to teach CE classes to CPAs and financial advisors in your market and help their clients make smart decisions about their real estate equity and their debt. You can teach the classes yourself or invite financial advisors to our "done-for-you" virtual classes, streamed directly to your office or theirs.

Hosting or teaching a CE class helps you to:

- Get in front of financial advisors and create unique value.
- Gain confidence and establish immediate credibility as THE local housing and mortgage expert.
- Find your ideal strategic partners within the financial advisor community and turn your meetings into closed loans.

Enroll in the CMPS®

Elite Advisor Referral System to get more referrals from financial advisors and close more loans. *Includes:*

- Certified Mortgage Planning Specialist (CMPS®) Designation: an online certification course that gives you the mortgage planning skills and resources you need to work with advisors. Once you pass the exams, we give you the content and accreditation to teach CE classes to financial advisors in your market. You can even invite them to our done-for-you classes.
- Elite Marketing Content: a library of calculators and personally branded marketing to stand out from your competition, convert more leads, and get more referrals from financial advisors.
- Elite Online Coaching and Resources: step-by-step templates, training, scripting, and coaching on how to meet financial advisors, what to say when you meet them, and how to turn your referral partner meetings into closed loans.

For more info, visit:

momentifi.com/cmeps-certification



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About Gibran Nicholas:

Gibran Nicholas is the founder of Momentifi, and the creator of the CMPS® Elite Advisor Referral System, which is the #1 certification in the mortgage industry that helps loan officers stand apart from the competition and close more loans from financial advisors. More than 10,000 top producers have graduated from Gibran's training and coaching programs.

Gibran is also the best-selling author of *The StorySeller Adventures*, which helps you and your team use archetypes and StorySelling to stay inspired, find more meaning in your work, and grow your business. Gibran lives in Alpharetta, Georgia, with his wife, Mandy, and their 3 children.