

Notes from the U1st National VIP Conference in Utah 2/3/07

In your presentations, 90% of the time, you will hear these 5 main objections. Make sure this is the first thing you teach others to memorize before they do anything else. Theirs and your success rate will dramatically increase:

“It sounds too good to be true”

“It costs too much.”

“I can do this on my own”

“If I paid off my house, I will lose my tax shelter”

“How does my HELOC get paid off?”

All the greatest sales trainers teach you that anytime you hear an objection from a prospect, you would be wise to always respond with the famous “3 F’s” Feel, Felt & Found. This allows you to agree with them and you will avoid arguing with them. You don’t have to reinvent the wheel, just follow what works:

The 3 F’s - “Mrs. Prospect, I know how you feel, I felt the same way about that too, but you know what I found...”

Objection “It costs too much” - “Mrs. Prospect, I know how you feel, I felt the same way about that too at first, but I found that when we think that something costs too much money, we are really concerned about cost versus value. What are we actually getting for our money. But you know what I found, I found that the average client ends up saving \$150,000 of interest by using this program and sometime during that first year of using the software, that initial investment is recouped back in total savings. And the best part of all, nothing has changed with your standard of living since that money simply came out and back in to the line of credit and not your pocket.”

Objection “I can do this on my own” – Ask them if they are currently doing this. Wait for a reply. You will find that most people just won’t do this. They are lazy and don’t want to take the time and brainpower to do it. Yes, you can apply extra money every month to your principle on your mortgage, this is no secret, however, you will only be half as effective as the MMA with the same scenario/numbers. Also, you will not be able to get your discretionary money you’ve been applying each month in case of an emergency. The only way to get that \$ back is to do a costly refi, or sell your house. With the MMA, you have an emergency fund. If you lose your job for 6 months, you can pay all your bills and survive, not ruin your credit rating and only further your payoff time by 6-12 months average.

3. *Objection “It sounds too good to be true”* - “Mrs. Prospect, I know how you feel,

I felt the same way about that too, but you know what I found out? I found out that if you applied an extra \$100 dollars each month to your principle on your mortgage, that you can pay it off in a shorter timeframe and save interest. Did you know about this? (Let them say “Yes” Get them to agree with you as much as possible so it’s an easier close.) Well, do you think that if I applied an extra \$1000 each month to my principle on my 1st mortgage, that I could pay it off even faster?” – Wait for the answer. This may not seem that effective, but when you ask that question out loud to your client, it is very powerful and puts the objection in proper perspective. Then just explain that we are doing this only that \$1000 didn’t come out of pocket but it was ‘floated’ interest-free by the MMA.

4. Objection “If I paid off my house, I will lose my tax shelter” – This is my favorite one to answer because it is so fun to do this example with them.

“I know how you feel, many previous clients had felt the same way about that too, but you know what we found out? We found out that you are way better off having no mortgage payment. Here’s why: Let’s say that your mortgage payment is \$1000/mo. And I am the taxman. If you are in the 33% tax bracket, I will pay you \$333 dollars back as a deduction. How much longer do you want to pay me \$1000/mo. For you to get back only \$333? I’d like to play that one with you all day if you want!”

Objection “How does my HELOC get paid off?” – “The MMA will always be monitoring your financial situation and will be working to pay down your 1st mortgage as well as your HELOC at different intervals according to your current income and outflow. Sometimes, it will not direct you to make a principle payment towards your 1st mortgage but instead will work to chop away at your HELOC balance. Then, once it deems that your HELOC is at a comfortable level according to your finances at the time, it will again start to work on paying down your 1st mortgage. It will go back and forth chopping away at both balances until they eventually are both paid off at the same time. Once you actually run someone’s numbers thru the analysis, there is a way to show them how much is actually going towards paying down their HELOC as well as their 1st mortgage each year. On the 2nd page of the analysis, subtract the original mtg. balance from the mtg. balance after the 1st yr., then, put that total against the total debt paid for that 1st year. The difference is the amount that has been paid on the HELOC.