

How an Insurance Agent Can Help You Close Those Loans



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If you are a Loan Officer, are you currently taking advantage of a close Insurance Contact? If not, you should! As a Loan Officer, your job is to find the right product for your client...and close that sale! That is where an Insurance contact can help. As any Loan Officer knows, to close a sale there must be an insurance Declaration Page and Paid Receipt submitted before the actual closing. Often customers go along with their current insurance provider. For first time home buyers, they are left to fend for themselves. Since most banks require the insurance to be escrowed, the cost of insurance is directly related to the affordability of the home/loan. For so many customers, the difference of just \$50 per month can make or brake a sale. This is why it is important for Loan Officers to have an Insurance Agent that can quickly quote and bind low cost insurance. But do not be fooled by some low cost insurance policies that are stripped of important coverage. This would be a terrible business move. It is extremely important to know that your Insurance Agent is supplying ALL RISK policies with Full Replacement Cost. Anything less is inadequate by today's standards.

Imagine this scenario: You are talking to a prospect who is asking for monthly costs (shocker!). You tell them you can lock in a rate that comes to \$2000 per month. They take that cost, include the taxes of lets say \$500 monthly, and then they get an insurance quote that is \$230 per month. You are now in the position to sell the true monthly cost of \$2730. You think you're selling \$2000 because that is the cost of the actual loan. But people don't itemize their costs and see it that way. They see the bottom line.

And in this scenario, its \$2730. But what if you had an Insurance Agent that you worked closely with? You call him/her up, they run a quote within a couple minutes and say their homeowners policy would cost \$116 per month, with all the proper coverages. NOW....you can sell your monthly package as \$2616. That could make or break your sale....you never know someone's breaking point. In that situation you are also in position to say to your prospect, "Don't worry about shopping for insurance. I have someone great that will take good care of you and offers great rates. For this home, he can provide your insurance for as low as \$114 monthly. That would save you \$1368 a year compared to the quote you were given." You just added convenience and savings for your client. That's Value. And THAT can only help grow your network of referrals.

Whether you need a policy within five minutes or have a closing coming up at the end of the month, the J.R. Orenstein Insurance Agency can help. We specialize in helping Mortgage Companies & Agents with fulfilling their clients' insurance requirements. If you would like to see how quick and inexpensive we are, please give us a call at 516-466-FARM (3276) or email JR@JROrenstein.com. We hope to hear from you soon!

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