



Targeting Loan Types

So, you want to prospect for new clients, but you don't want to focus on a specific geographic area or consumer group. How about becoming an expert in a particular type of loan instead? Maybe your company only offers certain loan types, or you have become familiar with a loan product after multiple clients have closed under it. Whatever the reason, specializing in one or more types of loans will make you a valuable resource others can refer clients to when your expertise is needed.

Types of Loans

Different clients have different needs, and not all people fall under the traditional 80/20 conventional loan parameters. The following is a list of the more popular loan type options available:

- **FHA** – These loans only require a 3.5% down payment, and down payment assistance programs are available for loans backed by the FHA. However, borrowers will need earnest and inspection money up front. FHA loans are ideal for first-time homebuyers and are gaining in popularity for refinances as well. If you aren't certified to do FHA loans, you should consider becoming so soon.
- **VA** – Veteran loans for armed forces veterans allow up to 100% financing and often require no down payment. Also, VA mortgages frequently offer lower interest rates than ordinarily available.
- **Jumbo** – Jumbo loans are for those amounts above the standard level of conventional conforming loan limits in the local housing market, and can change by region or state.
- **Construction** – Construction loans allow people to receive a mortgage for a house they plan on constructing from scratch, and are often specialized for each individual project's needs.
- **"Low-doc" and "no-doc"** – For those clients who are self-employed, or who want to keep their privacy, limited, no doc, or stated income mortgages can provide mortgage solutions for less backup documentation. Keep in mind your clients' credit scores need to be exceptional, and they will be paying a premium in the form of higher interest rates for this option.
- **Reverse** – With the number of baby boomers reaching 65 and older expected to grow to 70 million by 2030 (according to the AARP), reverse mortgages will be incredibly popular and lucrative in the years to come.

Loan Type Marketing Basics

To successfully market using a loan type determine:

- a unique loan product
- identify a unique selling proposition to position your product
- need for your loan product

Ways to Reach a Loan Niche

- Educate your lead sources and clients about this product
 - Explain the benefits of using this product to your lead source partners
- Develop brochures and fliers explaining the loan product
- Target market those demographics who would benefit from your loan product
 - Send monthly mailers that explain your offering
- Have systems in place to handle response rate

Ways to Add Value to Your Niche

- Be the expert
- Stay current with your competitors' offerings



In Touch Today is a marketing company based in Denver, Colorado, that assists professionals in increasing their repeat and referral business as well as building professional referral sources and prospecting new clients.
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