

Mortgage Hacks

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KELLER
Home Loans



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Agenda

1. Welcome
2. Down Payment Hacks
3. Interest Rate Hacks
4. Investment Hacks
5. Active Adult House Buying Hacks
6. Cash Offer Hacks
7. Marketing Hacks from Keller Home Loans



Down Payment Hacks

Down Payment Product Hacks

ONE+ (1% Down Payment Program)

Highlights & Benefits

- 1% down payment
- 2% grant provided by the lender
- Reduced private mortgage insurance (PMI)
- Primary residence only
- Maximum loan amount of \$350,000

Client will be required to pay a 1% down payment, with the ability to pay a maximum of 3%, and Keller Home Loans will cover an additional 2% of the client's purchase price as a down payment. This offer is only available on conventional purchase loans. Primary Residence only. Cost of mortgage insurance premium not passed through to the client. Offer valid only for home buyers with qualifying income is less than or equal to 80% area median income based on county where property is located. Must lock rate on or after 1/15/24. Offer only available on loan amounts of \$350,000 or less. Not available with any other discounts or promotions. Offer cannot be retroactively applied to previously closed loans or loans that have a locked rate. This is not a commitment to lend. Keller Home Loans reserves the right to cancel this offer at any time.

Purchase Plus Grant Program

Highlights & Benefits

- First-time home buyers can get up to \$5,250 toward your down payment and closing costs.
- Must reside in one of the eligible census tracts at the time of application. However, the home you buy can be anywhere.
- The home must be a primary residence.
- At least one of the clients occupying the home has to be a first-time home buyer.
- Need a 3% down payment. This can be covered in whole or in part by credit from the program.

Client will receive a closing cost grant up to the amount of \$5,250 on their Closing Disclosure. Offer is valid for only for first-time home purchasers with primary residence properties in specific census tracts. Offer valid from January 15, 2024. Offer is nontransferable. Offer cannot be applied retroactively to closed loans. Offer may not be redeemed for cash, and no change will be given if the discount amount exceeds costs otherwise due. Keller Home Loans reserves the right to cancel this offer at any time. Other discounts may be ineligible with this offer.

Keller Home Loans Assist DPA Program

Key Features of the Assist DPA Loan:

- ZERO down payment
- Low mortgage insurance adjustments
- No income limits
- Minimum 600 FICO score
- Non-Occupant Co-Borrowers Allowed





Interest Rate Hacks

Temporary Buydowns (Seller-Paid)

How it works:

The seller or builder can fund a buydown account and a portion of account is used to reduce the borrower's monthly payment for a certain period of time.

- The buydown reduces the buyer's principal and interest for the first 2 years
- Benefits buyers who have the capacity for higher earnings within a few years, allows for increased cashflow in the meantime
- Mimics current rental price increases but puts equity into a home rather than a lease
- Offers buyers predictable payment increases based on a predetermined structure of an extended or limited buydown (vs an ARM)

| Loan Amount | Rate | APR* | Term |
|-------------|-------|--------|----------|
| \$400,000 | 6.75% | 6.964% | 30 years |

| Year | Effective Rate | Monthly Payment** | Monthly Savings | Yearly Savings |
|------|----------------|-------------------|-----------------|----------------|
| 1 | 4.75% | \$2,087 | \$507 | \$6,084 |
| 2 | 5.75% | \$2,334 | \$260 | \$3,120 |
| 3-30 | 6.75% | \$2,594 | N/A | N/A |

Buyer's savings / Seller's cost at closing: \$9,204

Seller-Funded Permanent Buydowns

How it works:

A permanent buydown mortgage has a lower interest rate for the entire term of the loan. Motivated sellers will occasionally offer to pay for points to lower a homebuyer's interest rate or to allow them to qualify for the loan.

Here is how the math works on \$475,000 loan.

| | No Points | 1 Point | 3 Points |
|----------------------------------|------------|-----------------|-----------------|
| Purchase Price | \$500,000 | \$500,000 | \$500,000 |
| Down Payment | 5% | 5% | 5% |
| Quoted Interest Rate | 7% | 7% | 7% |
| Interest Rate w/Buydown | 7% | 6.75% | 6.25% |
| Monthly Payment | \$3,160 | \$3,081 | \$2,925 |
| Total Interest over life of loan | \$662,667 | \$634,103 | \$577,876 |
| Monthly Savings | N/A | \$79 | \$156 |
| Interest Savings | N/A | \$28,564 | \$84,791 |
| Cost to Seller | N/A | \$4,750 | \$14,250 |

Not including taxes and insurance.

A common misconception:

1% reduction in interest rate = 1 point.

Truth: 1 point = 0.25% reduction rate.*

Buying down the rate by 1-point costs 1% of the loan amount.

Benefit to Buyers

The buydown reduces the buyer's principal and interest for the life of the loan.

Benefit to Sellers

A great negotiating tool whereby the seller can keep their desired listing price of their home yet make the property attractive to buyers.

ARM's

ARMs are typically structured so the interest rate on the loan will remain fixed for an initial period of time, and then adjust annually. Adjustable-rate mortgages offer less stability than their fixed mortgage counterparts, but typically offer borrowers lower interest rates at the beginning of the loan.

For example, with a 5/1 ARM - the interest rate for the first 5 years would remain fixed. After that initial 5-year period, the interest rate on your mortgage will then adjust annually based on market rates and conditions.

Benefits to Buyers:

- Generally, these are offered at a lower rate than a traditional fixed-rate mortgage.
- Ideal for buyers who will stay in home no more than 5 years.





Wealth Building Hacks

Wealth Builder Loan from Keller Home Loans

The Wealth Builder Loan makes it easy for real estate investors to qualify for an investment property mortgage because we only underwrite the rental income, not individual income. Purchases can be made in an LLC.

Loan Features

- Down payments as low as 20%
- Credit scores as low as 640 FICO
- Minimum loan amount \$100k
- Maximum loan amount \$2M
- No personal income required to qualify and no tax returns
- Borrowers qualify based on rental analysis to determine property cash flow
- Residential properties only
- 1-4 Unit Properties
- Properties can be in LLC's name



Active Adult Dream Home Hack

Lifestyle Home Loan

The Lifestyle Home Loan for Purchase helps you sell more homes by increasing the purchasing power of your 62+ buyer segment. This program can be life-changing for you, your clients and your business.

Benefits of the Lifestyle Home Loan

- Mutual of Omaha Mortgage (the parent company of Keller Home Loans) is the industry's leading Lifestyle Home Loan lender with local coverage in 48 states. We offer a full preapproval and can close within 5 days of certificate of occupancy.
- Baby Boomers are now the largest segment of Home Buyers*
- Help Boomers buy their dream home with less push back on price
- Provide a tool that allows them to get all the upgrades they really want
- Easier qualifying. No credit score requirement. No TRID



Cash Offer Hack

Offer Ready

We can help your clients gain the competitive edge over other buyers, and compete with cash offers, with a fully underwritten Offer Ready pre-approval from Keller Home Loans.

Keller Home Loans Offer Ready program provides a faster loan approval and stronger purchase offer that Sellers will love to see.

Upfront fee of \$300, that will be applied to closing costs on qualifying loan with Keller Home Loans.

| | Offer Ready Program | Pre-Approval | Pre-Qualified |
|---|---------------------|--------------|---------------|
| Credit Report Pulled | ✓ | ✓ | ✓ |
| Check Income, Asset, and Employment | ✓ | ✓ | |
| Automated Underwriting Review | ✓ | ✓ | |
| Full Review of Income, Credit, Assets, and Employment | ✓ | | |
| Underwriter Approval | ✓ | | |



Marketing Hacks from Keller Home Loans

Continuous Education is Key in Staying Ahead of Market Trends

We've created the Keller Home Loans Education Hub, a valuable resource exclusively designed for Keller Williams Agents. Whether you're new to the industry or a seasoned pro, our classes cover an array of topics to support your success and keep you ahead of market changes.



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Tech Tools from Keller Home Loans

My Agent Station

The one-stop-shop to boost your productivity and connect with your Keller Home Loans team. This easy-to-use platform is accessible with your Command logins. Visit MyAgentStation.com to get started.

List Reports®

List Reports® is a powerful marketing platform that provides agents with a range of tools to create digital marketing materials for their business. When you connect with a loan officer on List Reports®, you'll unlock the full marketing suite, including social media sharables, local market data, special occasion cards, single property websites, and Just Sold promotion materials.



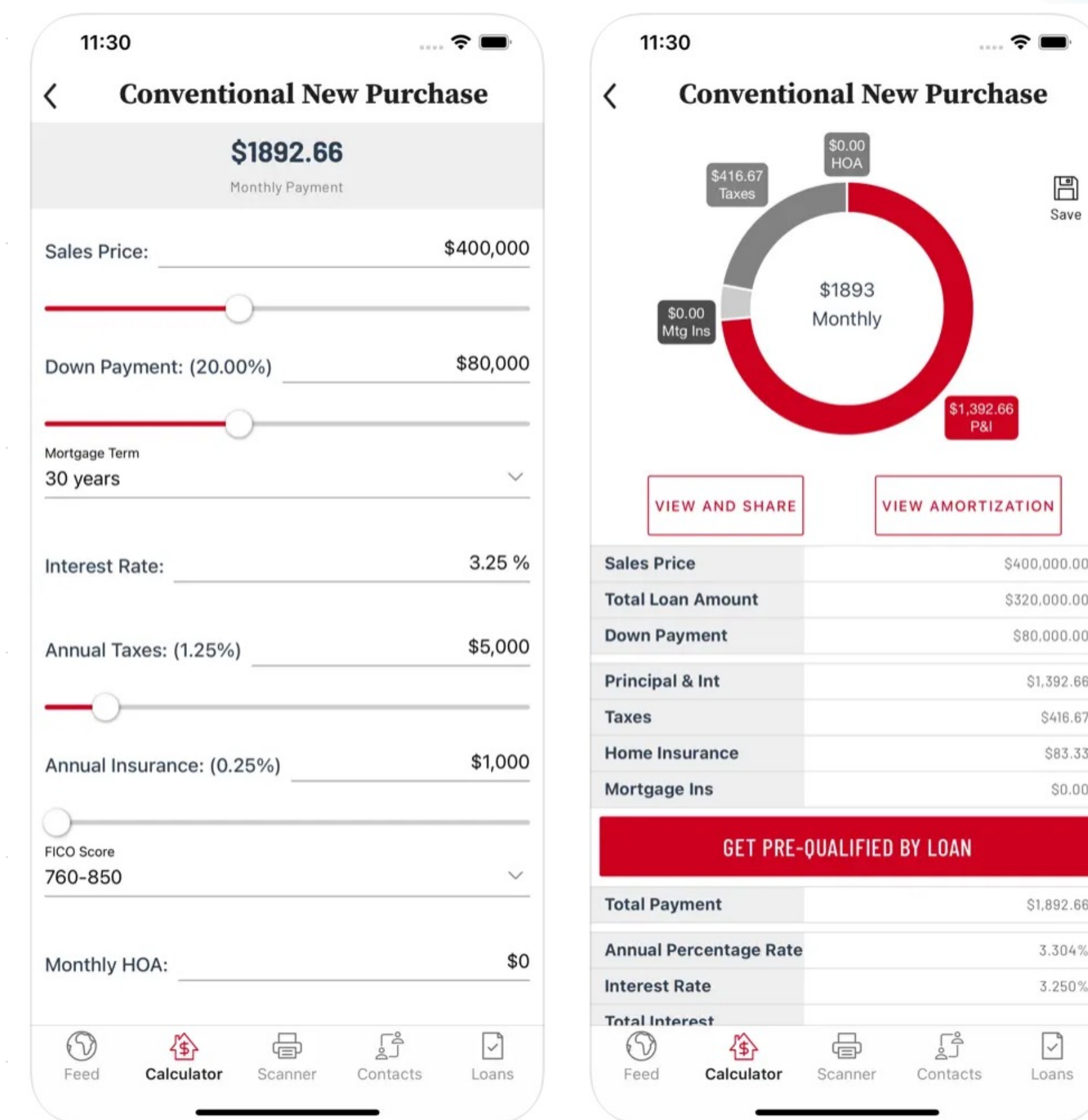
Tech Tools from Keller Home Loans

Total Expert

Total Expert helps mortgage lenders and real estate agents drive growth and create customers for life. Featuring lead and contact management, extensive print and email library, co-branded open house flyers and websites, event registration, and co-branded direct mail campaigns.

Keller Home Loans Mobile App

Take advantage of the convenience and flexibility of the Keller Home Loans App to stay up to date on your client's loan progress, from wherever you are. With full co-branding capabilities, your clients can easily contact you and your Keller Home Loans loan officer directly from the app. With features like mortgage calculators, loan status and secure document access, your clients can do whatever they need to, right from their phone – and you'll be kept up to date every step of the way.



Thank You



Caryn Prall
Operating partner
Chief of Growth and Industry



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