

I know that as an agent, most of us are running into the problem of having someone almost to the point of purchase, but then, they turn away because they ‘just aren’t so sure about the MMA working’ for them. Something just doesn’t gel for them. We’ve all heard this one. Well, this is it. You will do well with this little gem so memorize it and I promise you’ll see that little light bulb go on in their minds. (Or, in my case over the telephone, I’ll hear the light bulb flicker on)

This is a simple and quick solution to those prospects. After they’ve seen the video, tell them something along these lines:

“So, usually at this point, our clients understand some of the basic concepts that are being introduced and generally, they like what they have learned about our program. However, due to the nature of the software, most people end up wanting to see *exactly* what is going on with the way it works in a real scenario so that they can feel more comfortable in moving forward. They want a quick and easy way to understand the bare bones or brass tacks behind it all. (This is the perfect time for you to start getting them physically involved w/ the MMA right then which usually gets into an ownership mentality!!)

“I have a way to show you in about 6 minutes how this will work with your own numbers if you have a piece of paper, a pencil and a calculator. Afterwards, most people we show this to get it immediately and that light bulb goes on. Do you have these handy at the moment? I can wait if you need to grab that. It is very quick and actually pretty fun to do this exercise.”

The 6-Month Snapshot – (works almost every time)

Make sure that they do this themselves and that both of them can see if it’s a couple. And if you haven’t done this before yourself, practice it a few times so that you can memorize it so that you can even do this over the phone. Tell them to write at the top left of the paper: ‘1st Mortgage’ and underline it. Underneath that headline, have them enter their 1st mortgage balance.

On the top right side of the paper, have them write, ‘ALOC/MMA Software’ or ‘Line of Credit’ and underline it. Say to them that we are going to be using this ALOC just as we would a regular checking acct. We will pay our bills like we normally do and we will deposit our income into this line of credit as well. After this exercise you will see why this ALOC is the tool that drives the MMA software and how it can save you tens of thousands of dollars in mortgage interest.

IMPORTANT: If they will be using an ALOC that is already established have them enter in their total balance under that headline ‘ALOC/MMA. If it will be a new ALOC and they will be consolidating debts with it, then you can write in their proposed start balance.

However, I personally just like to keep it simple and have them start with the \$3,500 fee for the software. I tell them that it is their choice whether or not they roll in the other debts.

You can tell them “for the sake of this exercise, let’s just start with our balance of \$3,500 for the software.” (as we get into this, you’ll understand why I don’t like to begin with a huge start balance on the ALOC)

Next, under the \$3,500 line item, have them include these items:

Total 1st mortgage payment

Remaining living expenses (other than mortgage)

Have them add this up. It should be a large number. Have them put a memo next to this number that reads ‘Total’.

Next, tell them to deposit their monthly income on the line item just underneath their total. Make sure they put a memo that reads ‘Income’ next to this number. Subtract these 2 numbers.

Have them **circle this total difference**. Then, have them write a memo next to it that reads ‘average monthly balance’. (Or Avg. Mo. Bal)

Next, have them calculate their interest charge for this avg. balance. Multiply this balance by 10%, or, .10, and then divide this number by 12 months.

This will be the interest charge that the bank will be looking for this month. You will include this in the next month’s scenario below. (If they have debts, this number can also be compared to their old ‘combined monthly debt payments’ before they consolidated them into the MMA and will show them their total monthly savings.

Next, carry over that balance that you circled right into month #2 and title it ‘start balance.’

Then, add the total interest charge that they incurred from the previous month on the next line item down. Title this ‘Interest’.

Repeat these steps for the next month’s scenario. **MAKE SURE THEY CIRCLE THE AVERAGE MONTHLY BALANCE FOR EACH MONTH.** This will then serve to highlight what is really going on. They will see that with each month that balance will get lower and lower, not higher and higher like most people imagine. Their money left over each month that isn’t spent, is actually working that balance down to reach the:

CRITICAL POINT

All we are really showing them here is that the MMA is ALWAYS working to get that line of credit down to the critical point. What do I mean by critical point? The critical point is when the balance on your line of credit gets so low, that when it comes time for your monthly income to be put in there against the balance, it won’t fit because that income is actually more money than the balance on that line of credit and you cannot drop below a zero balance on a line of credit. (You can’t pay money into a credit card with a 0 balance right?)

So, the software will recognize this critical point and, before this dilemma occurs, will have you make your very first transfer of monies from the line to pay directly on the principle of your 1st mortgage. It needs to pull money out of that line and put it somewhere (your principle on the mortgage) in order to make room so that your incoming paycheck can fit

back inside a higher balance again. The balance always needs to be higher than your income in order to work as an interest-cancellation account.

So, when you've gone critical with a client's particular scenario (in the "6-month snapshot" this critical point is reached in month #4) you will then tell them to mark next to their 'Total' critical point. Let them know that is the time when the software will come online and have them direct money from the line of credit payable directly to the principle on the 1st mortgage. Make sure they know that the transfer amount will be different with each critical point that is reached. It all depends upon their particular financial situation at the time and that you are going to just estimate for them a dollar amount for the sake of this exercise. Make sure that the transfer amount is high enough (\$4,000) so that they don't reach the critical point in the very next month's scenario. You'll want to be able to show them that the MMA is again going to be bringing the balance down on the line of credit to that critical point over the next couple of month's before another transfer happens. In the example, I showed them exactly how much time and interest that they would be saving over the life of that loan with that one time transfer of \$4,000 using an amortization calculator online. You can just guess these numbers when you are walking a prospect through this exercise. They will get the picture.

"Now, Mr. Prospect, there are 2 things that are actually happening here to do some damage to your 1st mortgage with this transfer:

When you pull money out of your line of credit to pay directly to principle on the mortgage, your mortgage balance will obviously drop in direct proportion to the \$ amount that was transferred from the line of credit. Helping to pay it off sooner.

However, most importantly, you have also now forced the bank to re-amortize your 1st mortgage loan. When they re-amortize this loan, it causes the 'principle to interest' ratio's of your monthly mortgage payment to start to tilt in your favor for the rest of that loan repayment schedule. So now, every time you make your regular mortgage payment, more of that payment will be applied to principle each time and less goes towards interest. And the amount keeps growing in your favor with each transfer/re-amortization you make. Does this help make more sense Mr. Prospect?"

"Now, by this point Mr. Prospect you are probably asking yourself "Well, why do I need the software if you have just told me how to do it myself?" Well, here's why. Even if you were extremely diligent and tried your very best, meaning, you spent quite a bit of time each month going through the algorithms and crunching your numbers, you will pay off your mortgage much sooner than your next door neighbor. Heck, if you did a superb job, you may even get your payoff time within a couple of years of what the MMA will guarantee you. But I've seen this long enough to guess that the average Joe can only get within 4 or 5 years of the MMA by doing it in the dark and on their own. My point is, even if it is less than *one year off*, you have literally overpaid by a heck of a lot for this concept. And you

put all your time, work and energy in it yourself. It just plain and simply gets expensive to not have the software in your corner. Ask yourself this, how much would it cost you if you were only 5 months off? What about 2? What is the break-even point for you and your free time and effort?"

"Did you know that this is a one-time investment that gets you customer support for life and it follows you wherever you move next? There is also a guarantee of your payoff time and interest savings. How much interest and time will you save in this lifetime by owning your MMA?"

You don't have to use all these lines or in this order. This is just a combination what I've gathered so far from my MMA presentations and discussions with prospects.

A couple things about this exercise:

1. Remember to go very slow when doing this. This concept is all very new to them. Make sure to pause during this to give them time for questions that they think of. Try not to be the one talking all the time but also try to keep control of the conversation. It's easier said than done, but it's always how proper sales are made.
2. It is very important to remember these 4 words: "The next step is..." Practice saying this to your prospects and you will find that you will be moving them much easier towards the sale. They have no idea what each step is in the process. They need you to tell them. If you don't, they will feel confused and when the confusion sets in too long, they stop paying attention to anything, including what you are saying. Always be on the same page with them for what the next step is.

The other document is an example 6-month snapshot of what I have just explained above. It is based on the power point example with the \$200K mortgage @ 6% but carries the example past month #2. It doesn't have to be this elaborate. You can explain to your client that the MMA will actually give you the exact \$ amount and time savings for the 1st mortgage.

