

# **OWNER FINANCING**

## **Beneficial Brokers, LLC**

is dedicated  
to offer  
**YOU**  
a helping hand  
for a

**BRIGHTER FUTURE**

## TRADITIONAL HOME PURCHASE

Man & woman get married



They decide to buy a house and apply for a bank loan.



Loan is approved and their dream home is purchased.



What if a traditional bank loan is  
**NOT**  
an option for a future home buyer?

**The Answer:**

**A  
DISCOUNT  
NOTE  
BROKER**

## Why choose a discount note broker?

This person facilitates the purchase and sale of a house by structuring / creating an OWNER-FINANCED transaction. The services of a bank are therefore eliminated.



## Elements of OWNER FINANCING

- Home seller and home buyer agree on terms of sale
- Home buyer agrees to pay monthly payment to seller
  - The need for a bank has been **ELIMINATED**
  - The need for a realtor has been **ELIMINATED**
- The selling price is **NOT** inflated because of realtor
  - Home buyer is able to buy a house **QUICKER**
  - Home seller is able to sell a house **QUICKER**

**The result is a**

**WIN - WIN - WIN situation**

## Why a WIN – WIN – WIN situation?

- A. Home owner  
can sell a  
house quicker**
- B. Home buyer can  
avoid the hassles of  
bank financing**
- C. Note broker  
earns a  
commission for  
helping the  
seller and buyer**

## Can the note owner sell the note? YES!

1. Note Broker completes and submits a mortgage note quote

2. An institutional note buyer reviews paperwork submitted by note broker



3. Note broker contacts home seller with "PAY PRICE" offered for the mortgage note

4. If home seller accepts, then ALL paperwork is completed.

## THE FINANCIAL PICTURE:

For the SELLER: A lump sum of CASH for the sale of your mortgage note.

For the BUYER: Your monthly mortgage payments are NOW remitted to a 3<sup>rd</sup> party instead of the home owner.

For the NOTE BROKER: a commission for services provided; serving as a "middleman" between the home seller and home buyer.



**An**  
**ALTERNATIVE**  
**to**  
**Traditional Owner Financing**

**Wrap Around Note**

<http://creativehomesellerstrategies.com/subpages/wraparound.htm>

**Owner financing is ideal when the home is owned free & clear. If there is an existing mortgage owed (an underlying balance), then a wrap around note is ideal. In this scenario, the home owner "takes back" a new note while making payments on an existing note.**

**If traditional owner financing or a wrap around note are not suitable for you, then another option follows...**

## **Simultaneous Closing**

<http://creativehomesellerstrategies.com/subpages/simultaneousclosing.htm>

This is a benefit to the home seller because the RISK FACTOR of monthly mortgage payment collection is **eliminated**.

The mortgage note (paperwork) is transferred to an institutional note buyer at the **SAME TIME** the house is sold.

**THE END**

To return to  
**Creative Home Seller Strategies,**  
please visit  
<http://creativehomesellerstrategies.com>