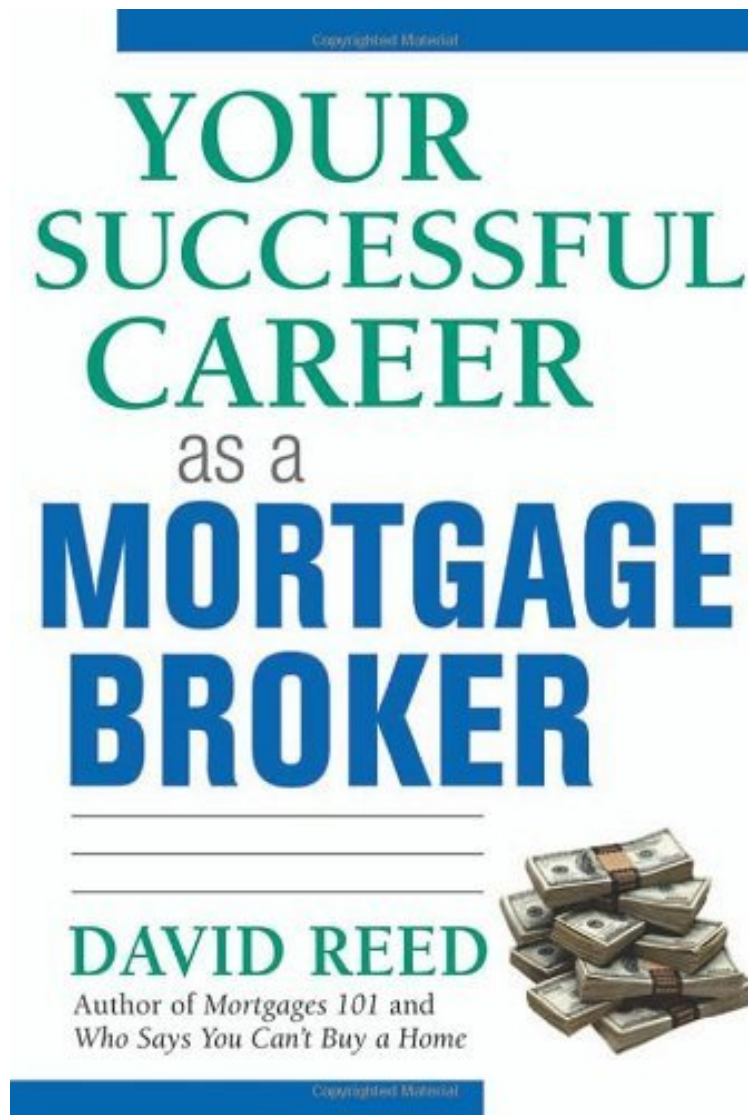


Your Successful Career as a Mortgage Broker

David Reed

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David Reed : Your Successful Career as a Mortgage Broker before purchasing it in order to gage whether or not it would be worth my time, and all praised Your Successful Career as a Mortgage Broker:

0 of 0 people found the following review helpful. It does a good job giving the reader an idea of the terminology ...By imegoryThis book gives the reader basic information about what being a mortgage entails. It does a good job giving the reader an idea of the terminology used, and how mortgage rates are set (this part is well explained). I enjoyed reading it and I think I will keep it as a reference until I will find a more in-depth coverage of the subject. The book does not cover legislation concerning mortgage origination and this is a big miss, in particular after the excessive legislation following the 2007-8 economic meltdown.10 of 10 people found the following review helpful. Well written

and very informative. By Michael Pellegrini I was really pleased with this book! I've just recently gotten started as a loan originator and I found this book to be really well written with tons of information without getting boring. Obviously loans aren't the most exciting topic out there, but the author throws some humor and real-life stories that keep you interested and entertained. He goes into a lot of depth on the process that you will go through with your clients. There are examples of all the forms (disclosures, 1003, etc) and at the end of the book there are a few mini chapters written by other mortgage brokers that give some interesting tips on how to create more business and run a more efficient operation. All in all, this was a really good book and I would recommend it to anyone getting started in the business! 4 of 4 people found the following review helpful. Don't Waste Your Money. By Paul J. Cascio If you're looking for a glossary of terms and forms, then this book will provide it, but nothing more. This is a book full of boilerplate info that has nothing to do "Your Career". Save your money. Too bad won't let me give it ZERO STARS. I sure wish they'd remove books with misleading titles.

Mortgage banking is one of the fastest growing industries in the country. In the next few years, home purchases are expected to run into the trillions, creating more opportunity than ever for people seeking a career in this profitable industry. Real estate author, columnist, and veteran mortgage banker. David Reed offers practical advice on licensing and educational requirements, as well as valuable guidance on the different career options available as a mortgage broker, mortgage banker, correspondent mortgage banker, and more. Aspiring mortgage brokers will also discover how to:

- * Quote interest rates
- * Get approved by wholesale lenders
- * Negotiate the steps of the loan process
- * Market and prospect successfully

Detailed and informative, *Your Successful Career as a Mortgage Broker* is an invaluable tool for creating a brilliant career in an ever-changing, ever-growing field.

Now, finally, we have a practical guide to help people get started in mortgage lending. David Reed's latest book, *Your Successful Career as a Mortgage Broker*, is not only the one common-sense book every mortgage loan officer should have on their desk, it also contains important information for borrowers.... Reed, a Texas mortgage lender and a contributing columnist with *Realty Times*, has a long history of helping consumers.... AMACOM, Reed's publisher, is also the long-time publisher of *Your Successful Real Estate Career* by Kenneth W. Edwards. The Edwards' guide is by far the best introduction to real estate brokerage for prospective agents and brokers. Now AMACOM has also published *Your Successful Career as a Mortgage Broker* and obviously has another long-term winner on its hands.

"... The one common-sense book every mortgage loan officer should have on their desk... Another long-term winner." -*Realty Times*

In an age where borrowers can choose to have all or none of their income or assets verified to secure a mortgage, Mr. Reed does an excellent job describing the process and alternatives for new and potential mortgage bankers and brokers.

--*The Midwest Book*

...comprehensive look at how to become a mortgage originator, which route to take to success and what it takes to get there.

MortgageDaily.com About the Author David Reed (Austin, TX) is a veteran mortgage banker who has closed more than 1,000 mortgages. He is a columnist for *Realty Times* and *Mortgage Originator Magazine* and is a member of the Mortgage Speakers Bureau. He is the author of *Mortgages 101* (0-8144-7245-1), *Who Says You Can't Buy a Home* (0-8144-7340-7), and *Mortgage Confidential* (0-8144-7369-5). Excerpt. copy; Reprinted by permission. All rights reserved.

C H A P T E R

The Mortgage Loan Officer and His Team

A loan officer is an individual who assists those who need or want to borrow money in order to buy real estate. Loan officers take loan applications, counsel clients on the types of loans that best suit their needs, and help them with other mortgage-related questions about loan qualifications, closing costs, monthly payments, and credit issues. A loan officer can be an employee of a national bank or a mortgage-broker organization. Regardless of who employs them, all loan officers provide the same basic customer-service functions. There are numerous advantages to being a mortgage loan officer, including these:

- You can make a lot of money as a mortgage loan officer. Lots of it. According to the CNNMoney.com annual salary survey, the average loan officer makes over \$76,000 per year. Make it to the top 5 percent of the industry and you'll make over \$360,000 per year. Not bad for a day's work, is it? There are no college degrees required to be a loan officer, nor do you have to have any special education requirements. Although there are various state licensing laws that you need to comply with, you don't have to amass any special formal education. Okay, you need to read and know how to work a calculator, but that's about it. You help people. In fact, you help people with one of the biggest decisions they'll ever make. Your counsel and advice, along with your encouragement, get people into their own homes. If you do your job right, you will get a sense of accomplishment found in few other careers. Helping people get into their first homes or being the person responsible for helping someone repair his or her damaged credit in order to buy a home is a feeling hard to find elsewhere. I remember one young lady several years ago that actually broke down in tears when I told her she qualified to buy her very own home. Go ahead, find something else like that in the financial world. I dare you. You can telecommute. You can be a mortgage loan officer anywhere. If you decide that the Southern California lifestyle is no longer for you and you yearn to live on a ranch in west Texas, then by gosh unpack those boots and do it. You're not stuck with a career that only works in major cities. You can go anywhere you please. The skills are transferable. Mortgage loans

are approved in the very same fashion in Miami as they are in Mobile. Geography does not distinguish a 30-year fixed-rate conventional mortgage. That means the skills you've learned in one part of the country will be the very same skills you rely on in other parts of the country. If you're a good loan officer in Seattle, you'll be a good loan officer in Schenectady. Many jobs don't allow you the luxuries that being a loan officer does. You work your own hours. You can sleep late if you want. Or not. Successful loan officers treat their loan businesses as seriously as any other professionals. If you want to start your day at 10:00 a.m., you can. If you want to begin work before the sun comes up, you can do that too. Some loan officers take a day off during the week so they can work Saturdays. Some loan officers work Sunday afternoons. Some loan officers work in the evenings. Most successful loan officers work a combination thereof. You will become more financially savvy. Becoming a loan officer gives you a better sense of the importance of financial well-being. There are few high school or college courses that teach the importance of credit and financial responsibility. Most of us learn it just by living every day, paying our bills when they're due. Others may not understand how late payments on a credit report can affect their financial futures. By being a mortgage loan officer, you're knee-deep in the world of credit and how it affects consumers. You will understand how financial responsibility can reap rewards such as being able to borrow money at a cheaper rate than someone with less-than-stellar credit. As a mortgage loan officer, you will be able to share the knowledge that owning a home is perhaps the single greatest way for someone to achieve financial independence. Building equity in a house can mean an easier retirement or an easier time paying for other things such as college tuition or home improvements. You can be a part of all that. You can become a successful mortgage loan officer and make a lot of money if you follow the instructions outlined in this book.

Characteristics of Good Loan Officers Okay, so now that you know what a loan officer does, do you have the tools necessary to be a loan officer? Maybe. Maybe not. The fact is there are not any requirements to be a loan officer. There are, however, certain characteristics that will certainly help you succeed in this career.

You Are Responsible Enough To Be Your Own Boss

This is probably the hardest component for a lot of people. Some need to have an eight-to-five job—they simply need to have structure that is sometimes attained only through a time clock. Don't take this the wrong way, but some people in their work lives need to be told what to do. They perform better when someone else sets the objectives and goals for the day. As a loan officer who gets paid primarily on commission, you will determine your own success or failure. You have to be a self-starter and be able to stay on top of all aspects of your job. Many loan officers starting out are fortunate enough to have bosses who help steer their career paths in the right direction. Still other lenders simply say to the loan officer newbie, "Okay, we're going to pay you a big commission to bring in these deals, but you have to bring them in!" Being your own boss means that, whether you're self-employed or not, you must have the ability to establish and follow a marketing plan as well as adapt easily to the constant changes in business climates that directly affect your plan. Knowing these changes will occur will make them easier to accept.

You Are Comfortable Crunching Numbers

You don't need to be able to do calculus, but you do need to understand numbers. Mortgage loans don't involve quantum theory, but you must be able to comfortably add up numbers, divide that number by another number or two, and be able to use a financial calculator. When I was in school, math was never my best subject. I was definitely a "right brain" guy who could handle the abstract and present it in a coherent way, but often certain calculations would leave me dry. I didn't necessarily struggle with math, but it was definitely harder to execute than, say, writing or giving speeches. Before I entered the mortgage field, I had a good friend who owned a mortgage company. I would go over to his house and see him work off a funny calculator that had a bunch of odd, numbered keys on it. This funny calculator was the famed Hewlett-Packard 12C, or HP12C, as it's known in the financial world. A regular hand-held calculator would let you type in "12 + 10 = 22" or some simple process. A 12C financial calculator would give you an unintelligible answer when you tried to enter in the very same 12 + 10 sequence. It was weird. After I became a loan officer, I used the 12C every day, all day. And now, I honestly find it difficult to use any "normal" calculator. It frustrates me. My 10-year-old son can use one with ease, but I can't seem to make it work and I usually throw it aside. Although I talk about the 12C, it is certainly not the only financial calculator on the market. The point here is you need to be able to comfortably work with a handheld financial calculator. There are a variety of online calculators and even some you can run on your computer, but be wary. You will need to be able to figure payments by yourself, without the aid of a computer. Whether you need to accomplish that feat often is not as important as knowing how to do it. You will, someday, need to calculate payments. You will, some day, impress your potential client when he or she sees that you know how to figure payments with a calculator and not rely on a computer or website. It makes them think you're a financial genius. And like me, who was math-challenged, that's a big plus.

You Are Capable of Explaining Things

The mortgage business has so many foreign terms that most consumers never run across them until they buy a house. And even if someone buys three or four houses in his lifetime, he still might not get the lingo down. It's your responsibility as a loan officer to explain the entire mortgage process in language borrowers understand. Mortgages aren't necessarily complex, it's just that the language inherent in the process can make them so. If you're able to explain things, you won't get your feathers ruffled when someone asks a question or gets frustrated with you when she's hit

with a bunch of numbers that don't quite mean much. Your customers will be happy and will refer you to their friends.