

# What Down Payment Protection means for you, your prospects and your customers

In uncertain times like these, it's important to give any home buyer a level of trust and confidence in you and the decision they've made to buy a home. Also, while finding a home can be exciting, closing a sale and securing a mortgage can often be difficult, fraught with confusion, uncertainty, and sometimes fear.

Down Payment Protection is an essential tool in your toolbox to help you drive a different kind of conversation with your prospective customer. A conversation that's less about rates and fear from the enormous financial decision they are about to make and more about confidence, freedom and trust in you and the product you are selling.

This sales primer is the second part of your journey towards selling to the new modern home buyer. Before you go any further, it is suggested that you learn about what Down Payment Protection is and how it works. Please visit [www.valueinsured.com/plus](http://www.valueinsured.com/plus) to learn more.

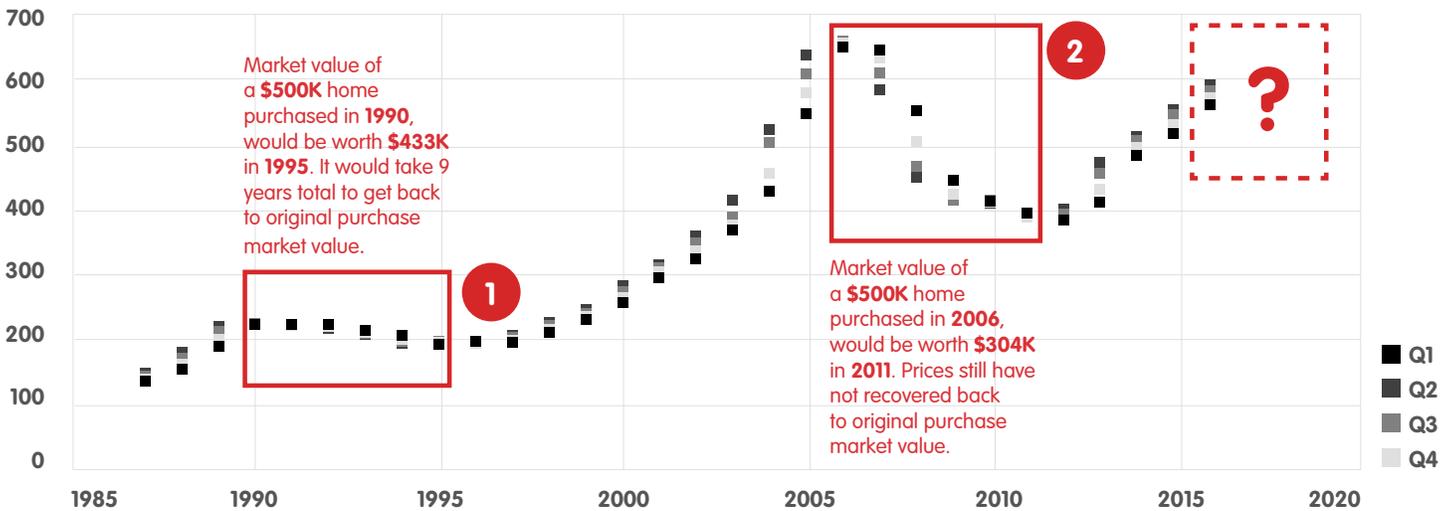
It's simple. The +Plus mortgage you're offering will be better than your competitors' for these 3 reasons:

1. Down Payment Protection protects your customers from the risks of having to sell one day at a loss
2. Down Payment Protection is included in the traditional mortgage, so there's nothing new to learn or any additional cost to the home buyer
3. It's easy to file a claim if and when your customers need it

But what does Down Payment Protection mean in the real world? Here's a conversation starter for you and your prospective customer.

**Down Payment Protection is the ONLY mortgage product that protects the home buyer, giving them control and flexibility even in the face of potentially declining housing prices. Here are two examples:**

California FHFA House Price Index (HPI) by Year



**Scenario 1:**

Bought a home in 1990 for \$500,000 and put \$50,000 (10%) down. In 1995, you need to sell due to a growing family. Home sells for only \$450,000.

**Loss without DPP = \$50,000**  
**Loss with DPP = \$0**

**Scenario 2:**

Bought a home in 2006 for \$500,000 and put \$50,000 (10%) down. In 2011, you need to sell due to a job relocation. Home sells for only \$375,000.

**Loss without DPP = \$50,000**  
**Loss with DPP = \$0\***

\* assumes MI participation sale

**Did you know?**

In the past 30 years, real estate typically has had periods of 4 year lows and 10 year highs.

While many people buy a home thinking they will stay there forever, 82% sell within 7 years.

# What Down Payment Protection means for you, your prospects and your customers

## FAQ for mortgage brokers

### **What is Down Payment Protection? How does it work?**

Visit [valueinsured.com/plus](http://valueinsured.com/plus) to watch a few quick videos that will give you all you need to know.

### **What is the cost to my customer?**

The cost of the Down Payment Protection policy is included in the mortgage, there is no initial payment or monthly cost to the consumer

### **Does including Down Payment Protection increase my customers' rate or fees?**

There is a small additional cost in your mortgage product that is included in the overall rate. However, this rate is insignificant on a 30 year mortgage and your customer will not see a rate difference because of Down Payment Protection.

### **How long is my customer covered?**

2-7 years. 2 years because the product is geared towards home buyers who are purchasing their primary residence, not "flippers". 7 years because that is the best combination of risk and benefit to the customer and it allows us to provide this amazing benefit at the lowest cost.

### **Can my customer extend the coverage beyond 7 years?**

At this time, coverage is only available for a maximum of 7 years.

### **How do my customers file a claim?**

They simply go to the Value Insured Policy Center at [www.valueinsured.net](http://www.valueinsured.net) to file a claim. It takes less than 5 minutes.

### **Who do I call if I have any questions?**

That's easy, call us at 1-844-448-PLUS anytime 24/7/365.