**Overcoming Rate Objections**

Mortgage and Lending

Hello fellow originators.  I came across these scripts from Todd Duncan and thought I would share them with you.  I receive a lot of incoming calls from clients I don't have any relationship with, and I am always looking for a way to transition them from thinking the interest rate is the most important factor when choosing the right mortgage to fit into their overall long and short term financing goals.  I do believe that the interest rate is important but without sitting down with the client and having a high trust interview I might cost them more money in the long run. I hope these scripts help you turn a potential shopper into a new client.

**Rates And Fees - Borrower, Internet And General**

**Script #1: Borrower**  
  
"There are really two ways to look at rates - quoted and real. Many lenders today will give you a quoted rate. It is not a real rate. My goal is to help you make smart choices when selecting the right loan program and the right rate. Through integrating the loan program and the rate into your overall financial strategy, I will provide you with the overall lowest cost of borrowing. Based on that commitment, do you feel comfortable moving forward?"  
  
  
**Script #2: Borrower**  
  
"One approach to mortgage financing is in looking for the lowest rate. Another is in looking for the overall lowest cost of the relationship you have with a mortgage professional. This loan is one of the largest pieces of debt you will ever have, and there are significant strategies that, when integrated into an overall mortgage plan, can save you tens of thousands of dollars in unnecessary expense during the life of your loan. Most lenders do not have this approach. I do. I want to help you make smart choices through our Mortgage Planning Program. The money you save with this approach is significantly larger than the money you will save with a lower interest rate. Based on my commitment to help you save tens of thousands of dollars, do you feel we have a basis for doing business together?"  
  
  
**Script #3: Internet**  
  
"There is no question that the Internet is one of the best ways to find out what the market is doing and what rates are available to you as a consumer. Many of my clients use the Internet for exactly that reason. However, one piece of information I should share with you is that most Internet lenders do not provide a consultative approach to helping a client integrate their mortgage into their overall long and short-term investment goals, nor do they help them meet their payment and equity objectives. The way the Internet can afford to give you low rates is by removing the expertise of a consultant from the equation. With a transaction of this size, I find most people are willing to pay a little higher rate in exchange for professional advice. Based on my commitment to help you make smart choices, do you feel comfortable moving forward?"  
  
  
**Script #4: General**  
  
"I understand it might appear that our rates are slightly higher today. However, all of us are subject to the same secondary market. No lender has a "monopoly" on "the best rates". There are no "special deals" or "cheap money", and portfolio lenders are usually in and out of the market. In fact, what is often perceived as a better rate is nothing other than modifications to standard loan programs and higher fees. Based on the fact that we are always "in the market", do you feel we have a basis for doing business together?"

**Script #5: General**  
  
"Interest rates are often an illusion. There is no monopoly on the lowest rates. Rather, all of us attempt to present our programs in the most attractive manner possible. With modifications in product features, fees and terms, I can always obtain a rate that will satisfy your client. Based on the fact that we are always "in the market", do you feel we have a basis for doing business together?"  
  
  
**Script #6: General**  
  
"I understand the way you feel about our rates being a little high. Depending on when you check rates, you can almost always find a lender who is lower. However, at closing all of my clients have felt that the overall service we provided them and what they paid in rate was a fair exchange. My goal is to create satisfied customers. Based on that, do you feel we have a basis for doing business together?"  
  
  
**Script #7: General**  
  
"Let me ask you a question. You are a professional who feels that what you do is worth what you charge. When someone with whom you desire to do business says you charge too much, how do you handle that? (Generally, they don't lower their price.) I believe what I do is worth what I charge. There is no reason for you to refer your customers to me if I cannot give them the best overall combination of price and product. The only way you'll know if I can do that is to try me. Based on that, do you feel we have a basis for doing business together?"