

# 8 Ways Loan Officers Can Strengthen Relationships With Real Estate Agents



**FINLOCKER<sup>®</sup>**

April 2024

Economists anticipate home sales will pick up throughout the year as interest rates begin to drop. Depending on your data source, existing home sales will be 4.65 million ([MBA](#)), 4.07 million ([Realtor.com](#)), or 4.31 million ([Fannie Mae](#)) by the end of 2024.

Financial constraints, driven by higher interest rates and property prices, have resulted in affordability challenges for many first-time homebuyers. Those who are financially eligible for a mortgage have seen their purchasing power reduce. The higher interest rates have also forced homeowners with low interest rate mortgages to rethink their next move. These market factors affect not only mortgage lenders and loan officers but also real estate agents.

There were 1,554,604 REALTORS® (members of the National Association of Realtors) in the United States in 2023 and the median number of residential transactions for all [REALTORS®](#) was 12. Yet, there 4.09 million existing homes were sold in 2023. As most consumers start their homeownership journey searching for homes and connecting with a real estate agent, loan officers who rely on real estate professionals for referrals must find new ways to connect with top-tier agents and generate more leads from their real estate agent network.

Here are eight ways loan officers can strengthen relationships with real estate agents and help their businesses thrive in 2024.

## Help agents generate leads to grow their business

### 1. Give real estate agents financial education content to post to social media

You probably read this suggestion and thought you barely have time to create your own social media content, let alone more for agents. However, it's easier than you think. A lot of the content you are creating for yourself, especially educational content on the mortgage process, can be reused by real estate agents.

As 56% of home buyers and 65% of home sellers used a real estate agent referred to them by family or friends or an agent they had used in the past, according to the National Association of REALTORS®, they are often meeting potential borrowers before they meet with a lender. Those borrowers need the same advice loan officers are providing their prospective borrowers.


**Here's how to do it:** Loan officers should send one email at the end of every week with a couple of social media posts for the following week. Alternatively, send an email in the second week of every month with social media posts for the next month and call each





agent during the third week to follow up on the email. Whatever schedule is decided, commit to it. This practice will help loan officers plan their social media, too.


Short on time to create shareable content? ChatGPT is a free online artificial intelligence (AI) chatbot that generates human-like responses to questions or text input, called prompts. Loan officers can ask ChatGPT to write social posts, blogs and video scripts, among many other useful things, on a wide variety of topics. The output should be considered a quick way to obtain a starting point for text that must be reviewed and edited to be compliant before publishing.


Here is an example that was input: *Write 5 social media posts with each post having one tip advising first-time homebuyers how to prepare to buy a home* with the exact output that was generated within seconds:

 Tip for first-time homebuyers: Start saving early! Building a solid down payment can make a huge difference in your mortgage terms. Set a budget, cut unnecessary expenses, and watch your dream home become a reality. 💰 #HomeBuyingTips #FirstTimeBuyers

 Research is key! First-time homebuyer tip: Knowledge is power. Understand the local real estate market, check out neighborhoods, and learn about current mortgage rates. The more you know, the better decisions you can make. 🌐 #HomeBuyerEducation #SmartDecisions

 Get your finances in order! First-time homebuyer tip: Review your credit score, pay off debts, and get pre-approved for a mortgage. A strong financial foundation sets the stage for a smooth homebuying process. 🏠💼 #FinancialFitness #MortgagePreApproval

 Tip for first-time homebuyers: Think long-term. Consider your future plans, family size, and lifestyle. Don't just buy for today—invest in a home that meets your needs for years to come. 🏠🌟 #FuturePlanning #DreamHome

 Don't skip the home inspection! First-time homebuyer tip: Ensure you know what you're getting into. A thorough inspection can uncover potential issues and save you from surprises down the road. 🔍🏠 #HomeInspection #BuyWithConfidence

If you'd like to create short videos to post to Instagram and TikTok, follow up with the prompt with:  
*Turn each of these social media posts into 60 second scripts for individual Instagram videos.*

## 2. Generate leads by co-hosting homebuyer workshops with your agents

Loan officers can double their marketing efforts by joint co-hosting and marketing a homebuyer workshop. The same format can be used to present workshops in person or online.

**Here's how to do it:** Every quarter, loan officers should present with each of their top-tier agents one first-time homebuyer workshop and another workshop for current homeowners to learn the process of selling and buying

a home at the same time. Split the presentation, so the agent explains the real estate portion and gets face time with prospective homebuyers, too.

Suggested topics to cover:

- Benefits of buying versus renting
- Minimum mortgage qualification requirements, for example, the credit score to qualify for a home loan and how a higher credit score can help the borrower become eligible for lower interest rates
- Importance of getting pre-qualified to establish a home buying budget before you start looking at homes
- Shopping for a home, including being realistic about your needs versus wants, the benefits of hiring a real estate agent, and the importance of a home inspection
- Steps in the mortgage process, from the mortgage application to getting home insurance and what happens on closing day
- Sustaining homeownership, including filing for homestead exemption in your state (if applicable), saving an emergency fund to cover unexpected home repairs or appliance replacement, and the value of a home warranty to repair and replace household appliances and systems





### 3. Give real estate agents a co-branded financial fitness app to attract and nurture prospective homebuyers

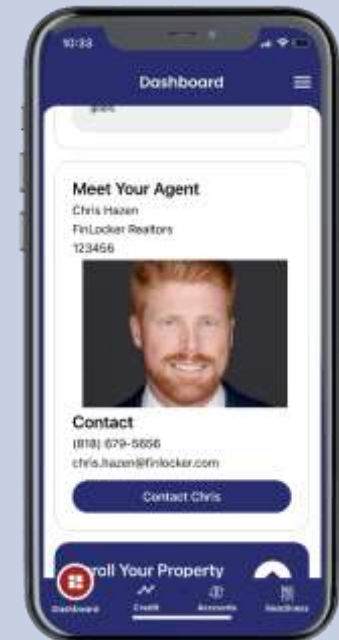
FinLocker is more than a financial fitness app to get prospective first-time homebuyers mortgage-ready. The FinLocker app can also be offered to renters to organize their finances, check their credit before they begin their homeownership journey, and trigger any actions to alert the competition of their intentions. According to Maxwell, over a third of Millennial and Gen Z borrowers obtained their lender from their real estate agent, so sharing FinLocker with real estate agents will add more prospective borrowers to the top of a loan officer's sales funnel.

**Here's how to do it:** Loan officers can provide each of their top real estate agents with a unique invitation code to distribute their private label FinLocker via social media and to home buyers not yet mortgage-ready. Creating unique invitation codes makes it easier to identify which agents are generating more leads easier.

Real estate agents can co-brand the app with their photo and contact information to remain top-of-mind with their clients while they prepare to qualify for a mortgage and search for a home.

Give everyone who attends the co-hosted homebuyer workshops an invitation to download the FinLocker app and incorporate the interactive financial tools into the coaching to get prospects mortgage ready and help them search for properties without being exposed to the advertising of other lenders and agents. Providing a uniquely branded FinLocker app is a meaningful way to stay engaged with homebuyers for the duration of their homeownership journey and is much more impactful than a fridge magnet.

[Read a case study to see how a credit union used first-time webinars to drive mortgage readiness via technology- driven engagement](#)



# Help agents get home buyers off the fence

## 4. Explain the cost of waiting to buy a home

Consumers still can't shake the fact that the low interest rates that were offered for a few years are not returning. Now that 30-year interest rates fluctuate around 6.5% to 7%, affordable entry-level housing is scarce, and talk of a mild recession still hangs over the economy, many first-time homebuyers believe they cannot afford to buy a home until interest rates are reduced.

While the 30-year fixed rate interest rate is forecast to decrease slightly as the year progresses, the rate is not expected to drop below 6% until Q1 2025, according to the [MBA](#). Home buyers and sellers who purchase a home earlier in 2024 can be reasonably confident that they'll avoid bidding wars if they purchase sooner. Additionally, when home prices rise as more homebuyers enter the market start when rates decrease, it will help them build equity and make it easier to refinance to a lower rate.

As many homebuyers do not shop around for lenders and agents, prospective homebuyers need to get the facts from the first person they meet on their homebuying journey, and if that's your real estate agents, they need to know the facts, too.

**Here's how to do it:** Loan officers should give their real estate agents key talking points to tell their fence-sitting home buyers and sellers the importance of not waiting. Real estate agents should know the basics of the financial assistance products available so first-time homebuyers can be referred to you early in their homeownership journey to review their eligibility for down payment assistance and other low down payment products.

Here are a few talking points:

- Interest rates are expected to average 6.5% through most of 2024.
- Home prices started to drop late in 2023 in many cities and are expected to stay stable in the first half of the year, so they should buy a home before the rebound when the market will likely get more competitive when homebuyers realize that sub-3% rates aren't returning and that a low 6% is realistic for now.
- Most homeowners have significant equity, so if they experience financial problems such as a job loss, they can sell their home rather than be forced to foreclose, which should avoid the housing market crashing like it did in 2008.
- If homebuyers wait until 2025, when interest rates reduce, the housing market will be more competitive, driving up home prices again.
- When interest rates decrease, homebuyers can refinance their mortgage at a lower rate.

## 5. Create neighborhood reports to help real estate agents sell more homes

Loan officers should connect with one agent in each neighborhood or city where their business is focused and use customized neighborhood reports to help them build value, stay top of mind, and become their area's go-to real estate expert. Creating a report is simple with a subscription to one of the many platforms that provide loan officers with neighborhood reports. HomeScout Pro, for example, offers customizable neighborhood and home value reports that can be co-branded with real estate partners. These reports provide a slew of information for in-market home buyers and homeowners, including just listed properties, comparable sales, median sales price per zip code, supply and demand by zip code, and nearby homes for sale listings or to obtain new homes to sell.

**Here's how to do it:** Use one of the mortgage solutions to create a Neighborhood Market Report for each top-tier agent and commit to updating the report each quarter. A Home Value Report can include the same information and the cost to finance the home with current mortgage rates to help agents move specific property listings.



## 6. Give real estate agents a financial fitness app that improves homebuyers' mortgage eligibility

Despite the prevalence of free credit monitoring resources and online mortgage education, mortgage myths, particularly those around credit score and minimum down payment, are firmly entrenched with many first-time homebuyers.

**Here's how to do it:** When homebuyers are provided with a FinLocker early in their homebuying journey, they can get the facts on the mortgage process and popular loan options, use interactive tools to improve their credit health and be guided to overcome the common barriers to mortgage eligibility.

When prospective homebuyers are provided with a FinLocker app, they can:

- Monitor their credit score and credit report, and use credit-building tools to increase their score.
- Receive a homebuying budget that fits their income using the home affordability calculator, which will also calculate the minimum down payment and closing costs for their preferred loan option
- Create a trackable goal to save for their down payment and closing costs
- Budget and monitor spending to pay down credit card debt and personal loans to reduce their debt-to-income ratio
- Track their progress towards mortgage readiness to know when they've reached the minimum guidelines for mortgage eligibility. They'll also receive a personalized action plan to help them overcome any financial challenges.





# Help agents sell more homes faster

## 7. Offer renovation loans to move “hard-to-sell” properties

With the home renovation frenzy of the past few years (more than half of all homeowners renovated between 2020 and 2023, according to [Houzz](#)), it's easy to assume that every home has been renovated. However, only 6% of homeowners made renovations with a plan to sell their home. Whereas 61% of homeowners who renovated planned to stay in their home afterward.

Attract and support agents attempting to sell outdated, structurally damaged, or poorly designed homes by informing them how renovation loan products can provide prospective homebuyers with the opportunity to buy and renovate after closing to create their dream home.

**Here's how to do it:** Many renovation loans stipulate that work must be completed within a specific period after the sale. To promote the benefit of renovation loans, go one step further and connect with local architects and building contractors who can be referred to prospective home buyers. Agents can also refer these contractors to home sellers for pre-sales renovations. You've struck gold if a builder or architect can create a napkin sketch to show prospective homebuyers a remodel option.

When loan officers help agents sell hard-to-move homes, they'll be in the lead to obtain the referral to the home's buyer and the grateful seller when they buy a new home.



## 8. Provide homebuyers with a fast pre-qualification and a streamlined mortgage application process

When prospective homebuyers prepare for homeownership using FinLocker, they can check their mortgage readiness before getting pre-qualified. FinLocker empowers homebuyers to share their financial information with their originator via the Lender Connect portal in the app to streamline the pre-qualification process. The homebuyer can upload their pre-qualification letter to the secure FinLocker document vault to share with their real estate agent when they're ready to tour the homes they found in the embedded FinLocker property widget. The property widget provides the same MLS homes displayed on other websites. However, using it will reduce the likelihood that homebuyers will be distracted by third-party ads from other agents and lenders.

When the homebuyer has found a home to purchase, they can use the same sharing portal to present themselves to their loan officer with their identity, credit, assets, income, and employment verified for their mortgage application. The shared financial data and documents essentially prefills the mortgage application, streamlining the application process for all parties.

It's essential to keep agents updated on the progress of each homebuyer's mortgage application. Lenders should create notification emails in their CRM connected to their LOS triggered to send by each milestone in the loan process to provide agents with the information they want and the communication they expect from loan officers.

## Ready to see how FinLocker can strengthen your real estate agent relationships and guide more homebuyers through their entire homeownership journey?

[Click to watch an online demo or schedule a 1:1 consultation to see the latest FinLocker features.](#)

