

# Perspective

A Timeshare & Shared Ownership Magazine

April 2008

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Lifestyle  
Holidays  
*Vacation Club*



**THIS ISSUE** ARDA Convention Edition, First Vacation Ownership Property In The Maldives, Disney Animal Kingdom, TATOC Convention Review & More

# Selling More Timeshares and Fractionals: The Secret is Offering a Better Loan

Low-interest, completely paperless loans make the vacation ownership decision much easier for consumers with excellent credit



There's more to selling a timeshare or fractional than having a breathtaking ocean view, direct access to ski lifts, the promise of good weather or golf, entertainment and other tourist attractions nearby. While it might be easy for a potential buyer to fall in love with your vacation ownership property, the decision to buy may ultimately become a financial equation.

Since vacation ownership purchases often are considered non-conventional products, financing options for these opportunities traditionally have been limited or associated with high interest rates. Many lending institutions today are hesitant to finance these kinds of properties because they can be difficult to resell if an owner defaults on the loan.

While home equity loans have been a popular choice for financing vacation ownership properties, some buyers don't want to use the equity in their homes for a loan. Furthermore, the recent widespread decline in the housing market has resulted in increasing numbers of homeowners having diminished, little or no equity in their homes, which can make the

task of securing a home equity loan nearly impossible.

All these conditions considered, in today's financial climate, helping potential customers find the right loan may be the secret to selling more vacation properties.

### Interest Rate Matters

According to the 2006 ARDA PricewaterhouseCoopers benchmark study, the average interest rate on a timeshare loan is 14.1 percent. This is extremely high compared with the rates of other loans that consumers are accustomed to, such as auto and home equity loans. High interest rates can cause consumers to hesitate about the purchase of a vacation property because they may expect a lower rate and be left with a negative impression about the entire buying experience. One negative impression can foil a final sale. The reality is especially unfair to consumers with stellar financial histories, because they deserve special rewards for their proven fiscal responsibility.



Fortunately for these people, there's FirstAgain, a new player in the consumer lending arena. Not only is FirstAgain offering loans for timeshares at rates as low as 7.49 percent, the San Diego-based company also is transforming the ways in which consumers can obtain funding for a wide variety of purchases.

By offering interest rates that are nearly 50 percent less than the industry average, FirstAgain is saving timeshare and fractional buyers thousands of dollars on their purchases. For developers, these savings can be the difference between a "closed" and another "almost sold" deal.

### You Do the Math

Lower interest rates equate to reduced monthly payments and improved affordability to buyers; these two factors can make all the difference in a sale. For example, if you have a timeshare or fractional property that's selling for \$20,000 with a 72-month term, offering your customer a loan at 7.99 percent\* versus 14.1 percent results in a total savings of more than \$4,500. That savings is more than 20 percent of the original cost of the vacation property! >>

	FirstAgain Financing	Industry Financing
Amount Financed	\$20,000	\$20,000
Loan Term	72 months	72 months
Interest Rate	7.99%*	14.1%**
Monthly Payment	\$350.57	\$413.19
Total Payments	\$25,241	\$29,749

**With FirstAgain, your customer saves more than \$4,500. That's more than 20 percent of the original cost of the vacation property!**

### Keep Your Competitive Edge

While the vacation ownership market continues to grow, so does the competition. Today's buyers attend about three sales presentations before making a buying decision. Buyer expectations regarding value, convenience and flexibility also are increasing. To stay competitive, developers and lenders need to deliver a better value to consumers. FirstAgain can help with highly competitive interest rates and convenient loan processes. As noted previously, customers can save thousands of dollars over the life of the loan when financing a vacation property through FirstAgain. One easy way to stay competitive is to recommend FirstAgain to your potential buyers.

### Developers Benefit from the AnythingLoan -- Immediate Funding, Less Paperwork and No Risk

FirstAgain is an online consumer lending company that is committed to meeting the financing needs of individuals with excellent credit. The company offers the AnythingLoan, which like its name suggests can be used to purchase anything, including timeshares, fractionals, point-based vacation ownerships, airplanes, boats, travel expenses, vehicles, home improvements, medical and educational expenses, or absolutely anything else.

Consumers aren't the only ones who benefit from the AnythingLoan -- developers benefit

too. When a potential buyer chooses the AnythingLoan, developers can receive 100 percent of the sale proceeds right away.

The AnythingLoan is America's first completely paperless consumer loan -- everything from application processing to document signing, loan funding and servicing is done online. The result is a unique, hassle-free lending experience that is very different from the existing hypothecation lending process that is prevalent in the vacation ownership market today.

With FirstAgain, the developer's sales representatives simply instruct potential buyers to apply for a loan online directly with FirstAgain. The application process and credit decision take just a few minutes. After the loan is approved, customers go online to provide FirstAgain with the desired funding date, time and bank account information. FirstAgain wires the proceeds directly into the customer's account, as soon as the same day. Because of this swift and responsive process, consumers can pay immediately for the timeshare or fractional purchase. >>

### No Risks for Developers

FirstAgain does not take a security interest in the vacation ownership property, so there are no hassles with liens or titles, which makes financing much easier for both consumers and developers. Best of all, FirstAgain takes the credit risk; there is no recourse to developers or need to substitute new loans for problem loans – it's FirstAgain's responsibility from day one!

Developers not only receive immediate payment; loan default risk as well as collection and credit-related costs are eliminated. Customers apply directly with FirstAgain, so developers' sales representatives are not bogged down in collecting credit information or the approval and funding processes, so they can spend their time doing what they do best – selling. In addition, there is no burden or overhead of financing and servicing the debt.

"The low interest rate and simplicity of securing funding with the AnythingLoan make it a great option for prospective vacation ownership buyers," says Mike Whittaker, vice president of Baja Lending Company. "The fact that it eliminates developer risks and provides immediate funding makes the sales process much better for developers too."

### The AnythingLoan – Fast, Easy and Low Rates

With the AnythingLoan, customers receive:

- A fast, easy online loan application – and credit decision in minutes;
- Same-day funding directly into the account of their choice;
- An unsecured loan that does not require the pledging of assets;
- The ability to own their purchases lien free;
- Loan amounts from \$7,500 to \$100,000;
- Fixed, low-interest loans with rates as low as 5.99 percent\* (rates vary by loan purpose, amount and term. Timeshare rates start at 7.49 percent -- nearly half the industry average.);
- A loan with no fees, down payments or prepayment penalties;
- The best loan experience – guaranteed.

### Who Qualifies for the AnythingLoan

FirstAgain caters to the financial needs of individuals with excellent credit. With FirstAgain, excellent credit is more than just a number. While many other lenders depend on FICO scores to make credit decisions, FirstAgain makes judgmental decisions based on each applicant's unique credit situation. Simply put, it has been FirstAgain's experience that individuals who have excellent credit share the following characteristics:



- Five or more years of significant credit history.
- A credit history with a variety of account types such as major credit cards (Visa, MasterCard, AmEx), installment debt (vehicle loans), and mortgage debt (if applicable).
- An excellent payment history with no delinquencies or other problems repaying debt obligations.
- A proven ability to save.
- FICO scores in the mid to high 700s.

### Five Easy Steps of Vacation Ownership Financing

For individuals with excellent credit, obtaining an AnythingLoan is simple. There are just five easy steps:

1. Apply online – it just takes a few minutes.
2. During business hours, FirstAgain will email the customer within minutes about the credit decision.
3. If approved, the customer can go online, electronically sign the loan agreement, provide banking information and choose the funding as well as monthly payment dates.
4. On the customer's selected funding date, FirstAgain will transfer the loan proceeds into the designated bank account.
5. The customer then has the funds to make the vacation ownership purchase with cash in hand.

It's that simple. The process is paperless and fast with no title work or liens on assets, and all at highly competitive interest rates.

### Redefining the Loan Experience

FirstAgain is committed to redefining the consumer loan experience while creating unprecedented financing opportunities in the vacation ownership industry. The company's co-founders previously founded PeopleFirst, which became the nation's largest online auto lender prior to its sale to Capital One in 2001. Operating nationwide and with financial investments from Merrill Lynch and Arsenal Capital Partners, FirstAgain provides innovative financial products to individuals with excellent credit. The company's AnythingLoan is the nation's first completely paperless consumer loan and can be used for any purpose, including home improvements, vehicle purchases, educational and medical expenses, timeshares, fractionals, vacation ownerships, and loan refinancing. The loan experience is fast and convenient, offering same-day funding along with highly competitive rates and loan amounts from \$10,000 to \$100,000. For more information, please visit [www.firstagain.com](http://www.firstagain.com).

### Contact Us

To become a FirstAgain business partner, contact Todd Nelson, head of Business Development at 619-727-4607. To learn more about FirstAgain and the AnythingLoan, please visit [www.FirstAgain.com/Perspective](http://www.FirstAgain.com/Perspective). ■

\* Interest rates vary by loan purpose, term and amount, and are subject to change without notice. For current rates, visit [www.FirstAgain.com](http://www.FirstAgain.com).

\*\* Average finance rate per 2006 ARDA PricewaterhouseCoopers benchmark study.



# Sell More Timeshares & Fractionals by Offering Better Loans

With FirstAgain's AnythingLoan, for excellent credit customers, timeshare financing starts at just 7.49%\* -- nearly half the industry average! That low rate equates to lower monthly payments for your customers and more timeshare sales for you.

## Good for You and Your Customers

- ✓ Your customer saves \$4,500 in finance costs\*\*
- ✓ You get 100% of sale proceeds immediately
- ✓ You eliminate credit risk

## Partner with FirstAgain Today

To become a FirstAgain business partner, contact Todd Nelson, Head of Business Development at 619-727-4607.

Or, have your customers apply for a loan at:

[www.FirstAgain.com/Perspective](http://www.FirstAgain.com/Perspective)

\* Interest rates vary by loan purpose, term and amount, and are subject to change without notice. For current rates, visit [www.FirstAgain.com](http://www.FirstAgain.com). © March 2008

\*\* Savings based on \$20,000 loan for 72 months at 7.99% vs. average finance rate of 14.1% per 2006 ARDA PricewaterhouseCoopers benchmark study.

## The AnythingLoan

Rates as low as **7.49%<sup>\*</sup>** APR

- Unsecured consumer loan from \$7,500 to \$100,000
- Tailored to individuals with excellent credit
- Fixed, low-interest rates for timeshares (nearly half the industry average)
- Fast, easy online application
- Credit decision in minutes and same-day funding