

## SIGNATURE LOANS

Here is another passport to success in taking advantage of a good deal or profitable transaction when it passes your way. "Signature loans are your key to the vault", and because they are based on your signature alone, they are also known as "Character Loans". No co-signer or collateral is involved in a real signature loan.

With pen in hand, based on your prior credit history and also your own experience with the bank, your signature can draw from \$1,000.00 to \$250,000.00. It all depends on your ability to pay the money back.

Once you get your first signature loan with a bank, walk in on the day it is due and pay it off with two cashier's checks or with two different stacks of money. The first check or money stack will be to cover the principal of the loan. Be sure to tell him how well you did for yourself as you hand over your payment. Tell him not to make any plans for the money as you may need to rent it again soon. As you pay back the interest portion of the loan, remind the loan officer that your good performance and his smart decision to give you a loan in the first place was a profitable experience for the bank as well. Remind him that it's the rent paid on these loans that keeps the bank in business.

Now, let's suppose that your original loan was for \$3,000.00. As you get up to leave the bank, turn to him and say, "Oh, by the way, I may want to rent \$5,000.00 in a couple of weeks. Will you hold on to \$5,000.00 for me?" What you are doing is pre-qualifying for a \$5,000.00 loan. You are saying, "Hey, Mr. Loan Officer, are you going to raise my next signature loan to \$5,000.00 or is \$3,000.00 the limit?" What can he say? You have just paid off the \$3,000.00 loan, and the rent for the loan, and you have just reinforced the point that the rent, or interest, on the loan is what keeps the bank in business and pays his salary. If he answers with something like "We'll see.", sit back down at his desk and say, "You mean you're not sure? What seems to be the problem?"

It is very important at this point that you get some kind of answer from him in advance. It is very unlikely that a "Yes" will come forth, but a "sure" or "I suppose" will do. Do not leave the bank until he commits to the next loan. With each new loan, raise the dollar amount by \$2,000.00 increments, until you have reached \$10,000.00. At that point, you will be able to raise the amounts of future loans in \$5,000.00 and \$10,000.00 increments.

When shopping for aggressive banks, ask the loan officer you are dealing with if they are a "commissioned" loan officer. They are the most aggressive

as they are paid a commission on all the loans they write. These people will be more eager to make you a loan.