

WEBINAR #48 - HOSTED BY JACK KELLY

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Entrepreneur

Definition of Entrepreneur

“How the Business Works” Snapshot

	December 2014	December 2015	December 2016	September 2017	Peer Group	Percentile
Asset Size	\$72,061,850	\$79,594,510	\$84,874,013	\$86,819,435	-	-
Loan to Share	54.84%	51.01%	48.60%	47.83%	63.10%	23 rd
Total Loans Outstanding	\$35,697,338	\$36,705,615	\$37,374,348	\$37,454,849	-	-
Real Estate Loans	\$14,825,263	\$13,355,097	\$12,476,560	\$12,466,698	-	-
Unsecured Loans	\$6,218,477	\$7,451,583	\$8,296,746	\$8,047,239	-	-
Auto/Other Loans	\$14,653,598	\$15,898,935	\$16,601,042	\$16,940,912	-	-
Cash/Equivalents & Investments	\$33,883,313	\$38,201,313	\$42,551,503	\$44,491,443	-	-
Loan Yield	6.78%	6.70%	6.74%	6.68%	5.16%	93 rd
Loan Income	\$2,371,564	\$2,424,369	\$2,497,928	\$1,250,246	-	-
Loan Quality (Delinquency)	1.72%	1.90%	1.49%	2.14%	1.01%	90 th
Charge-Offs	0.39%	0.49%	0.85%	0.66%	0.52%	76 th
Average Loan Balance	\$5,573	\$5,429	\$5,287	\$5,342	\$12,335	3 rd
Net Income	\$666,187	\$459,801	\$444,391	\$234,810	-	-

Why you Need to Own the Business



Million Dollar Member

- Autos
 - What is the average number of cars your member will own over their lifetime (ANIMATION)
 - What is the current average price of a new 2017?
 - What does our average member spend on cars over their lifetime?
- Homes
 - What is the average cost of a starter-home?
 - What is the average cost of a family home?
 - What is the average cost of home for downsizing – when the kids are gone and your retirement dream comes true for you and your spouse?

Million Dollar Member

- Credit Cards
 - What is the average number of credit cards an American household has?
 - What is the average household credit card debt?
- Personal
 - Boats/Engines/Trailers
 - Deer Leases
 - Other

Scenario Example

Total dollar amount in loans:

Automobiles:	\$ 555,000
Homes:	\$ 750,000
Credit Cards:	\$ 1,000,000 (spent on
credit cards)	
Personal Loans:	<u>\$ 400,000</u>
<i>Grand Total:</i>	<i>\$ 2,705,000</i>

Potential income generated by creating the lifetime member relationship

Automobiles

\$37,000 @ 6% for 90 months = approximately \$9,100 in interest

_____ (number of auto loans) X \$9,100 = \$_____

Homes

Starter home: \$200,000 @ 4.5% over 10 years = \$89,000 in interest

Family home: \$350,000 @ 4.5% over 30 years = \$290,000 in interest

Downsizing home: \$200,000 @ 4.5% over 10 years = \$89,000 interest

Credit cards

\$16,000 (average balance) @ 15% over 40 years = \$96,000 in interest

Personal loans

\$30,000-40,000 in interest income

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Grand Interest Income Total: \$750,000 (at a minimum)



What do you need to know

- Knowing your business by:
 - product and service
 - Volume
 - Loan Yield
 - Charge-offs
 - Net yield
 - Size of portfolio – loan to share

*How can you own
your business
unless you know
your business?*

Profitability of your Loan officers

- How much do they lend?