

5 Tips to let 'LTV' Work for You

Loan-to-Value (LTV) is critical in determining a customer's rate and down payment while preserving your margin.

01

Check Your Rate Sheets

Your rate sheet will show you rates based on amount to finance, credit score and LTV. Typically your best rates are at or below an LTV of 110%. LTVs below 90% will have even better rates!

02

Determine the Value

For new boats — look at your invoice for boat motor and trailer. Add back in discounts and hard options not listed on the invoice.

For used boats — use NADA and go to “Low Trade.”

03

Calculate Your Loan to Value

Take the amount financed and divide by the LTV.

Example: \$100,000 loan / \$90,000 value = 111% LTV. Loan to Value 111% (remember best rates are below 110%).

04

Get the Approval(s)

If you're below 110%, go get the approval!

If you're above 110%, get 2 approvals: One with the customer's desired down payment amount and one with a down payment amount to get below 110%.

05

Meet the Customer's Needs

If your customer prefers to put less down, help them understand that more money down equals a better rate. Less money down equals a higher rate.

Note each LTV tier to always have a lower rate.

