



DVC Resale Financing: 5 Easy Steps to Owning the Magic.



Debbie Ely | @vcloans



INTRODUCTION

You must be considering purchasing a point package from Disney Vacation Club (DVC) on the resale market. You are on your way to owning a piece of the magic. Congratulations! Today's savvy buyer has technology on their side and your mobile device can potentially save you thousands of dollars by researching ways to get what you want, for less money.

In the report below we will explain the resale and financing process so you can purchase your next Disney Vacation Club Ownership on the resale market with **only a down payment** and budgeting low monthly payments. Financing can help you keep your cash for emergencies and give you the financial control to pay for your DVC when it is most comfortable for you. Finding the exact point package that fits your travel goals, at the home resort you love will not be as difficult as you may think after reading this easy, step-by-step guide on how it all works.

Before starting, if you were going to purchase a car would you find the car and then ask if financing were available or would you know your financing options first? There is no wrong answer to this question as it is just a personal preference on what comes first, the chicken or the egg. However, in our example below we will approach securing the funds first. This is recommended with most purchases because you should understand your ability to purchase before you select something that does not fit into your lifestyle financially. Remember, you are in control of your money and need to budget whatever is going to work best for you and your happiness because vacationing as a Disney Vacation Club owner will make you happy!



STEP 1 Obtain Financing

Research to find a licensed lender to see what interest rates are available to you based on your credit score. The lower the interest, the higher the savings. To ensure your lender carries a license, go to the state's licensing website and enter the company's full name. There are various licenses depending on the company's legal structure: consumer finance, mortgage broker, or loan originator to name a few. If you cannot find any license, beware!

Disney Vacation Club is headquartered in Florida. Here's Florida's for example: <https://real.flofr.com/ConsumerServices/SearchLicensingRecords/Search.aspx>

The best interest rate will help you save even more over time. Here is an example of how different interest rates can affect your overall cost:

DVC Resale Purchase Price	\$10,000
100 points @ \$100.00 per point	
Interest over 5 years @ 11.9% APR	+ 3,316
TOTAL PRICE:	\$13,316

DVC Resale Purchase Price	\$10,000
100 points @ \$100.00 per point	
Interest over 5 years @ 15.9% APR	+ 4,559
TOTAL PRICE:	\$14,559

Potential Savings:	\$ 1,243
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In the above, you would have paid an additional \$1,243 but received the same amount of points over the same amount of time by taking a higher interest rate.

Check if there are monthly fees added to every payment. This can add up over time. Monthly \$5.00 fee x 60 months equals another \$300.00 extra.

TIP: Be careful of lenders that quote just "11.9%" without actually giving the full information of "11.9% APR". Look for the wording APR or annual percentage rate when shopping for rates. This is a common trick as "11.9%" can then calculate out to over "13% APR" when you actually receive the loan documentation later because of the mathematical equation is changed to APR.



STEP 2 Find your points package

Research to find a licensed timeshare resale broker to help you purchase the right package. Finding the right agent will make the process so much easier. Reason being is a qualified and experienced agent will be able to guide you to what will fit your travel desires best within the loan amount that you selected. You don't want a "salesperson" steering you to buy a product that doesn't make sense just to get a commission. You want service and real advice. There are several size packages, "use year" fluctuations, and different price points so your agent must be able to negotiate on your behalf.

Contact DVC directly and ask for their Recommended Resale Brokers by calling DVC Members: Call (800) 800-9800 - Non Members: Call (877) 616-8687.

You can also check out ARDA's Resort Owner's Coalition, the industry largest association, list of licensed resale brokers that meet industries standards. <http://portal.arda.org/app/directory/index.cfm?dir=ltrb>

TIP: Don't be afraid to ask the Seller to pay half the closing costs. It is assumed the Buyer will pay this fee; however motivated Sellers are willing to share in this expense.



STEP 3 Right of First Refusal

Now that you have your lender and your agent on your team you are ready to make an offer and have it accepted! But what is ROFR?

Right of First Refusal - commonly referred to as “ROFR”: Disney has placed into their ownership documents that they have the “right of first refusal” which means they can purchase any package from their Sellers first if they want to. Yes, if your deal (purchase price) is too good to be true, it is likely that Disney will exercise this right and buy it before you can. If this happens and Disney does buy it, you can keep shopping and buy the next package you love.

Your deposit is 100% yours to keep.

TIP: This is why you will not see a DVC package far below its true value. This is a good thing because you may sell your DVC package someday thus knowing its value will maintain within reason based on the market at that time.



STEP 4 Title & Documents

Once DVC has waived their right of first refusal to purchase, you can continue with your purchase and move on to the title stage. A licensed title company or escrow agent will gather all the documents for you. They will work closely with your resale agent and your lender. The title company will confirm with DVC the Seller's ownership to ensure the points are available and all the information to transfer title is correct. The title company will forward to you and the Seller documentation for signature.

Your lender will communicate directly with your resale agent and title company so that all loan documents are completed accurately. A lender should understand the resale market and how vacation ownership works so the closing process goes smoothly. The title company will send all the documents, including the Loan Note, to you to sign and a package to the Seller to sign. Once these packages are completely executed and returned to the title company, the title company will notify your lender that the contract is ready to close.

TIP: For approximately \$50.00 more in closing fees you can have a Full Closing with title insurance. This is a small amount to pay for peace of mind if you want.



STEP 5 Lender Sends Money

Your lender will be able to send by electronic transfer your loan amount immediately to your title company upon notification of closing. It is the title company's responsibility to distribute the funds correctly. Funds will go to the Seller and a commission will go to the resale agent. It is important to use an experienced and licensed title company as they play an important part.

The distribution of funds completes the sale and Disney is notified that you are now a new owner or an existing owner adding more points.

Your title company will forward the executed documents to DVC now that the sale is paid through your loan. DVC quickly transfers ownership and you can start using your points for nightly stays as soon as your ownership recording at DVC is complete.

Lastly, your monthly payments begin at closing until you pay off your loan in full. Make sure you pay your monthly payments on time as late fees can eat up your savings if it happens often.

TIP: Look for lenders who do not charge a prepayment penalty. This means you can pay your loan off early whenever you like.

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For more information, please contact Debbie Ely debbie@vacationclubloans.com