

# HOME BASE

ALUM-OWNED  
COMPANY  
PROVIDES  
EARLY  
MORTGAGE  
PAY-OFF  
PROGRAM  
BENEFIT



Mortgage masters: (left to right) John Thomas, Marv Bendau and Cliff Bendau.

**F**or a homeowner, few things could feel better than paying off their mortgage. ASU Alumni Association members may soon know that feeling — and sooner than they might imagine it happening — if they take part in an innovative new membership benefit offered through a partnership between the association and a Scottsdale, Ariz. company.

Beginning in March, Alumni Association members can enroll in an exclusive early mortgage pay-off program that will help participants save tens of thousands of dollars over the lifetime of their mortgages. EMPP Inc., one of the nation's leaders in early mortgage pay-off programs, is offering the program to members of the ASU Alumni Association at rates discounted far below what other companies charge.

With the ASU Alumni EMPP program, one-half of the monthly mortgage payment is drafted automatically from a checking or savings account every two weeks. Since there are 52 weeks in a year, the payment program ends up withdrawing 26 half payments or 13 full (monthly) payments, instead of 12. The additional payment amount withdrawn each year is applied directly to the

loan principal balance, shortening a mortgage by as much as ten years and slashing an average of \$35,000 from most mortgages. Participants can save even more by adding additional amounts to their biweekly drafts. The program doesn't require a change of lenders, and the participant's original mortgage terms stay the same.

The ASU Alumni Early Mortgage Pay-Off Plan, created by alumnus Cliff Bendau '76 M.A. and his father, Marv, not only gives members of the Alumni Association a tool that provides the discipline to pay off a mortgage early, it also directs funding back to the ASU Alumni Association.

Anyone can sign up for the program, but they must be a member of the Alumni Association. (Membership in the ASU Alumni Association is open to anyone, regardless of affiliation with ASU.) Additionally, the entry fee to join the mortgage pay-off program will be combined with the association's membership fee for non-members who wish to participate in the program.

The fees associated with the new program are modest compared to similar programs at other financial institutions, a fact that reflects the Bendau family's wish to provide the new ASU program as a service to alumni and the university. To get started, those who are not members of the Alumni Association pay a fee of \$60, which pays for their membership in the association, as well as a one-time set-up fee of \$15. Current Alumni Association members pay only the \$15 set-up fee to EMPP, and life members of the association pay no set-up fee. The only other cost involved is a \$1.75 biweekly electronic drafting fee, a portion of which also goes directly to ASU. In contrast, most mortgage lenders offering similar programs require upfront fees of between \$195 and \$500, along with biweekly service charges of between \$2.50 and \$5.

"It is exciting to offer a new program that has such tangible benefits for our members and the university," said Christine Wilkinson, president of the ASU Alumni Association. "The fact that a member of the ASU alumni family has created the program makes this all the more rewarding. The Alumni Association is thankful to the Bendaus, who are sacrificing profit for the benefit

of ASU and members of the ASU Alumni Association. The program's low entry costs, coupled with the fact that the program offers additional value to our members, make this an incredible service for ASU and its alumni."

Early mortgage pay-off programs are increasingly becoming popular around the country. EMPP officials say interest in this type of program skyrocketed a few years ago when The Oprah Winfrey Show featured a segment on how to become what the show termed an "automatic millionaire." The show featured author David Bach, who wrote "The Automatic Millionaire," and he touted early mortgage pay-off programs as an important step to turn your own money into millions automatically.

"Our phones rang off the hook the next day. We couldn't figure out what was behind it until we started asking callers, and they all attributed it to Oprah," Cliff Bendau said.

EMPP officials are all too familiar with the skeptical response to such programs at first.

"Yes, people can pay off their mortgages on their own, but the question is will they? EMPP provides the discipline to do so," Cliff Bendau said. "It is much like dieting. Anyone can go on a diet and lose weight, but it's much easier to do so with the help of a program like Weight Watchers or Jenny Craig. Having someone to structure a program for you that offers supervision and discipline is what provides the value."

The Bendaus started their original business, a mortgage lending company called Financial Resource Affiliates Inc., in the mid-1980s. They added EMPP in 1991 to develop a product that was not dependent upon volatile interest rates. The EMPP program works no matter what the interest rate is, and if a participant refinances a mortgage, the program is transferable to the new mortgage at any time free of charge.

"That's what is great about EMPP. It works in all environments," Cliff Bendau said. "We can match whatever financial planning needs they have. We can even work around conflicts with pay periods and schedule a customer's payments when it works best for them."

EMPP's venture with an alumni association was a natural evolution for

the business, according to the Bendaus. A medical situation in the family focused their attention toward helping others, and they decided to use their company to benefit non-profit organizations as well. After talking with family friend John Thomas '77 B.S., a lawyer and former chair of the Alumni Association board of directors, the decision was made to support ASU and its Alumni Association.

Thomas said he argued for the Alumni Association membership component after hearing ASU President Michael Crow talk about the importance of membership in the Alumni Association. Membership in the association and alumni giving in general have significant impacts on university ranking, bond ratings, and financial awards from foundations.

"There's no other university in the country that is offering this kind of program and specifically a program that has a membership component. In fact, I am not aware of any other organization that offers a program at this price," Thomas said.

Because EMPP's new program is meant to benefit ASU, the company is choosing to keep its business identity in the background.

"This is a homegrown program that benefits first and foremost ASU and the ASU Alumni Association," said Marv Bendau. "We have found in our experience that people like to do business with someone they know."

And that suits Thomas and Cliff Bendau just fine.

"I can't give large dollar amounts to ASU, but I helped create a program that will help fellow alumni and provide resources to ASU," Thomas said. "And there's a great sense of pride with that. Cliff and I are proud that we took the program to our alma mater and that they are going to offer it as a benefit to all alumni, friends and employees of ASU."

To calculate your mortgage savings, get more details and sign up for the ASU Alumni Early Mortgage Pay-Off Plan, visit [www.empp.com/asu](http://www.empp.com/asu) or call (480) 990-EMPP (3677) in the Phoenix area or toll-free 1-866-990-EMPP (3677).