

Success Story

CASE STUDY NUMBER CRUNCHER

Keeping Buyers on Budget Accounting background is key to credibility

Certified public accountant Bettina Clairmont had her hands full in 2003 launching her home-based tax preparation business. Adding a real estate license to her credentials wasn't on her radar. That changed, though, when she encountered a troubling phenomenon with a number of her clients, many of whom are new physicians affiliated with the nearby University of California–San Francisco Medical Center.

During the housing boom, some of these young doctors had taken out large mortgages in the pricey Bay Area, expecting huge mortgage interest tax write-offs in return. They came to her expecting smaller tax bites. As a result, "they wanted me to reduce their withholdings, but most of them had no idea that they were subject to the alternative minimum tax and weren't eligible for all the deductions they were counting on. I disappointed a lot of people," she recalls.

Mortgage brokers, Clairmont learned, had been persuading buyers to take on the largest loan possible without factoring in tax consequences or the

potential squeeze on household finances.

"I realized I should have been working with people *before* they bought a home," she says. That led to her epiphany that *she* should be the one helping them buy. Clairmont opted to secure a broker's license, rather than join an existing company, seeking total freedom in choosing and working with clients.

Today, the hallmark of her business is the free tax and financial consultation included in her first meeting with prospective buyers. "I put on my CPA hat and crunch the numbers, showing what their itemized deductions will be, how their taxes will drop, and what their take-home pay will be at several different purchase prices," she explains.

Her numbers-oriented approach is gaining her clients. Pleased with Clairmont's work as their tax accountant, Tom Gaffey, an anesthesiologist, and his wife Shannon, a pediatrician, eagerly returned when they were ready to buy their first home. "A different person might have pushed us into more than we could afford," he says. "We mention her to anyone we run across who's looking for a house."

Clairmont estimates that she takes on only two of every five potential buyers. Often, she helps them realize that they can't afford the type of house they'd like in the Bay Area. In such cases, she'll advise waiting for prices to soften. Some decide to relocate instead of waiting.

"I don't see this as a sale lost but as a relationship gained," she says. "If they have a reasonable rent, I'll tell them 'Don't give it up.'"

Racking up maximum sales volume is not the major motivator for the German-born Clairmont. Rather, "I want to help people make good decisions," she says.

Clairmont closed five transactions last year, each worth roughly \$1 million. She has doubled her target for this year based on her observation that fixed-rate jumbo loans are becoming more available again. By

Wendy Cole ■

Bettina Clairmont is using her tax expertise to help real estate clients.

