

Break Out of Your Comfort Zone

Loan originators can benefit from a business-to-business relationship

By Nathan Rufty

Breaking out of the normal routine for getting and growing business leads can be uncomfortable. But uncomfortable is healthy. It is how we grow as humans and loan originators. To sustain longevity in the mortgage industry, originators must develop and maintain several reliable streams of business referrals.

In fact, successful originators maintain at least four or five avenues that generate calls and loan opportunities. Then, if one referral stream dries up, the originator has another three or four to rely on. If one stream dries up completely, however, it is vitally important to develop a new source of leads. Choosing a replacement that peaks your interest can be challenging and may force some originators out of their comfort zones.

A path less taken

One less-travelled path for establishing a new revenue stream is developing relationships with local brick-and-mortar businesses. Start by selecting a small local business in your area that employs 25 to 50 employees, and reach out to the management to offer your lending expertise to their company and their employees.

Employees often look to work at companies that offer a wide range of benefits. Offering a service where a local mortgage professional will assist them on buying a house by reviewing their income and credit or offering reduced fees or interest rates is a great employee perk that originators can provide to local businesses.

You can offer to provide regular seminars, for example, on topics such as first-time homebuyer programs, how to save for down-payments, ways to clean up credit reports

and the benefits of owning versus renting. Think outside the box when coming up with benefits, such as offering a credit back toward appraisals or processing fees for all employees.

If the business donates time or money to a local charity, offer to donate a portion of your commission to that charity for every loan you close with their employees or volunteer hours of your time on behalf of the company. Remember to stay in compliance with any offers you make and speak with your tax adviser about any tax ramifications.

Before you make initial contact, however, you need to know your audience. Your offer of expertise will differ if you are looking to start a relationship with a warehouse company versus a hospital. Do your research and tailor your pitch to that particular industry.

Do your homework

To help tailor your offers, find out everything you can about that company as soon as the owner, plant manager or human resource director agrees to meet with you. When was it founded? What is their mission statement? What are their principle values? How many people does the company employ? What is their service area?

Research the company and the point of contact on their company website, Facebook, LinkedIn, Twitter, YouTube and Yelp. This research will help you prepare for the meeting. By doing your research on the company and the person you are meeting with, you can find common points of interest. You can then use these common grounds to make the meeting part business and part personal, which can help cement the relationship.

Also, if you notice the company's online presence is lacking during your research, you

can offer services to help them improve that. Helping build their business can translate to hiring more employees, which means more potential loans coming your way. It is important that the services you offer bring value to the company you are courting. Always having your hand out is a dead-end avenue.

Make your case

Start off on the right foot in your presentation by asking your company contact what benefits they are looking to offer to their existing employees as well as new applicants. Make the meeting more about them and their company than about you and your business. Let them do as much talking as they want while you take notes.

You may not close the agreement at the first meeting. Remember that this is a relationship-building process. A company's

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management must feel comfortable to go to their employees and validate a service they are promoting. You will need to build trust first, and you may need to present to several members of management before sealing a contract.

One way to show you can be trusted is to ask if you can hold a quick, 30-minute meeting during a lunch hour or before or after work to present the value of owning a home. This will show the management team that you can deliver on your promises. You can even team up with a local tax preparer to present information about the long-term tax benefits of owning a home. This meeting could result in a business relationship with the tax adviser and help cement the relationship with the company and its employees.

After researching, presenting and building relationships with several smaller companies in your area, you will get more comfortable with this process and perfect your

presentation. At that point, you will have a proven track record and should be ready to set meetings with larger companies.



As the companies you partner with grow — and hopefully you may have a hand in that — so will your pool of new prospects. Stay consistent with your efforts and they will pay off. Keep looking for new local businesses to approach and make sure you consistently stay in contact with those companies you are already working with to stay top of mind with their management and employees.

This revenue stream can take a lot of work, but the results can be worth it. This is an often-untapped avenue of referrals because it can be a lot for one originator to tackle. If it seems too daunting to you — and too far outside your comfort zone — think about partnering with another originator in your office. Two heads often are better than one. ■