

MARKETING PRODUCER PROFILE

Controlling his Business

Rolan Shnyder's concentration on new development lending has cemented his status as a top producer.

BY BRAD FINKELSTEIN

MARKETING PRODUCER PROFILE

Picking the right niche is the difference between being an ordinary originator and being a top producer. For example, consider finding a niche where your B2B partners feel they are underserved by the mainstream marketplace.

Rolan Shnayder of New York's Home Owners Mortgage, ranked 27th in the *Origination News* top 150 producers for 2009, occupies such a niche. His title is director of new development lending, and he originates loans primarily on new condominiums.

His product line runs the gamut between Federal Housing Administration-insured loans for first-time homebuyers and jumbo mortgages at the high end of the market.

Prior to entering the mortgage business, Shnayder was a financial advisor. But when the markets took a tumble in 2002, he said, "I decided that I wanted to do something where I actually had control over the outcome. A friend of mine was doing mortgages and he said, 'You can sleep at night.' You are doing a service for someone, you can get them into a home or you helped them refinance."

He started as a mortgage broker, and after a year realized that if he was to do this as a career mortgage banking was the way to go and he joined Home Owners Mortgage.

Control was again a key factor in his decision. Mortgage bankers, he said, have total control of the transaction, as opposed to a mortgage broker.

Besides new condominiums, the niche also includes originating loans on buildings converting apartments to condominium ownership. His market, while mostly being Manhattan and Brooklyn, does include the tri-state New York Metro area.

When the housing markets crashed, the government-sponsored enterprises changed their rules drastically regarding loans on condos.

"What I was able to do was put together a group of lenders that were interested in taking the risk on new development and was able to provide a product that the national lenders didn't provide," Shnayder explained.

This is still true today, as national lenders still have constricting rules in place. So for a new development to get off the ground, they have to use companies like Home Owners to finance the purchase of the apartments by consumers.

When a building is ready to start selling units, his firm helps the building get approvals with different lenders. "We really become a part of their team in working with them to get their sales going," he said.

Demand in Manhattan came down in a huge way in 2008 and through most of 2009. But at the end of last year, and through the first three quarters in this year, business has

picked up again. His group is 25% ahead of where it was in 2009.

Low rates have contributed to an increase in refinancings, but in addition, the pendulum on prices has swung back to a point where buyers and sellers are agreeing on where the price should be.

Consumers need to understand that there is financing available for a unit in a building prior to that building being 50% sold. Buildings will market that fact, Shnayder said, noting that Home Owners Mortgage is the approved lender on a building.

Once the company gets the application, it runs a credit report and then it contacts the borrower. It has all of the information in advance this way and thus it is able to quickly put together a pre-approval.

Shnayder said personally, he believes the whole mortgage industry should adopt this workflow. "It is impossible to quote someone anything real. The first question when a buyer calls me without taking the application first is 'What's your interest rate?'"

"Well I don't know what the interest rate

forth over the phone in the typical situation.

An FHA borrower might need a little more handholding or explanation, but the system of applying online works in either case, he said.

What helps Shnayder to be a top producer is being extremely organized and having a large team. There are eight people, consisting of three loan officers (including himself), two processors, a sales assistant, a junior sales assistant and a marketing director.

The team has been growing and is in the process of adding another loan officer. Part of that is the nature of the business. For example, if a building has 100 units, there are hundreds, if not thousands of people who view apartments.

So the company needs to have the staff to do the pre-approvals or denials and then follow up with them if they purchase a unit in another building.

Being present in a building thus helps to bring in business. Home Owners is in close to 100 buildings right now, he said.

In terms of marketing Shnayder advertises on a website called Streeteasy, which posts real estate listings covering New York, the Hamptons and Northern New Jersey.

He sends out a newsletter to his entire database, as well as e-mail campaigns. Those campaigns differ based on the target, whether they are prospects (people who have just apply until they close their loan), or real estate agents and other referral partners.

There is a weekly e-mail covering mortgage news, he sends out closing gifts and even hosts parties at the buildings, both broker events and prospect events.

He also does presentations at real estate offices, which he says works the best. He updates them on the latest happenings in the mortgage world, such as guidelines getting stricter or looser, rates changes, or to introduce new products.

Shnayder's client base is not a one-off transaction; he subscribes to the clients for life principle. Many of them refinance their loans (right now there are those who closed on their original loan six months ago that are refinancing). In addition, given that many of his current clients are first-time buyers, those people are likely to upgrade to a larger property, especially if they have children.

Home Owners will do these client's loans even if they move out to the suburbs to a single-family home.

His niche is how Home Owners gets the initial customer in. Afterwards, when they do a refi or buy a home or even recommend him to another family member, he will do those loans as well.

Shnayder admits what he does is different than most other mortgage originators, but for him, it works well. ♦



"You are doing a service for someone, you can get them into a home or you helped them refinance."

Because of the large number of buildings the company has relationships with (and given that consumers are more than likely to look at more than one property before buying), the consumer has heard of Home Owners, is comfortable with the company and knows it can be at the closing table with funds even if the building has not met Fannie Mae guidelines, he said.

There is a different workflow when a consumer applies for a loan with Home Owners. Most mortgage originators have their first contact with a client over the telephone.

At Home Owners, Shnayder does not speak with a client until the client applies online. The Realtor in the transaction makes the potential buyer comfortable that the building is approved for funding and then they send the client to visit the company's website and fill out a user-friendly version of the standard 1003.

is until I know more about the buyer. Is it an FHA purchase? Is it a Fannie Mae purchase? Is the building approved? What is their FICO score? Can they get a loan?

"This way, when I call them, I have all of their information in front of me and we are able to get to the bottom line a lot quicker."

He said he has had pushback from real estate agents regarding this, ranging from the client is a first-time buyer and needs a lot of handholding to they are very wealthy and they need more handholding.

But 99% of his business comes from doing things his way, which proves the clients like it, Shnayder said.

Nor does he find he needs to use different tactics when dealing with buyers at either end of the marketplace. It is easier to give the client a solution to what their debt needs are when the borrower's information is in front of him vs. the back and