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MARKETING PRODUCER PROFILE

Focusing on **PROCESS**

Combining technology with a consumer centric business has made David Lazowski a top producer even though he has only been originating loans since 2005.

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David Lazowski has built his business around a goal many originators fail to achieve: getting to the customer first, before they go to a real estate agent.

And much of this has been because of the processes he has established as a branch manager for Fairway Independent Mortgage Corp.'s Boston office. The Sun Prairie, Wis.-based company has over 1,000 employees and 85 branches nationwide.

After his first full year in the business (2006), *Mortgage Originator* magazine named him one of the top rookie originators. In 2009, Lazowski ranked 43rd on *Origination News*' top 150 producers list with volume of \$75 million. He is on track to do more than \$100 million for this year.

Like a number of other top producers, he moved into the mortgage space from the financial services industry. He spent 20 years on that side of the business, including 12 years working for Wall Street firms.

Lazowski started out of college with Drexel Burnham Lambert; his training with them covered all aspects of the Street with the aim of eventually being a high net-worth broker.

His 18-month training program with Drexel was cut short by that company's well-publicized problems. Drexel was taken over by Smith Barney, where he went through that company's training program. He then spent five years at Bear Stearns before becoming an equity partner at Oppenheimer.

He then worked at Lehman Brothers, and after leaving there started a small hedge fund. Not satisfied with the income stream, Lazowski said he realized he missed financial services. The mortgage industry offered an opportunity to help people with a financial product.

Lazowski said he didn't always have that experience on Wall Street "due to some of the volatility that is out there." But in the mortgage business, as long

as you are knowledgeable and understand the product, you are able to guide people and help them, he said.

For him, "the end result is always a good one. You're either helping people get into their homes, which is a wonderful feeling, or you're helping them save money, which is also a good feeling."

When he first started in the mortgage originations business, Lazowski was a

His 2010 volume is growing swiftly due to refinancing. Although his business platform is built on serving the purchase market, he is benefiting from past clients "and having the ability to manage their mortgages going forward."

The financial services background contributed to his immediate success in the mortgage business. It is a challenging environment from a knowledge



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mortgage broker but learned quickly that being a lender allowed for greater flexibility and a better platform to help consumers get into their homes.

He joined Sherwood Mortgage and eventually became a branch manager for that company. After about two years, the owner of Sherwood retired and Lazowski said it was at that point he was fortunate to meet Steve Jacobson, the chief executive of Fairway and fell in love with the company's culture and type of platform it was building.

He has been with Fairway since January 2008, and said he is excited today as he was when he joined.

standpoint, with all of the changes in guidelines and rules.

Consumers are looking for someone who has the knowledge base and is up to date with the current lending environment so they can have proper guidance. To be good at this business, originators need to have that knowledge base, Lazowski said.

His biggest challenge: "Learning to be efficient on the operational side, because this is a service and operations business. That's what has really helped grow as an office, creating a platform along side what Fairway offers on the corporate side to be able to efficiently have loans close."

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“That is really what a loan officer wants. It’s hard enough to maintain and develop a relationship. You need to have that second piece, service and operations to get loans closed efficiently.

“That’s what I think we created in the Boston, an operational team that allows loan officers like myself...to go out and bring in business with confidence. If you don’t have that operational piece, you’re presenting something that you can’t fulfill,” Lazowski said, explaining that he is a producing branch manager.

The Boston office has developed its own processes in the application process. It looks to involve less paper in the process, so much so that Lazowski proudly declares he has not taken a written 1003 in two years.

They have been able to cut the entire application package down from approximately 500 pages to just 80 pages, “saving several trees while doing so.”

“We have taken the approach to use technology, use the Internet and use what we have available to us to cut down the amount of paper involved. So one of the things we do well is that we try and have a few touches, if you will, with the clients during the process,” he said.

This means the application process starts online, for both new and past clients. Everyone fills out a short one-page profile online. There is enough information in that form to present the consumer a number of options to consider.

Later in the process, the Boston office uses imaging and other paperless methods to complete the process. Client communication, based on their preference, can be electronically or by telephone. “We’ll do whatever it takes, based on what their needs are to try and make the process as streamlined as we can,” Lazowski said.

The file process begins by having the consumer go to a website, fairwayboston.com, and click on the tab for short application. He explains to the consumer

this is the one-page profile and once it is completed, the office can begin the process of sending out documents. Even a rate can be locked from this point if that is what the consumer wants.

And his clients are receptive to starting the process online because of the time it saves. His office is located in downtown Boston, and a number of clients are in financial services. “And they are looking for more efficient ways to accomplish something that isn’t always that easy, especially given the current lending environment,” he said.

Being able to have borrowers start the process online not only saves them time, but Lazowski noted it benefits him time-wise as well. He said he commented to one of his assistants that in a three-day period at the start of November he received 20 applications online. For some originators, that figure is a month’s worth of work.

Another difference is the way he approaches client acquisition. It might be a result of his background and his relative newness in the mortgage business, he said, but he wants to “be in touch directly” with consumers.

Many originators seek to source clients from real estate agent referrals. “But my view is that the consumer should start at the beginning knowing what they can afford and knowing what their options are from a lending standpoint, especially given the current environment,” Lazowski said.

There isn’t an active marketing campaign to work with agents. Rather “by giving consumers the information they need to make an informed decision, we’re able to bypass some of the traditional referral sources,” he continued.

Speaking of marketing, he has a number of active campaigns that keeps in front of consumers. For the last two years he has been a lender on Zillow.com. He sees it as a way to build a credible reputation online, much like the

way sellers are able to develop a reputation through the ratings process on eBay. With the Zillow Mortgage Marketplace, the consumer decides to initiate contact with the originator, rather than the other way around with the traditional Internet lead aggregation model.

The ratings give a consumer a good idea of what to expect in working with an originator, he said, adding that it also establishes credibility with the consumer, which is invaluable on the Internet.

He also networks through the BNI organization and that is a consistent source of business. He also calls on his past contacts in the financial planning business.

Then there is his “natural network,” involvements that you do because they are part of your interests (which in his case includes being involved in charitable organizations and his children’s school organizations). These are the things you do because you love them, he said, and business comes from that but there are no expectations.

Lazowski said the role of real estate agents has changed; They don’t control the sales process as much as they have in the past because of the information consumers can get from the Internet.

He has taken advantage of technology, both to help run his business and to interface with consumers. Yet Lazowski declares he is still learning.

“I think we are only going to get better and better. It is so exciting to see the changes,” he said, adding he believes he has also benefited from reduced competition as the number of originators dwindles.

The new requirements for licensing, education, credit and background checks have been “a real benefit for any loan officer that has survived and they should feel privileged to have a license and realize how valuable that really is in the current environment,” Lazowski said. ♦

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