

How to Ramp Up Commercial Business

Referrals and marketing can bring in small-balance commercial leads

By **Salomon Wancier**, senior vice president of marketing and communications, Silver Hill Financial LLC

EVENTS OF THE PAST FEW MONTHS have prompted a growing number of mortgage professionals to act on what is proving to be a smart diversification strategy — adding small-balance commercial loans to their portfolios.

Commercial lenders with broker-training programs report significant increases in attendance since early 2007, and more lenders and trade associations are offering advanced training options for commercial lending.

Small-balance commercial lending is attractive for a number of reasons, not the least of which are incremental income and greater profitability. If you've already taken steps to diversify in this way, now is a good time to concentrate on ramping up business through referral generation and marketing.

Relationships equal referrals

Make a list of key referral partners — those you already know and others you need to develop — and plan a personalized approach to achieve your goals.

Here are some places to start when trying to generate commercial financing leads:

■ **Accountants and financial advisers:** Small-business owners often trust their accountants, especially when they help with real estate investment. Building relationships with certified public

accountants and financial advisers thus can be an effective way to tap commercial prospects.

■ **Contractors and appraisers:** These two sources are always in touch with developers and borrowers, and they have a good idea of how the market is behaving. They can be great sources for information and referrals.

■ **Banks and credit unions:** Because of their more-rigid underwriting guidelines, banks and credit unions often can't process loans for certain borrowers, even when those borrowers have strong financial profiles. As a result, banks and credit unions continually turn down business. Therefore, they can benefit from having a broker to whom they can refer these clients.

piece explaining the parameters of the commercial programs you offer works well. Lenders often can help with these materials.

Marketing

To help attract new prospects from a variety of sources, supplement your outreach to referral partners with some simple and inexpensive marketing techniques.

Research and compile a targeted list of leads with help from chambers of commerce, business associations, phone directories and government sources. In addition, ensure you are listed in online directories and popular search engines, and make sure to call yourself a commercial mortgage professional.

If you want to start conducting small-balance commercial business, people need to know about it. Diversify — and then spread the word. **!**

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■ **Real estate agents:** Most mortgage professionals have existing relationships with real estate agents. Inform these referral sources that you also originate commercial loans. Help them understand the benefits of your products and what the ideal borrower profile is for the programs you offer.

Approaching referral sources

Talking to referral sources is easier when you know the answer to the question they will inevitably ask: "What's in it for me?"

Remind referral sources that you're serving an important financing need by providing them a way they can help their clients. How do they benefit? Think happy clients, possible referral fees and saved business.

Be sure to leave something for referral partners to pass along for details, including your contact information. A simple flier or collateral



Salomon Wancier is senior vice president of marketing and communications for Silver Hill Financial in Miami. Silver Hill is a nationwide commercial real estate lender that offers financing to borrowers through a network

of mortgage brokers and correspondents. Silver Hill pioneered a flexible debt-to-income underwriting approach for loans from \$100,000 to \$1.5 million; it considers the borrower's debt-to-income ratio and the property's debt-service coverage. For information on Silver Hill, visit www.silverhillfinancial.com or call (888) 988-8843.

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