

# REACHING HIGHER GROUND

Lending conditions were tough across the board, but these elite business writers weathered the GFC storm by adopting innovative approaches to the market

**IT'S BEEN** a turbulent and testing past few months.

Post-GFC stresses have put pressure on funding costs and this has in turn forced lenders to review their interest rates and lending policies and tighten the same. Consumer confidence around lending remains low, although it is now slowly stabilising, while brokers are still finding their feet in a new era of national credit regulation.

Nevertheless, savvy mortgage brokers have weathered the economic storm productively.

These brokers have excelled in their performance and now boast impressive mortgage volumes, as *The Adviser's* 2010 Elite Business Writers report shows.

## DRIVING BUSINESS THROUGH DIVERSIFICATION

In its second successful year, *The Adviser's* Elite Business Writers top 50 list has identified those brokers who lead the nation in residential and other finance loan volumes, cross-sell, and diversification.

In the 2009-2010 financial year, many brokers focused on diversifying their revenue stream to drive their businesses forward. Based on this year's Elite Business Writers results, it is clear that diversification in insurance is a key driver for business in the new age of broking.

Last year's report recorded top insurance volumes of \$80.1 million; these have risen to a whopping \$160 million this year.

In addition, the report reveals that most of those business writers who have come out on top have invested significantly in non-mortgage areas.

More mortgages are being sold with cross-sell products. In fact, the number of products currently being sold per mortgage is two, while the highest performing brokers, such as Niche Lending's Moshe Moses, are cross selling up to 100 per cent in relation to residential mortgages.

## QUALITY AND VALUE FOCUS

Quality and value still underpin brokers' offerings, with many brokers offering cross-sell in a bid to improve the value of their client service proposition and to gain customer loyalty and referrals.

Whatever the industry holds for the future, one thing is clear: brokers who want to come out ahead and level competition with the banks need to concentrate on the value of their service.

## A NEW YEAR, SOME NEW FACES

In this year's Elite Business Writers report, The Adviser has seen a surge of new entrants joining the ranks. This flood of new players instils confidence within the industry that mortgage volumes are being achieved despite a tough lending climate.

Among these new entrants are Frank Taddeo, Brad Nolan, Tony Bice and Phillip Nguyen, whom we welcome to the top 10 rankings.

## CONSISTENT TOP PERFORMERS

Meanwhile, many of last year's top ranking loan writers have held their ground this year, demonstrating both consistency and fortitude.

We would especially like to acknowledge the efforts of last year's top 10 finalist Jeremy Fisher, who this year rose up the ranks by an impressive six places to claim the number one spot as top Elite Business Writer for 2010.

## METHODOLOGY

To be considered an Elite Business Writer, a broker needs to have written a minimum of \$30 million in residential mortgages in 2009-2010.

Loan writers were also required to meet the following criteria:

- A minimum conversion rate of 80 per cent;
- Less than one per cent in arrears; and
- No more than 10 per cent of submitted business required a re-work

To ensure transparency, information provided by brokers was cross-referenced against that held by the broker's number one lender.

As a result, several brokers narrowly missed meeting the quality criteria, despite strong loan volumes and cross-sell figures.

Brokers' volumes for residential and non-residential business were then combined to give a total business written figure. This figure determined the overall ranking.

The top 50 writers (based on total volume) were assessed against a range of criteria to create individual top 10 rankings for key business indicators such as residential volumes, mortgage size and number of mortgages that included a cross-sell.

## REPORT OBSERVATIONS

Sub-rankings have highlighted not only consistency between the top performers but also a change in business focus compared with last year's results: a focus towards a more diversified offering.

Of the top 10 performing brokers, four brokers' residential volumes accounted for less than 50 per cent of their total business written. Interestingly, none of the top 10 brokers focused 100 per cent on residential mortgages.

When it came down to cross-sell, however, of the top 10 performing loan writers, six wrote more than 50 per cent in cross-sell products. ■

TOP 10 WRITERS – RESIDENTIAL MORTGAGES					
RANK	NAME	COMPANY	VOLUME	OVERALL RANKING	CHANGE FROM LAST YEAR
1	Wendy Higgins	Mortgage Choice	141,344,304	3	Same
2	Jeremy Fisher	1st Street	120,000,000	1	Same
3	Justin Doobov	Intelligent Finance	116,923,796	2	Up 1 place
4	Frank Taddeo	Finance National	112,301,700	5	NEW
5	Colin Lamb	Mortgage Solutions	106,000,000	10	Down
6	Phillip Nguyen	IFG Home Loans	96,800,000	9	NEW
7	Katrina Rowlands	Mortgage Success	96,631,545	12	NEW
8	Michael O'Reilly	MO'R Mortgage Options	95,839,731	13	NEW
9	Donald Yum	Iwision Finance Group	95,000,000	6	Down
10	Gerard Tiffen	Tiffen & Co and The Mortgage Detective	93,605,473	16	Down