

BROKER

The Sales and Management Resource for Mortgage Originators



The Clients Come First

Jim Nuesslein has designed his marketing program by imagining himself in his borrowers' shoes. This includes taking money from his own pockets.

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In a very competitive business environment, the successful mortgage originator must do something a little different in order to keep his or her name in front of the customer. Those that are successful at this become mainstays on the industry top producer lists. For Jim Nuesslein of Mortgage Bancorp Services, headquartered in the Chicago suburb of Palatine, Ill., this includes reaching into his own pocket and paying the borrower's closing costs from his own pocket, taking it out of his commission.

A preliminary version of Broker's top producing mortgage broker list for 2005 has Mr. Nuesslein ranked seventh. A pair of colleagues are also on the list. Tom Lavalley is third overall and first among those who only do residential originations, while John Peszek is ranked 12th.

Jim Nuesslein has been in the business for 13 years, with 10 at Mortgage Bancorp Services. He holds the certified residential mortgage specialist designation from the National Association of Mortgage Brokers, which he points out that

of being able to pay their closing costs from the commission the lender gives me, it's great value on top of great value."

Furthermore, the loan process has been simplified. The application is filled out for the borrower (rather than the borrower having to struggle with the 1003).

Documents are expressed to the customer's home. If they apply in the morning, Mr. Nuesslein said, the paperwork will be there in the evening. Furthermore, the applicants get a return envelope, pre-addressed and the postage affixed, so they

be RESPA compliant.

"In most cases people get as good or better a rate than they would anywhere else plus we pay the closing costs," he said. The money he loses in income "we make it up in loan volume and satisfied customers and we don't have to spend time marketing. The product itself turns into the marketing program. We don't have to sell anybody on the value. So, I don't have to be a salesman."

Mr. Nuesslein said he has been doing business this way since he started, because it seemed like it was "a no-brainer." Now the vast majority of loan officers not only in the firm but in the Chicagoland area as well have taken the same idea of paying the closing costs.

"A lot of places will advertise doing it, but I have been doing it longer than anybody, and that is what I have built my practice on. I'm the 'free and easy guy.'"

"It doesn't sell well to put it in that way, but that is the way I think of it," he said, adding another way he thinks of himself is "better, cheaper, lower, faster."

All of his business is referrals, which is an incentive for him and his team to keep up high levels of service.

"One of the things I tell my customers is that whether you love me or hate me when this is over, I expect that you will tell people about me. I am banking on the fact that you will love the service and love the product.

"It puts my money where my mouth is. I don't even collect an application fee. So it is not like I am collecting money upfront to reimburse it later, we put our money where our mouth is. I go out and buy the title insurance and I buy the appraisal upfront, knowing that if for some reason I am unable to deliver, I just lost money."

He believes in the power of personal marketing. There is a brochure with him on the cover and his team's picture inside that explains his services.

He has his own customized stationary, folder and website which feature the benefits "of my service and me in particular. I feel it's Jim Nuesslein that is making the promise to the borrower, not the lender, not Mortgage Bancorp Services." **B**



"It's Jim Nuesslein making the promise to the borrower."

Jim Nuesslein
Mortgage Bancorp Services

less than 1% of all mortgage brokers hold some sort of designation from NAMB. "It adds credibility to my service and my product." He is licensed in both Illinois and Wisconsin.

As for where he came up with some of his marketing ideas, Mr. Nuesslein said, "I always put myself in the shoes of the customer. What does the customer really want? They don't want gifts and mailers and pens and freebies. They are just looking for exceptional value, lowest rates, lowest cost and phenomenal service.

"So we designed the product to meet the needs of the customers. Basically you don't have to spend tons of money on marketing and wining and dining people if you provide a superior product."

He is an A-paper originator. His expertise is working with the "well-qualified borrower." He does not do nonprime, FHA, VA or new construction loans, all of which require different skill sets.

Mr. Nuesslein considers himself fortunate to work for one of the largest mortgage brokerages in the Midwest. "I know my rates and my pricing are always going to be competitive. If you add the wrinkle

don't have to fill out a label and determine the correct postage.

"If they can follow very simple, exact directions, the process is seamless. They don't have to meet me. They don't have to come out to my office in Palatine. I don't have to go and visit with them," he said.

On refinancings, they are able to close the loan in the borrower's residence. The competition, he said, wants to focus on freebies and gimmicks. "We're focusing on the product here," in both senses of the term — the mortgage loan product as well as the commodity that is being sold to the consumer.

As for his incentive of paying the borrower's closing costs, "the beauty of the program is that I pay the closing costs from the commission the lender gives me. A lot of places pay closing costs, but they are lending the borrower the money to pay the closing costs."

It works as a reimbursement. "The appraiser has to be paid (his fee), the lender has to be paid its charges, the title company has to be paid their fees," he said, adding that all of these fees appear on the HUD-1 statement. But the borrower will be given a corresponding dollar credit to equal what those costs come to, so it would