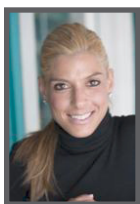


NAMB Commercial Mortgage FOCUS

Your source for commercial real estate finance information, news, and ideas.

Financial Darkness: Get Amped About Your Business and Restore Your Client's Power

by Tracy Cavanaugh, CMPS



Tracy Cavanaugh

Darkening skies, heavy winds, and blinding bolts of lightning followed by a loud hollow boom of thunder soon lead to violent cloudbursts of rain and in the blink of an eye you can lose your power and find yourself in a blackout. Everyone can relate to just how vulnerable it feels to be left completely in the dark; a victim of the elements.

Much like the swift speed with which Mother Nature moves, so too can the economy. With gas prices, food costs, unemployment, and foreclosures up and consumer confidence, housing, and the value of the dollar down, it doesn't take the skills of an economist to see that many of our existing commercial clients could very well be facing their own personal State of Emergency.

Quell the Fears: Theirs and Yours

Your commercial clients—irrespective of the specific industry—share the same general fear with regard to this economy. With the threat of higher inflation and people spending less, how am I going to make it through this turbulent time? You too, as a commercial mortgage broker, may be asking yourself this very same question. Well, the good news is, you don't have to languish in fear.

Believe it or not, this environment is offering us the opportunity to increase the number of referrals we receive by committing to our clients on an entirely different level. Reaching out to our existing clients and simply asking them how they are doing and what is going on in their business will give them much needed support in fearful times. It also provides us with the power to find out each of their individual concerns and the ability to convert their worry into a strong, clear sense of direction. This strategy will help you, too. The more you help your clients, the greater the number of referrals you will receive.

Act as Their Advisor

If there was ever a time when our clients needed to hear from us, we're looking at it. Gone are the blue skies and sunny days when just about anyone could have been there for them. Today's inclement conditions make it grey, bumpy, and unstable and this is when our clients really need us. Being there for our clients in good times and bad is the measure of a true advisor.

They need our knowledge, services, products, and advice. They need to know that we've assembled an arsenal of the right resources for them to access, be it a CPA, financial planner, attorney, real estate professional, or insurance agent. They need to know we have the answers to their questions; the ones they ask and, yes, the ones they are afraid to ask. Are there cash flow considerations? Perhaps there is an opportunity to refinance their commercial property now. It might be that their number one weakness could be bolstered by the services of a financial advisor that you can introduce them to. Do they need to have their insurance policies reviewed? What if a second opinion from the CPA means a tax savings strategy your client didn't even know was available to them? By acting as their advisor, you are creating a stronger connection to them and to those to whom you refer them.

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Taking on small balance commercial loans may be your secret to success in 2008. p. 2-3

Upcoming Events

From NAMB/SOUTHEAST in New Orleans to NAMB/WEST in Las Vegas, to staying right at home, we have your educational needs covered. Register to attend one of our webinars, seminars, or conferences. p. 2

Webinar Series Kicks Off the Summer Season

NAMB has just launched a series of webinars for all experience levels in commercial lending. NAMB members save \$20 - \$50 off! p. 3

Welcome New Members

Meet your fellow NAMB Commercial Members. Doing business with a member is a win-win for all. Find a broker or lender from among the NAMB membership. p. 3

Become a Commercial Sponsor

Contact Kristi Wallace for complete information.

Join NAMB

Take advantage of half-price entrance to all NAMB events and gain access to NAMB member-only services. Download an application and join as a commercial member today!

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This newsletter is interactive! Click on any underlined text to be taken to a corresponding website or link.

One Good Turn Deserves Another

Taking on the responsibility of helping your clients navigate this economic cycle, will help to get them back into action with a positive forecast and outlook. Creating a stronger connection with them means referrals to your business—not only from your satisfied client in the form of other business owners they know, but also referrals from the lawyers, insurance, and financial professionals you provide to your clients. Those professionals will return the favor of your referral with by sending their clients to you for mortgage advice. This action alone may not only be the defining reason your client's business is still standing—you may also invigorate your own business and help you both weather the storm until the power is restored.

Tracy Cavanaugh, CMPS, is a principal of America's First Funding Group with offices in New Jersey and California. She is a member of the Financial Planning Association and Certified Mortgage Planning Specialist Institute. She is on the Board of Directors for the Lakewood New Jersey Chamber of Commerce, Young Professionals, and The Strand Theatre, and is a member of the Beverly Hills Chamber of Commerce. She can be reached by email: tcav@affg.org.

Resolve to Diversify With Small Commercial Loans

Serve clients' needs, earn incremental income

by Salomon Wancier



Salomon Wancier

Like many other mortgage professionals, you may be contemplating which products can boost your income in the months ahead. Resolve to work smarter during this ever-evolving time by diversifying with small-balance commercial loans.

While thousands of mortgage professionals across the country have found small-balance commercial to be a profitable addition to their line-up, many more have yet to discover the benefits of this product. If you find yourself in the latter category, take action now to build the commercial part of your practice. The rewards extend far beyond higher commissions and expanded client relationships. Mortgage professionals

who invest the time to educate themselves on the small-balance commercial market and take advantage of the programs available can build a profitable niche that boosts business during the residential market crunch—and beyond.

Resolve to offer more

One of the best aspects of getting into small-balance commercial aside from the income, is that many of the borrowers who need financing are clients or contacts you already know. Target borrowers are often the same people you've been working with for years on the residential side—small-business owners, entrepreneurs, professionals with their own practice, first-time and even seasoned investors. If you don't know them, someone in your sphere of influence likely does.

Small commercial is a logical extension of your product offerings that allows you to serve more clients. In addition, you offer a unique value to referral partners who may not have a resource for their clients' commercial real estate financing needs—and can reach out to new referral sources such as attorneys, commercial Realtors® and insurance agents.

Resolve to gain knowledge

Education is the best way to overcome any intimidation with regard to offering commercial loans. Most residential professionals who have diversified by offering small commercial loans find that with the right lender partner, small commercial transactions are much easier than they previously thought. Many wish they would have started sooner.

Training and education is readily available, you need only take advantage of it. For example, NAMB offers a series of educational webinars just for people who are exploring commercial lending options. The webinars range from commercial lending basics to program specifics. You can also choose the best sessions that fit your schedule, since each session is recorded. If you can't attend when the session is being held "live" choose a recorded session. NAMB also offers beginning and advanced courses on commercial lending for continuing education credit. Ask your state leadership to contact the NAMB Commercial Mortgage Professional Program to schedule an event in your state.

Resolve to take action

To assist in putting your resolution into action, here is a simple 30-day action plan for crossing over into small-balance commercial lending.

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Upcoming NAMB Commercial Events

Join us for these educational opportunities. Attend any session, but it may be useful to note that (E) = session is geared to seasoned commercial-only brokers, (N) = session is geared for residential brokers seeking to learn more about commercial mortgage lending.

Recorded Webinar

"Thinking of Doing Commercial Loans? Commercial Mortgage Basics" (N)

July 10 - Live Webinar

"Essential Commercial Mortgage Concepts"

12:45 p.m. Eastern Time. (N)

July 24 - Live Webinar

"Finding the Fit: Getting the Right Loan for Your Commercial Client" 12:45 p.m. Eastern Time. (N & E)

August 7 - Live Webinar

"Commercial Appraisal Primer" 12:45 p.m. Eastern Time. (N)

August 21 - Live Webinar

"New Opportunities in SBA Financing of Commercial Properties" 12:45 p.m. Eastern Time. (E)

August 23 - Live Breakout Session

NAMB/SOUTHEAST Conference,
New Orleans, Louisiana

"How Can I Get Involved in Commercial Loans?"
4:45 to 5:45 p.m. Central Time. (N)

August 25 - Live Breakout Session

NAMB/SOUTHEAST Conference,
New Orleans, Louisiana

"What is a NAMB Commercial Broker Member?"
8 to 9 a.m. Central Time. (E & N)

August 25 - Live Educational Course

NAMB/SOUTHEAST Conference,
New Orleans, Louisiana

"Commercial 101 - Introduction to Commercial Lending"
12:30 to 4:30 p.m. Central Time. (N)

August 25 - Live Breakout Session

NAMB/SOUTHEAST Conference,
New Orleans, Louisiana

"Mini-Commercial Workshop for Residential Brokers"
8 to 10:30 a.m. Central Time. (N)

To register for webinars, visit **<https://namb.webex.com>**. Click on the link to register for **NAMB/SOUTHEAST**.

This newsletter is interactive! Click on any **underlined** text to be taken to a corresponding website or link.