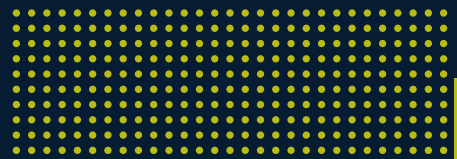
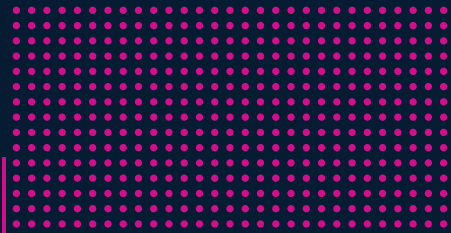
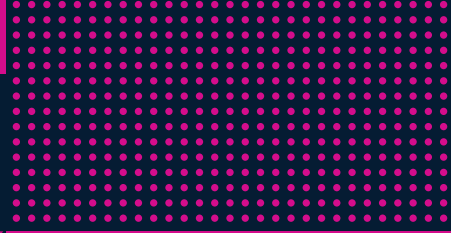


# MGIC



# WHAT ARE SUCCESSFUL LOAN ORIGINATORS DOING?

An MGIC Survey of  
Top Loan Originators

**March 2021**

This survey was conducted in November 2020 during a global pandemic. Despite the economic ramifications of COVID-19, the mortgage sector was booming with ultra-low interest rates and record-breaking volumes (both new purchase and refi). This is supported by industry expert Rob Chrisman who remarked in his Dec. 30 commentary: “Historically low rates have had an impact on the housing markets: despite the pandemic and tens of millions of Americans being out of work, home sales were up this year from July, August, and September 2019 by 9%, 10% and a massive 21%, respectively.”

**Notwithstanding low interest rates and the pandemic, we wondered, “What are top loan originators (LOs) doing to generate their success?”**

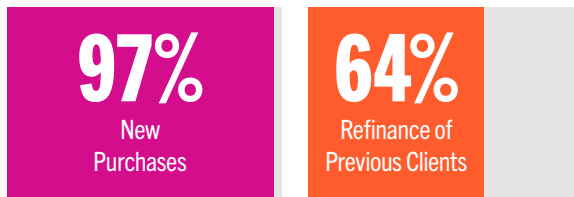
Do successful LOs execute the same activities? If not, where do they diverge? Which tactics create the most positive results? And, would top producers be willing to share this information with their peers in order to learn from each other?

As this report attests, the answer is. . .yes!

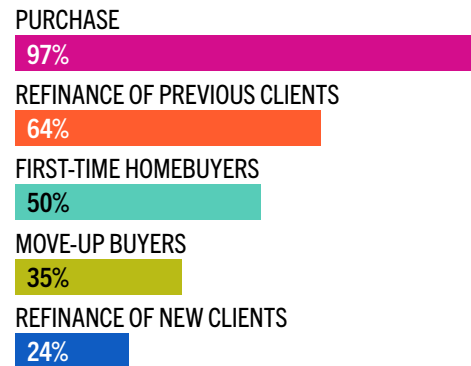
## What are successful loan originators doing?

They target their marketing efforts and use social media to brand and market themselves.

Overall, top LOs focus their marketing efforts on 2 types of borrowers.



Respondents were able to select multiple responses. The graph shows the percent of LOs who focused on a type of borrower at least sometimes.



The marketing mediums proven most effective for generating new originations tend to be relational in nature whether electronically, such as Facebook, or personally.

48%  
Social Media

40%  
Word of Mouth/Referrals

## GOOD RELATIONSHIP BUILDERS



Networking, visit real estate agents, past clients, meetings, sales calls, financial advisors



Call past clients, word of mouth



Lunches, happy hours



Golf, events



Host training, CE classes

Facebook (60%) is the most widely used social media platform, followed by LinkedIn (27%) and Instagram (20%). Some LOs report experiencing success with YouTube.

*"Instead of making calls and doing happy hours, I use YouTube to tell stories about what my team and I have done for customers that week. It allows my subscribers to see my creative side. Sure, it requires planning and work, but it keeps me current with people in the industry."*

# What are successful loan originators doing?

## They foster referral relationships.

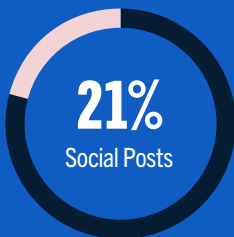
Top LOs say real estate agents are their best source for generating referrals.

Although respondents were able to select multiple responses, real estate agents were overwhelmingly listed as providing the most origination referrals, indicating the importance of building strong relationships with them.



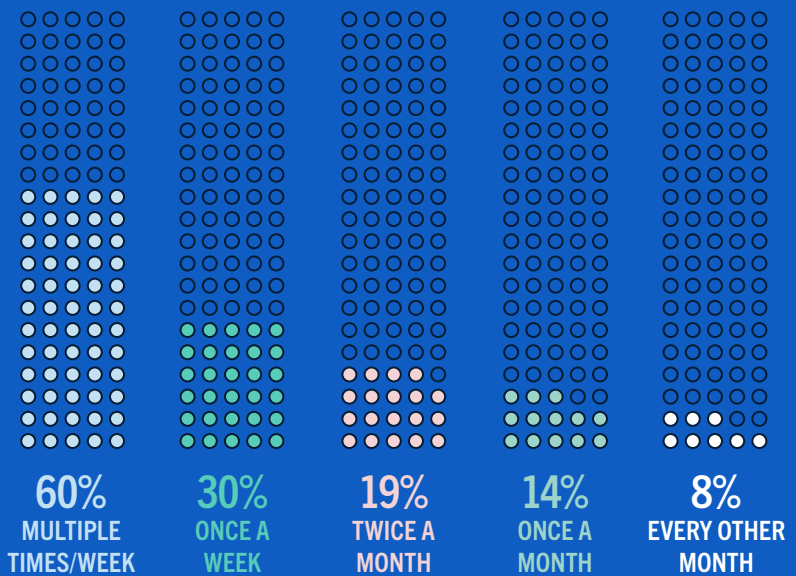
There are 3 preferred methods for building new relationships with real estate agents.

YouTube is emerging as a platform for building new relationships

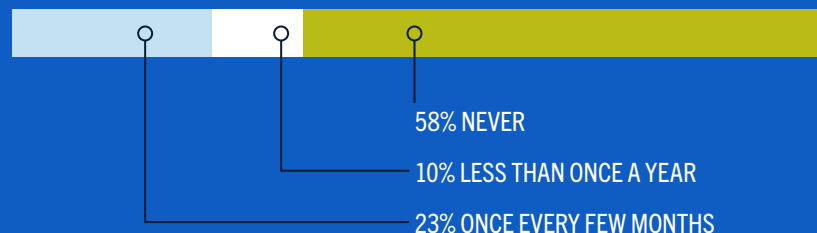


*"Hosting my own CE classes allows me to form relationships with real estate agents. By bringing something of value to real estate agents, I set myself apart and earn referrals."*

Top LOs frequently stay in touch with their best referral partners.

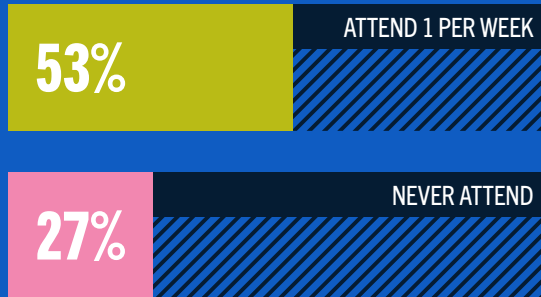


That frequency drops when it comes to attending open houses, with 91% reporting they attend as little as once every few months to never.



## What are successful loan originators doing? They foster referral relationships.

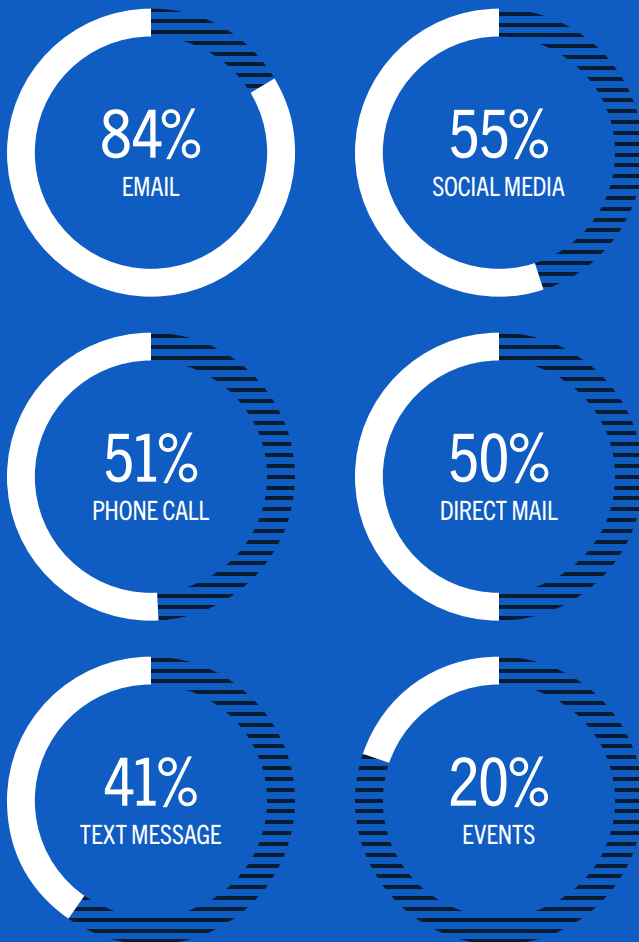
Closings are better attended than open houses, indicating the closing offers a better relationship-building opportunity.



*"I go one time per week because I believe it's very important. It allows you to spend 30-60 minutes in front of the real estate agent who can become a referral partner."*

*"I attend closings because they help me to build relationships. I get to spend time with clients as well as real estate agents. It's such an exciting and memorable time for most. And being able to make a lasting impression can create repeat business."*

Top LOs use a variety of communication methods to re-engage with previous clients.



To help manage their referral partner relationships, 93% use a customer relationship management (CRM) tool. However, the type of CRMs varies widely.

Generally, the top 3 CRMs were: Salesforce, Total Expert & Top of Mind respectively.

<b>SALESFORCE</b>
<b>TOTAL EXPERT</b>
<b>TOP OF MIND</b>
USHERPA
SUREFIRE
HUBSPOT
VANTAGE
CONSTANT CONTACT
BNTOUCH
MEDIA CENTER
ENCOMPASS
TOP PRODUCER
ROOSTIFY
JUNGO

## What are successful loan originators doing?

They focus on their business, including productivity, growth and talent.

80% say managing their pipeline requires most of their time on a weekly basis, with 2 areas causing the most delays in their pipeline.

35%

Underwriting

37%

Receiving documentation

Although 33% list “grow/develop referral partners” as the focus of their 2021 business plan, there are many other goals.

### Grow

- Expand staffing
- Increase real estate agent referrals
- Reach more first-time homebuyers

### Retain

- Stay relative with agents
- Continue to “wow” real estate agents & clients
- Focus on capacity

### Develop

- Increase social media presence
- Expand VA business
- Purchase & new construction

2 factors present the biggest challenge to creating a business plan.

31%

Uncertainty of upcoming year

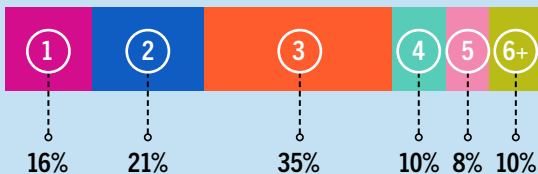
26%

Lack of time

77% have a team that works for them, with most teams averaging 3 people or less.

Most teams include loan officer assistants, a processor and/or a marketing assistant. Adding more than 3 people to a team appears to have diminishing returns.

### Number of Team Members



29% say they attract top talent by word of mouth and referral partners.

Although 27% said pay was an important factor in retaining team members, 51% listed intangibles as key to keeping good talent.

*“Besides paying well, I keep my staff by encouraging them to grow and strive for bigger things and positions. It helps them to trust that I have their best interests at heart.”*

12 ways (non-monetary) top LOs retain employees:

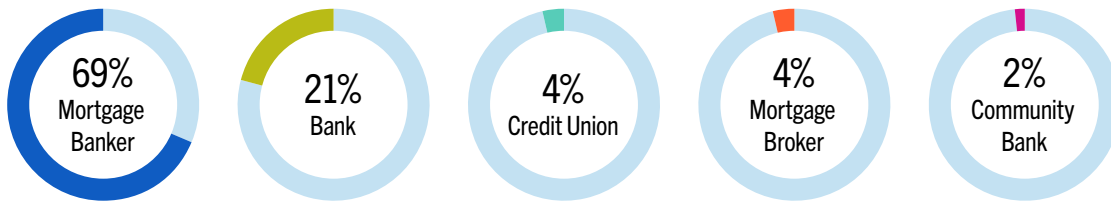
- 1 — Treat them with respect
- 2 — Shower them with praise
- 3 — Create a positive work environment
- 4 — Show appreciation
- 5 — Be transparent
- 6 — Close on time
- 7 — Have fun with them
- 8 — Be nice
- 9 — Treat them fairly
- 10 — Make them feel important
- 11 — Teach them
- 12 — Stay engaged

## Who are these successful Loan Officers?

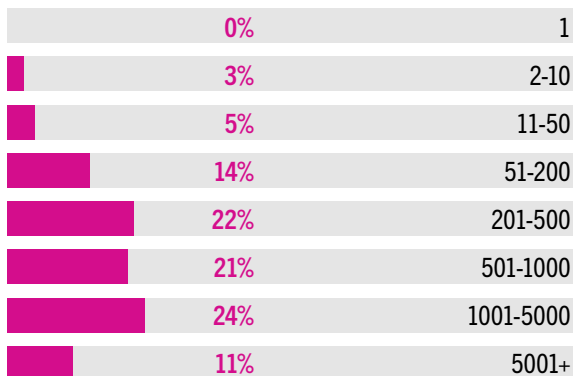
### Demographics of Survey Respondents

Surveyed LOs reported working in large mortgage banks that employ between 200 to 5,000 people. The majority (77%) have a team that works for them, with each team averaging 2-4 people. 75% of the respondents have been loan officers for 11 years or more, with 30% of them having 21-30 years of lending experience. The largest percent of respondents (41%) are age 50-59.

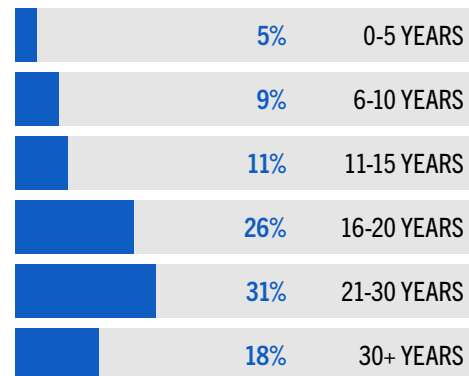
### Employer type



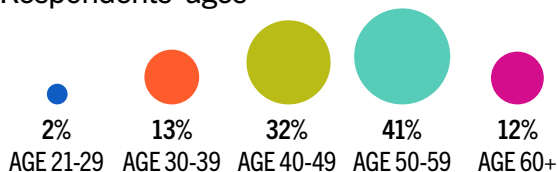
### Number of employees at company



### Number of years as a loan officer



### Respondents' ages



*Special thanks to Dave Krichmar, Jeff Zajac, Dave King and Aaron Ninnes for providing personal comments in follow-up conversations.*

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