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CASE STUDY



JAMES YATES | NASHVILLE BUSINESS JOURNAL

Hart Weatherford is president of Farmington Financial Group.

Refinancing helps lender through recession

What do you do if you're a mortgage lender in a time when home buying remains sluggish?

Focus on refinancing. That's what Farmington Financial Group did, and the move is paying dividends, said Hart Weatherford, the company's president.

"At first the recession was almost devastating to us, but the governmental help with lowering rates really gave us another avenue," Weatherford said. "We were able to go back to the customers we did business with in the past and refinance them. The refinance business has been tremendous to us."

The 15-person firm based in Nashville posted more than \$2.3 million in revenue last year. That represents a \$300,000 increase over 2010.

In 2008 Weatherford took the plunge, transitioning his company from a mortgage brokerage to mortgage lender.

Although the company now has "skin in the game" assuming financial risk in loans it originates, as a lender it now has greater control over the process.

That's important, Weatherford said.

"A big stress in people's lives is purchasing a home," he said. "There are so many pieces that go into the puzzle that is buying a house. The biggest

problem in the mortgage business is lack of communication and information. We are trying to keep that from happening. What we try to do is make sure everyone understands the pieces and knows we are going to hold their hand through the process. We couldn't do that as a mortgage broker."

The young company has had to deal with its share of growing pains.

"Ultimately we had to put more money in the company, and we had to have more production," he said.

That meant luring talented loan officers away from bigger, more established banks.

"With lending standards so tight, being a smaller mortgage company with flexibility has really been helpful for recruiting loan officers," Weatherford said.

Farmington Financial Group recently hired two loan officers and expects to add more positions in the coming year.

"We are very excited for 2012," he said. "Revenue might not be as aggressive as 2011, but we expect to see a lot more home buying with rates as low as they are."

"We are already seeing a lot of purchase business early in the year, which is abnormal. Like everyone, we want to see this thing turn around."

— Nevin Batiwalla