

Rebuilding the Industry on E.T.H.I.C.S.

Upholding six virtues could get brokers back on track

By **Dale Vermillion**, CEO, Vermillion Consulting Inc.

MANY CHARACTERS WITHIN the mortgage, real estate and investment communities recently combined to create the worst mortgage market in history. Generally, their lack of personal and business ethics stands at the root of almost all that has transpired.

Fortunately, many of the most-guilty parties have exited the industry. Everyone who remains might be wise to take some time to consider how they can help rebuild the industry and the mortgage profession.

When it comes to helping restore our industry, it's all about ethics. Or to put it another way, it's all about E.T.H.I.C.S. — exemplary behavior, trustworthiness, honesty, integrity, commitment and sincerity.

Exemplary behavior

One of the best ways to prove your commitment to ethics is to act ethically. As the saying goes, actions speak louder than words. How we act in serving our customers speaks volumes about us, our company and our industry.

Being an example means many things. It includes the way we behave, dress and communicate. We should:

- **Always behave in a manner that exudes integrity and professionalism;**
- **Always project a positive and enthusiastic demeanor;**
- **Always dress in a way that communicates dignity and excellence;**
- **Communicate in a way that conveys concern for our customers' situations ahead of our own;**



Dale Vermillion is a prominent industry speaker and founder and CEO of Vermillion Consulting Inc., a consulting and training firm for mortgage professionals. He recently released his first book on mortgage lending, *Navigating the Mortgage Maze: The Simple Truth About Financing Your Home*. He also founded Mortgage Professionals Providing Hope, a nonprofit organization that aids impoverished children and families in rural India. To learn more, visit www.dalevermillion.com or www.mpph.org, or call (888) VCI-EDGE (824-3343).

- **Be encouraging and positive in all of our communications;**
- **Never use profane, abusive or demeaning words; and**
- **Live our lives in a way that displays integrity and genuine care for the world at large.**

Mortgage brokers who care for their communities often find themselves involved in charitable endeavors and altruistic pursuits. They don't do this because it will be good for business. They do it because they feel called to

contribute. In addition, they set an example and standard for the type of caring people our industry includes.

Trustworthiness

Those with whom we come in contact should consider us trustworthy. We can build this by respecting customer confidentiality.

Remember that our customers provide us with a virtual boatload of personal information. They must know that the person with whom they share that information will take strides to protect it.

The same is true in our interactions with our employees and colleagues. We must take great care with personal and confidential information. Only then will people believe that we're looking out for their best interests.

Honesty

One of the most-unacceptable practices in our industry is disclosing only that information for which a borrower specifically asks. Leaving out important details is equivalent to lying.

For example, we must tell our borrowers every detail they're going to see on a good-faith estimate before we send it. We should do everything in our power to ensure there are no surprises and allow time for objections. We also should allow time to explain and overcome such concerns. Don't

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be afraid to explain the value the customer receives from each charge. These explanations will often lead to a more committed sale.

Being completely honest is always the best policy. Besides, when you always tell the truth, you never have to wonder what you said.

Integrity

Many people think of honesty and integrity as the same thing. They are, however, somewhat different.

To have integrity, we must be people of character that plays out in our personal and public lives. This means not only being honest to a fault but also always doing the right thing regardless of the outcome.

In our business, this means only offering our customers loans that will help. If we can't do that, we should tell them as much and look for others we can help.

Commitment

Ethics also requires a high level of commitment — to our borrower, to our employer and to our industry. We also should be committed to being

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the best mortgage professionals possible. To do so, we must provide the advice that best helps the customer, not ourselves.

Our commitment should be to satisfying our clients today and for many years to come.

Sincerity

As mortgage professionals, we must have a sincere desire to make a positive difference in the lives of our customers and of all the people with whom we come in contact. If we sincerely care about our customers' well-being, it will show.

This is the essence of being successful. If customers sense that we sincerely want to help, they will have a desire to give us business. That sincerity often will keep them loyal, even when someone else offers a slightly better rate.



Mortgage brokers willing to show the highest level of ethics can position themselves to find success despite the downturn. Together, we can also restore our reputations and the industry's as a whole. 