



# When hard work pays off

For *Garth Ellis*, the prospect of a good challenge gets him up every morning – in particular, seeing how much further he can push his brokerage towards ultimate efficiency

**G**arth Ellis is rarely at a loss for words, and he is never lacking in the fresh ideas department when it comes to furthering his brokering business – VERICO Ellis Mortgages Canada in Vancouver.

All this hard work has paid off for the inaugural *CMP* Canadian Mortgage Awards Mortgage Broker of the Year 2007, affording him the luxury of having weekends and evenings set aside to enjoy alongside his family. Watching his daughter and son – Sydney, 6, and Mason, 4 – grow and develop is his greatest joy.

The youngest in a family of four children – who all used to pile into one car and drive from southern Ontario to Florida with their parents – Ellis says it's grassroots activities like these that taught him social dynamics.

"Pushing limits is probably the greatest entertainment in that environment," Ellis says with a chuckle. "You push it too far and then, of course, you wish you'd stayed just on the other side of that line."

Ellis continues to push his limits every day, although more on a business scale these days. He views every day as an opportunity to improve how the company

does business, increase its efficiency and find new sources of business.

"Every employee in every position in our company gains immense satisfaction out of striving to improve as individual performers every day. Collectively, we enjoy contributing to the growth and the development of our company as a whole. Everyone in our culture sees the company as a living, breathing entity that can constantly be improved upon."

### Keeping it simple

Ellis' main challenge is to continue growing his business while, at the same time, being able to manage that growth. "It's been a delicate balancing act over the years in order to generate enough business to support my brokers and other staff and, at the same time, not drown them in too much business."

Operating too close to either end of that spectrum is not sustainable over time and valued employees will leave if the situation is not fixed, Ellis realizes. Depending on where the company is in the spectrum, Ellis will either spend more time on the operations side or on the marketing side.

The operations side consists of hiring employees and other human resources duties, working with brokers and support staff on training and development through sales coaching or organizational skills development, and working towards inside sales targets such as maximizing the revenue per loan or obtaining referrals from clients.

When it comes to marketing to generate more business, the company keeps things pretty simple. "Our business is 100% referral. We don't advertise for business and we don't pay for referrals. Instead, we focus on our techniques to encourage the thousands of clients we've helped in the past to refer those in their circles to use our service."

Ellis has learned that a referred client is often the quickest and easiest to close. As such, the company continually pursues this area because its return on time is peak.

Ellis' five brokers and other staff handle the underwriting, processing and interaction with clients and lenders. "I simply go in the business where I'm needed most. These days, that might be working within the business and even in roles more industry related, such as working with the MBABC."

His role within the brokerage is actually starting to evolve into that of managing his managers. And, in turn, the managers manage the producers – brokers.

"It's been an evolution. I started off being my own broker and then I got busier and I needed to hire an assistant. Then, that assistant got licensed and started to take certain client tasks over," says Ellis.

Eventually, he realized it was more efficient for him to step back and enable his brokers to take the client from square one in the origination process right through to the very end, as opposed to him passing off files to them somewhere along the way.

"It's been a number of years since I've really understood that my involvement in a file is actually counterproductive. I trust the abilities of my brokers to be able to handle a file as good or better with a client than I ever was able to. And, if I can use my resources to be able to accelerate their efficiency or just to basically be a helping hand to elevate their performance, then that's the best use of my time," he says.

### Where it all began

If it wasn't for an old university acquaintance, Ellis may have continued on the path towards stock brokering instead of

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mortgage brokering. "I was in the process of finalizing my securities course with the intention of becoming a stock broker when I bumped into an old university acquaintance who had been a mortgage broker in the industry for a short while.

"It appeared that the connection with this colleague could lead to a faster track into the world of business, so I challenged the BC mortgage broker exam and was licensed to do business four months later in March 1995." (See box on p 26 for his career details.)

### Leisurely activities

Ellis is a firm believer in taking time out with his young family. If he's not at the office, you'll often find him at the beach or the zoo with his wife, Tami, and kids enjoying the many activities that children take delight in.

Las Vegas and New York are two North American destinations that Ellis and his family and friends really enjoy. In fact, when the kids get a little older, he and his wife would like to live in Manhattan for a month and experience life as New Yorkers, venturing out on day trips and getting to know people on the street.

"As Canadians, you don't see the people in your neighbourhood like you do in Manhattan because it's not practical to drive in Manhattan. There, you have to walk down the street and you see the same people every day and I think it might be a greater sense of community even though it's colder and larger," he says. "Manhattan has the same amount of things to do and a lot of energy just like Vegas, except for it's real," he laughs.

Ellis and his wife thrive in destinations with lots of energy. "A vacation for us is not relaxation in its truest sense – it's more like a different set of stimulus and experiencing different things." They'd much rather experience new cultures than sit on a beach reading a book. "It's not rest we need. It's a different experience we need – that's what recharges our batteries."

### Hobbies

Ellis says that socializing with his extended family and friends – many of whom he met more than 25 years ago – is very important in his life and, essentially, his number one hobby.

He is also an avid sports fan who enjoys attending professional sporting events as much as possible. His favourite sport by a long shot is basketball. He still plays once a week, although he jokes that every year his abilities seem to deteriorate further.

He has a basketball net set up at home to play with his children. "We have a net that can range anywhere between seven and 10 feet. So, it's good for me being 6'1" – I can still dunk, but I have to move it down to seven feet," he jokes.

### Future goals

Ellis has two main work-related ambitions. The first is to continue to develop and grow his brokerage. "I very much enjoy hiring and working with talented people who all believe we're engaged in a profession that's meaningful. It's my goal to continue to build a company that will be strong enough and mature enough to prosper even if I'm not actively engaged in it," he says.

His second ambition is to further the profession of mortgage brokering. "I'm very grateful that I have the opportunity

to experience the industry in ways that extend beyond what transpires within the basic mortgage transaction."

Ellis is actively involved as an MBABC director and has also participated in CAAMP annual conferences, where he has partaken in panel discussions and delivered numerous speeches.

With a small group of Canadians, Ellis traveled to the annual conference for the mortgage association in Sydney, Australia, in June 2004. During the conference, he forged relationships with a number of great personalities in the mortgage industry from Australia, the US and around the world. He also attends the US Mortgage Bankers' Association conferences.

"It's my clear ambition to continue my very rewarding work on the advancement of the mortgage brokerage industry on a provincial, national and even international scale," Ellis says.

### Educating new brokers

For many years, through the MBABC, Ellis has taken an active role in mentoring newly licensed mortgage brokers on how to get a head start in the industry.

In fact, his least favourite aspect of the industry is that not enough is being done in terms of educating, supporting and assisting those who are new to this field.

"Any helping hand that can be directed to new brokers will serve to enhance the professionalism of the industry and also serve to improve the public's perception of brokers as a whole," he says. "I feel contributions to this cause transcend company and association affiliations. This is definitely an issue where, when we see real improvement in this area, everybody wins."

New brokers often call Ellis out of the blue – many of whom he's never met – seeking insight. Ellis will never turn them away, no matter how busy he is, because pioneers in this industry continue to do the same for him.

When Ellis began his brokering career, most people started out as a one-man band and learned everything from scratch on their own. "Now, there are opportunities for new entrants into the industry to work at companies like mine or many others across the country where they can work somewhere, get their feet wet and learn the ropes first before getting thrown to the wolves," he says. "It's pretty amazing to actually think of getting paid to work at a company like that and learn to get yourself off the ground in an industry."

### Ideal five-year snapshot

In Ellis' mind, over the next five years, the mortgage brokering industry will include brokers who really understand and take charge of what it means to truly own their own businesses.

"In other industries, as with financial planners and stock brokers, not only do these professionals earn revenue on the immediate transaction, but they are also in the process of increasing the value of the business they're building for the long term."

In those industries, when they decide to leave their profession or retire, their businesses have tangible value and can be sold for very healthy sums. "Succession planning is a natural final step in an agent's career. Brokers in this industry are just starting to realize that their business does indeed have value and does not need to simply disappear into thin air if they're no longer at the helm," he says.

Verico has helped turn this realization into a reality for Ellis. "Upon understanding Verico's basic business structure and joining the network, I've benefited from the autonomy and the increasing variety of products it continues to offer my firm."

As a result, Ellis has expanded and increased not only the income he earns on each file today, but he is also creating a long-term revenue stream that will ultimately increase the value of his business over the long haul.

Although his main ambitions have changed over the 12 years he's been a part of this industry, Ellis continues to thrive in the mortgage brokering world by reinventing himself.

"In the beginning, my primary ambition was simply to earn enough money to make a living as a mortgage broker – which took me over two years to reach that point. My next ambition was to try to create a secure future for myself, my wife and my children. I'm very lucky to be in a position where my current ambitions are less driven by money and more by challenge and curiosity." **CMP**

## CAREER HISTORY

**1995** licensed as a mortgage broker

**1995** joined his first brokerage firm, The Mortgage Source, in Surrey, BC

**2000** joined Invis as part of the first group of brokers in the company

**2005** elected as MBABC director

**2005** joined Verico as one of the company's first licensees

**2007** re-elected as MBABC director