

Not Just a Tagline

Imagine quadrupling business in 1 ½ years. Well, Civic Financial Services did it under the guidance of new CEO William Tessar. Here's how he did it.

Since William Tessar took the helm of Civic Financial Services only 19 months ago, the lender's monthly loan volume has nearly quadrupled.

His recipe for growth?

"We always put our people first," says Tessar, the company's 51-year-old CEO. "And that's not just a slogan or tagline."

This "people first" philosophy has propelled the expansion of the Redondo Beach -based firm considered a specialist in the non-owner-occupied private lending space. Currently licensed in 15 states, Civic Financial Services is set to enter five more states by year-end. And it aims to add offices in Dallas, Austin, Denver, Portland, Atlanta and Miami.

In an industry where loan processing times can hit 45 days and up, Civic Financial Services' average closing time is a mere 10 days, Tessar says. And nearly 20 percent of loans fund in half that time. How? Streamlining the loan process "down to the minute."

Aside from exponential growth, Tessar's employee-centric philosophy has won him accolades.

Tessar ranked in the top 10 in an annual rating of small and medium-sized U.S. companies by the job and recruiting site Glassdoor. The lending chief also scored a perfect approval rating in a Glassdoor survey of current and former employees.

While the kudos thrill Tessar, he is quick to add that his philosophy boils down to good business sense in a fiercely competitive industry that thrives on relationships.

"What I've learned about customers over 30-plus years is customers choose to do business with, and stay loyal to, people and companies they like and trust," Tessar says. "I think it would be impossible to create either one of those qualities if we didn't take care of our own."

What does this look like in practice? For starters, the lender has turned recruiting into a science. Prospective hires undergo cognitive tests that assess whether they're the right fit for the company.

Once employees are on board, Civic Financial Services routinely asks for input on company policies to instill a sense of ownership among staff. And staffers are showered with perks, including a regular diet of healthy snacks, dry-cleaning services and on-site car washes.

"Believe it or not, those little things make a huge difference because you're investing in people," Tessar observes.

A happy workforce has translated into low turnover, he says. That's good for the lender's bottom line in a sizzling hot labor market.

"As far as people saying, 'This place isn't for me,' you can count them on one hand," he notes of the company's record for retaining talent.

An industry veteran, it helps that Tessar has walked in his employees' shoes.

Tessar started out in the trenches, working as a loan officer while attending California Lutheran University in Thousand Oaks. While juggling work and school, he squeezed in time to win All American status in the 4 X 100 meter relay in the 1986 National Association of Intercollegiate Athletics Track and Field championships.

He opened his first loan company, New Freedom Financial, soon after graduation.

The value of working hard and competing were lessons handed down by Tessar's fa-

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ther, who ran an appliance repair business.

"He was by far the hardest worker I'd ever seen," Tessar recalls. "He taught us boys to outwork everyone and basically do something we love."

Tessar says this nose-to-the-grindstone ethos helps Civic Financial Services stand out in the competitive $45 billion to $50 billion a year private lending market.

"We know exactly who we are in this space and what we do—and we do it excellently," says Tessar.

Civic Financial Services offers a core suite of products tailored to its customers. Loan terms are flexible, ranging from one year to four years to meet the evolving needs of real estate investors. Products also include financing for multi-family properties up to 50 units, and the company's correspondent channel allows lenders to fund in their own name.

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But explosive growth doesn't mean the company has sacrificed speed.

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How? Streamlining the loan process "down to the minute," Tessar says.

The accelerated process begins when an account executive assembles a complete loan file, which includes the application, disclosures, bank statements, a property overview and an outline describing the borrower's experience.

Next, an account manager shepherds the loan through escrow, title and underwriting, acting as a "quarterback" for the loan, Tessar says.

If underwriting decides the loan fits inside the lender's "credit box," and approval conditions are met, the company issues loan documents, arranges for signatures, and funds and records the loan.

"Everything in this space happens really, really fast," he says.

Still, Tessar is pushing to trim its 10-day closing average to inside a week.

He adds, "Our leadership team has done this before, so we've outlined a path of how we're going to get there."

The industry veteran maintains he's not one to rest on his laurels.

It's telling that Tessar's LinkedIn profile includes a quote by Green Bay Packers coaching legend Vince Lombardi: "The man on top of the mountain didn't fall there."

"My entire personal and professional life I've always created this bigger mountain," Tessar explains.

It's by chasing bigger mountains, higher goals that he'll stay "hungry, always driven and in the game," he says.

He adds, "I can't ever imagine myself reaching the top—which is the way I want it." — By Nicole Knight, California Business Journal

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