

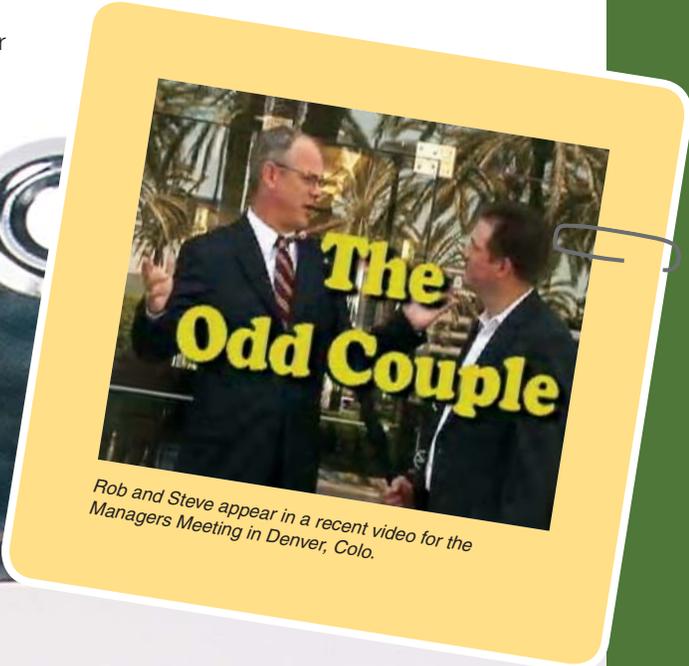
**CHAMPION'S WAY/  
LEMON-AID**

**ROB AND STEVE:** *The Self-Proclaimed Odd Couple*

»» **Since March of 2005** Rob and Steve have worked together to lead the Wholesale Division. It wasn't long after they began their new roles that people began to ask, "How do these guys work so well together when they are so different?"

Their teamwork is a testament to how diverse styles can complement each other and lead to amazing results. Rob and Steve recognize their differences but exploit them to lead one of the top Wholesale organizations in the industry.

To illustrate this dynamic, we asked them a few questions. It turns out they have more in common than we thought.



**What motivates you?**

**Rob Champion:** Winning.

**Steve Lemon:** Competition.

**What three words would you use to define your leadership style?**

**RC:** Open, direct, partnership.

**SL:** Competitive, honest, energetic.

**How do you define success?**

**RC:** Exceeding goals and objectives without compromise (i.e., succeed the "right" way).

**SL:** A balance between work and family – if your boss and wife are both happy, then you have succeeded.

**What do you consider to be the key factors to success?**

**RC:** Everything starts with defining a goal or objective – that is 50% of the recipe. The other 50% is

driving results through focus, effort, discipline and accountability. Achieve your goal without compromising balance and integrity and you have achieved success.

**SL:** Having the capacity to learn and understand how to be successful and the desire to follow through on a daily basis.

**What career accomplishment are you really proud of?**

**RC:** Working for the "Best Damn Mortgage Company Period!"

**SL:** Having the East beat the West in funded units for the first time in company history. In August, the West took back that crown – let the battle begin!

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**You have very different styles but work well together, how is that possible?**

**RC:** We bring different strengths, experience and ideas to the table. While we approach some aspects of business very differently, we are absolutely similar and resolute when it comes to trust, integrity, execution and accountability.

**SL:** It all comes down to a value system. If you share the same values, your style and approach doesn't matter.

**How do your styles complement each other?**

**RC:** We certainly are an odd couple. Some would say we can be overwhelming as a one-two punch. While one of us is winding down the other is winding up, so there seems to be no down time for those around us. I, for one, happen to enjoy that.

**SL:** Rob is the brains and I am the brawn (verbally at least).

**What have you learned from each other?**

**RC:** Too much coffee in the morning isn't always a good thing.

**SL:** That I should have paid more attention in English class – Rob uses a lot of big words.

**You are each involved in most aspects of the business, but also have different areas that you each focus on. What are those?**

**RC:** Steve is a "here-and-now" guy while I tend to be a bit more visionary. Steve loves crunching numbers while I tend to enjoy strategy. We naturally play to those strengths and interests as we engage the various departments in the company.

**SL:** I am based in reality and Rob thinks up acronyms: I think he calls it strategy? E2U (Easiest to Use)?

*“We bring different strengths, experience and ideas to the table. While we approach some aspects of business very differently, we are absolutely similar and resolute when it comes to trust, integrity, execution and accountability.”*

– Rob Champion

*“Perfection is expected, excellence will be tolerated.”*

– Steve Lemon

**You joke about the East vs. West work style. How do you think the work styles in each area differ?**

**RC:** The East dresses up for casual meetings. I'm not sure why they do this, but I know most of them can read, so I have to rule that out.

**SL:** It is hard to label one style on the East. We have three things going: the conservative Midwest, the up-tight Northeast and a mix of everything in the Southeast from Nashville to Miami. There is one big difference: we have fewer tattoos than the West, but I think that falls under personal style versus work style.

**What is your favorite saying?**

**RC:** There are two quotes that, in my mind, produce very different conclusions:

- 1) The results you achieve will be directly proportionate to the effort you apply.
- 2) Don't confuse efforts with results.

**SL:** Perfection is expected, excellence will be tolerated.

**How do you like to spend your time when you're not working?**

**RC:** I try not to think about how I would like to spend my time because it would make the never ending "honey do" list that much more of a bummer for me. I utilize the unofficial motto that ignorance is bliss when I'm not at work.

**SL:** With three small children and a pending adoption, I do not have any free time. If I did, it would be spent playing guitar, going to concerts, playing golf, going to sporting events and going out to eat with my wife.

**What is the most important thing you want people to know about you?**

**RC:** The Associates at New Century already know more than they want to about me. Right?

**SL:** That I am extremely proud to work here. ■

# PRODUCTION LINE

## PRO FILES WEST

### RICK GIORDANO

*SVP, Division Manager, Division 3, Scottsdale, Ariz.*

#### Succeeding by Example

For Rick Giordano, who was recently promoted to SVP, Division Manager for Division 3, leadership is easy – if you hire a great team.

“It means the difference between meeting your goals and falling short,” he says. “When you have the right people and clearly communicate the goals to them, you can stand back and allow them to do their jobs.”

Leading by example is also important. “It’s not enough just to tell your team members what’s expected of them – you should try to show them as well,” he says. “I am big on effort and will never ask for more than I am willing to give myself.”

This approach seems to be Rick’s recipe for success at New Century. Since he joined the company as Regional Manager in 2003, the region he led until just recently (23) has ranked consistently among the top three in the Wholesale Division based on growth, profitability, productivity and loan quality.

In his new role, Rick aims to build upon the already outstanding performance of Division 3 by improving its overall loan quality while increasing volume. “I feel the future is very bright,” he says. “Our opportunity to dominate in both the non-prime and Alt-A markets is exciting to me.” ■

#### *Rick in Brief*

- *26 years of mortgage industry experience*
- *Earned a bachelor's degree in business management from California Coast University in Santa Ana, Calif.*
- *Married for eight years with one daughter, age 7*
- *Enjoys playing golf*
- *Favorite TV show: Entourage*
- *Favorite band: Aerosmith*



Rick Giordano

## ERIC KRONENGOLD

*Vice President, Region Manager, Region 23, Scottsdale, Ariz.*

### Hard Work is #1

Talk about pressure: Eric Kronengold was recently promoted to Vice President, Region 23, in Scottsdale, Ariz. And his new boss is the guy who used to do his job – and do it well.

But the boss, Rick Giordano – now SVP, Division Manager – isn't concerned. He describes Eric as a natural leader who develops relationships easily. "He's been a successful Account Executive and Area Sales Manager for five years, so I trust him with my former region," Rick says.

Eric's not worried either. To him, success is just a matter of effort. "I wouldn't be where I am today – truly happy with my career and my company – without hard work," says Eric.

Another key to his success is emphasizing accountability with his team – one of the natural leadership skills Rick mentioned. "I believe in autonomy, not micromanaging," says Eric. "Everyone's work style differs and boxing someone in to one way of doing things will only stunt our growth."

In the months ahead, Eric says he is up to the challenge of taking an already strong region and improving it even further, and feels the outlook is bright for the current quarter and year ahead. "New Century is positioned to become the 800-pound gorilla in the non-prime and Alt-A markets," he says. "Now we need to execute." ■

### Eric in Brief

- Holds bachelor's degrees in psychology and political science, as well as a master's degree in finance/management, from Arizona State University
- Married for seven years with two kids – ages 3 and 2
- Continually donates his time and money to worthy causes such as, Sun Angel Foundation, Active 20-30 International, Children In Need Foundation and March of Dimes

“*New Century is positioned to become the 800-pound gorilla in the non-prime and Alt-A markets. Now we need to execute.*”

– Eric Kronengold



Eric Kronengold

### STACY ALEKSIN

*Area Sales Manager, Region 34, Tampa, Fla.*

#### Focus and Determination Win the Race

As a runner, Area Sales Manager Stacy Aleksin, of Region 34 in Tampa, Fla., knows what it means to set a goal and run with it.

It's by keeping her eye constantly on her sales targets that she was recently able to become the top quarterly producer in the East with an average of 134 units per month. That's especially remarkable when you consider that only 10 percent of New Century's sales people close more than 40 loans per month.

"I always follow up on issues that come up on my files to make sure they're resolved quickly so we can get the loan closed," says Stacy. "I treat each broker like my top customer and never promise something I'm uncertain of delivering – that's a good way to lose the trust. I also owe a lot of my success to my awesome staff."

Her most effective tactic is basic: return phone calls – even if it's just to tell customers you don't have an answer yet. "One broker used to call me and two of my competitors; whoever got back to him first would get the loan," recalls Stacy. "Now he just calls me first." ■



“ I owe a lot of my success to my awesome staff. ”

– Stacy Aleksin

- Stacy at a Glance*
- Grew up in upstate New York
  - Nine years of mortgage sales experience
  - Married for 12 years with one daughter, age 8
  - Favorite pastimes: running races for good causes and cooking
  - Favorite TV show: Desperate Housewives

## JOHN HEDLUND

*More Than Just a Pool Shark*

➤➤ **During the recent** Wholesale Division managers meeting in Denver, CO., SVP of Corporate Operations John Hedlund was among several attendees who shot a game of pool with a professional player the company had hired. The player – the 6<sup>th</sup> ranked female in the U.S. – dispatched all challengers with ease. But John beat her, and won \$5,000. “I got lucky – it must have been her time to lose,” says John modestly.

But it was more than luck that led to his victory. The man had a goal and he was determined to achieve it. He’s applying that same resolve to his job.

“My overall goal is operational excellence,” says John. “I want to become a true partner with production to grow our business.”

To work toward that partnership, John spends more than half of his time traveling to various locations to get a better sense of how operations affects day-to-day functions in the field. “It’s my vision that by making better use of business analytics, my team will be able

““ My overall goal is operational excellence. ””

– John Hedlund

to zero in on operational risks to improve process efficiency,” he says.

One such analytical tool is what he calls the “Loan Quality Scorecard” which helps his team pinpoint errors as well as eliminate wasted time, frustration and unnecessary costs. In addition to the Scorecard, a new Operational Risk team provides production with onsite experts to help identify potential loan pitfalls, then help to develop and implement action plans to avoid them. ■



*John high-fives a fellow Associate after defeating the hired pool shark at the Managers Meeting in Denver, Colo.*

### John – Up Close and Personal

- Grew up near Vancouver, Canada
- Holds a bachelor’s degree in business administration from Simon Fraser University, and earned his MBA from Dalhousie University in Halifax, Nova Scotia
- 19-year veteran of the financial services industry
- Joined New Century through acquisition of RBC Mortgage
- Enjoys playing ice hockey and golfing
- Married for 12 years and has two sons, ages 5 and 9
- Enjoys reading mysteries and non-fiction, and is currently reading *U.S. History for Dummies*
- Loves country music

# PRODUCTION LINE

AT YOUR SERVICE

## ANDREW BARTLOW

*New HR Director for Wholesale Will Focus on Strengthening the Management Foundation*

➤➤ **During his first** two months with New Century, Andrew Bartlow – who joined New Century in July as Director, Human Resources for Wholesale – didn't often show up to his Irvine, Calif. office. It's not that he was slacking off – it's just that he spent more time in the Chicago offices of Accenture, the company's new payroll services provider. "We worked hard to get the system stabilized," says Andrew. "After all, ensuring our Associates get paid accurately is the top priority for any HR organization."

Still, resolving payroll issues isn't the main reason Andrew came to New Century. His primary focus for now is on developing an HR team to better serve the division's Associates across the company. "Once all of my clients in Wholesale have the local support they need, the next priorities will be much easier to execute."

Andrew and his team will also help implement the first-ever training program for front line managers whose direct reports are all producers. Dubbed "Managing the NEW Way," the program will provide the tools they need to lead – not just manage – their Associates, as well as measure the success of their own performance.

"We have many HR policies and processes which are not as clear, consistent, repeatable and reliable as they should be, which is a huge opportunity to increase the efficiency and efficacy of our support to the Wholesale organization," says Andrew. As we design new processes to deliver upon that opportunity, I must ensure that managers are not over burdened with bureaucracy, such as extensive paperwork, lengthy



**Andrew Bartlow**

### **Andrew in Brief**

- Holds a bachelor's degree in industrial organizational psychology from the University of Illinois at Urbana-Champaign
- Pastimes: beach volleyball and sailing
- Current book: *Freakonomics* by Steven D. Levitt and Stephen J. Dubner
- Favorite TV show: *The Apprentice*
- Rolling Stones fan

approval processes and policies that don't make sense. Part of the secret sauce at New Century is clearly the strong sales culture of doing things that make sense, right now. Let's hold onto that!"

If you have a question about HR or who your generalist is, feel free to contact Andrew at (949) 517-1650 or [abartlow@ncen.com](mailto:abartlow@ncen.com). ■

## BUILDING COMMUNITY PRIDE IN ILLINOIS AND FLORIDA

**Ask just about** any production Associate what provides motivation to do the job. One of the top answers you'll hear is the satisfaction of helping people have better lives. That may have also been the reason Associates in Itasca, Ill. and Tampa, Fla. recently turned out for the financial services industry's fifth annual Community Build Day activities to spruce up selected areas in their neighborhoods. National partners for the 2006 Community Build Day include scores of banking, insurance, and investment services companies as well as local community groups, Habitat for Humanity, NeighborWorks America, America's Promise, USA Freedom Corps and the Points of Light Foundation.

About 170 Associates from the Itasca office served in Chicago's Auburn-Gresham community alongside other area volunteers to provide curb appeal improvements to homes owned by those with modest means. The improvements included landscaping, painting and cleanup. "It's thrilling to promote homeownership and see people take pride in their homes," says Rachel Kruzel an Account Manager in Itasca. "When you have a big corporation like ours to back up this project, it makes the residents feel important. And having them at home while we were working was also very rewarding."

In Tampa, Associates from Regions 20 and 34 devoted a couple of Saturdays to help renovate the famous Belmont Heights Little League Field, where baseball

legends such as Dwight Gooden and Gary Sheffield honed their skills. The makeover included restoring the field's concessions stands, bathrooms, sidewalks, dugouts, sod and fencing.

"I was born and raised in Tampa, and the Belmont Heights Little League Field has been there for many years," says Laura Lang, Unit Manager, Tampa, Fla. "It has produced some pretty impressive baseball stars in the past and they have some rising stars making their way up the ranks as well. It's my pleasure to contribute to this community and keep the field up and running to help these kids along."

New Century is one of 36 member companies of The Financial Services Roundtable that have committed to help build or repair homes in 57 cities across the United States, as well as participate in other activities aimed at bettering the communities in which the member companies serve.

If you'd like to get involved with a community project or other philanthropic efforts, contact, Shannon Karasoulas at [skarasoulas@ncen.com](mailto:skarasoulas@ncen.com) or (949) 517-1703. ■



**Rachel Kruzel**, Account Manager, Itasca, Ill. and friend volunteer at the community build in Chicago's Auburn-Gresham neighborhood.

### BUILDING BUSINESS BEHIND THE SCENES

On an average day a person will see over 60,000 company logos and advertisements. Take a look at the ones around you — not just the paid television and magazine ads. Drinking a soda or writing down a voice mail message? There's a logo on the can and on the pen. As the song says, "Sign, sign, everywhere a sign." And you've probably tuned out about 99% of them.

New Century's Wholesale Marketing Department works hard to get — and keep — the New Century name in front of our brokers. And while the success of a brand presence is more difficult to track than production numbers, we know it drives incremental business.

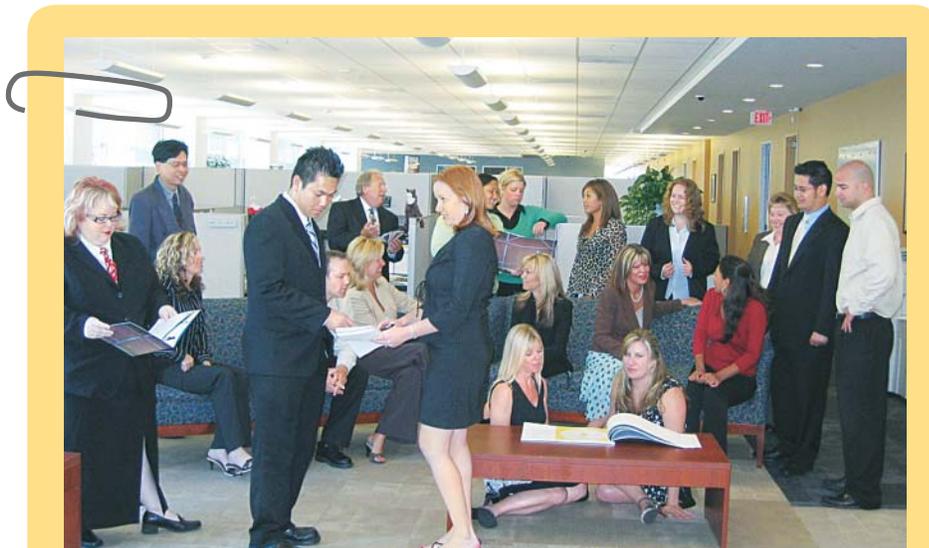
Our team is about more than marketing communications. It's made up of more than 50 professionals who also serve in five other groups: Broker Relationship Management

(BRM), Creative Services, E-commerce Customer Service, Product Development and Trade Events — each one striving behind the scenes to make you more effective.

- **The BRM group** ensures we proactively gather, analyze and effectively act on broker insights via email marketing campaigns. It also helps manage the customer service experience and deliver valued products to build the most satisfied, loyal and profitable customer base in the industry.

- **E-commerce Customer Service** takes care of broker/client services, which includes updating broker profiles and processing online broker applications. E-commerce customer service also handles FastQual technical support and the AE hotline.

*(Cont'd. on p. 10)*



**Wholesale Marketing members, seated:** Stacy Beitel, Tony Garbani, Rebecca Pajor, Erika Carpenter, Darlene Cook, Jessica Kodrich, Liz Handy, Rowena Rana.

**Standing:** Elizabeth Anderson, Will Chia, Krit Dolsophon, Bill Vernor, Allison Allen, Cathrine Cortez, Kristyn Smith, Allison Alonzo, Julie Boatwright, Kelly Canell-Kessman, Chris Macabuhay, Chuck Price.

• **Product & Strategic Development**, a newly formed group will market competitive information, industry trends and business strategies. It allows us to consider new offerings, enhance guidelines and pursue new business initiatives to remain competitive and a leader in the marketplace.

• **The Trade Events group** plans, executes and oversees our presence at over 85 industry conferences and 80 broker hospitality/sponsorship events — while also providing themed signs and promotions to go with each one. Each event is a business opportunity and we exploit our presence in order to have the biggest impact for you! This group also handles and designed our newly renovated MarketPlace. Please check it out if you haven't already.

• **Creative Services and Marketing Communications** collaborate to develop the most effective marketing messages, disseminate them through flyers, newcentury.com, The Lounge, calendars, thank-you cards, broker welcome kits, branded stationery and business cards.

We're in the process of planning 2007 events and programs that will continue to build on New Century's brand. You may not see us behind the scenes, but you see the results of our efforts — and so do our brokers.

## Wholesale Marketing by the Numbers

Here are some of our numbers that demonstrate how we help you to produce yours — and these are just from January 1 to September 14:

- Newcentury.com had **1,861,846** visits
- We've participated in over **81 trade events** and have generated over **6,000 leads**
- **80** broker hospitality events have commanded the personal attention of over 10,000 brokers for Account Executives
- We sent brokers **6,113,572 emails** and **282,961 eFlyers**
- E-commerce customer service has taken **266,000 calls** and processed **8,672 online broker applications**
- There were **38,568 entries** from brokers who wanted the chance to Live Like a Celebrity
- Each month our ads appear in close to **10 industry publications** and are seen by 162,172 brokers
- We **converted 1,626 brokers** from funding zero loans to funding at least one loan with the Win Back campaign





WHOLESALE DIVISIONAL SALES SCORECARD



WHERE WE ARE\*: **\$38,688,365,986**

WHERE WE NEED TO BE: **\$45,000,000,000**

\*As of 10/23/06 non-prime only

	D1	D2	D3	D4	D5	D6
FUNDED VOLUME	(#1) 844,522,725	(#3)788,144,174	(#2) 788,850,453	(#6)471,698,892	(#4)742,079,463	(#5)609,657,201
FUNDING RATIO	(#6) 53.23%	(#5) 54.3%	(#1) 61.27%	(#2) 56.67%	(#4) 56.23%	(#3) 56.47%
FUNDED UNITS PER AE	(#4) 19.3	(#6) 15.7	(#1) 24.4	(#3) 19.65	(#2) 21.4	(#5) 18.5
FUNDED # PER OPERATIONS	(#3) 15.5	(#6) 11.1	(#4) 15.2	(#2) 15.9	(#1) 16	(#5) 13.5
WDEV	(#4) 0.16	(#6) 0.21	(#3) 0.15	(#2) 0.11	(#4) 0.16	(#1) 0.08
FASTQUAL USAGE	(#6) 62.43%	(#5) 70.47%	(#2) 82.8%	(#4) 78.3%	(#3) 82.73%	(#1) 87.63%

\*Volume Growth is based on QTR 3 2005 vs QTR 3 2006 comparison

\*WDEV based on deviation modification report

\*All other items based on Regional Sales Dashboard; based on LOS data as of 10/6/06

How categories are calculated

Funded Volume	Total funded volume based on Empower as of 10/10
Funding Ratio	# of units funded divided by number of units submitted
Funded Units Per AE	# of funded units (based on Empower as of 10/10) divided by number of sales staff (based on P&Ls)
Funded Units Per Ops	# of funded units (based on Empower as of 10/10) divided by number of support staff (based on P&Ls)
WDEV	Weighted Deviation based on rate deviation modification report
FastQual Usage	# of FastQual submissions divided by number of submissions

	Total Points	Overall Rank
Division 3	2.45	1
Division 5	3.03	2
Division 4	3.25	3
Division 6	3.35	4
Division 1	3.73	5
Division 2	5.13	6

THIRD QUARTER RECIPIENTS

WEST

EAST

**Division 1**

PRESIDENT'S CLUB RECIPIENTS

Oahn To	Regional Manager
Anna Kwan	Account Executive
Jaime Jaquez	Account Executive
Francis Brandt	Account Executive
Charmagne Elegado	Account Executive
Brent Eneix	Account Executive
Tracy Trinh	Account Executive
Mike Kim	Rising Star
Beth Chelson	Service Award

**Division 4**

PRESIDENT'S CLUB RECIPIENTS

Nicholas Booth	Regional Manager
James Allison	Account Executive
Christine Leyden	Account Executive
John Carothers	Account Executive
Josh Keiffer	Account Executive
Suzanne Banick	Account Executive
Stephen Mulcahy	Rising Star
Kevin Heneghan	Service Award

INCENTIVE TRIP ONLY

Earl Patterson Jr.	Regional Operations Manager
Stacy Habib	Regional Operations Manager
Andrea Christenot	Regional Sales Manager

INCENTIVE TRIP ONLY

Kenneth Engers	Regional Operations Manager
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**Division 2**

PRESIDENT'S CLUB RECIPIENTS

Mike Gamble	Regional Manager
Kendall Naya	Account Executive
Wendy Borja	Account Executive
Rayyan Livingston	Account Executive
Brandon Medhurst	Account Executive
Kellie Ohern	Account Executive
Colin Aita	Rising Star
David Rodriguez	Service Award

**Division 5 – TOP EAST DIVISION**

PRESIDENT'S CLUB RECIPIENTS

Steve Broaddus	Regional Manager
David Travers	Account Executive
Joseph Vultaggio	Account Executive
Jason Dumke	Account Executive
Aiden McCluskey	Account Executive
Benjamin Stucker	Account Executive
Lisa Hammond	Rising Star
Sarah McCurdy	Service Award

INCENTIVE TRIP ONLY

Tim Hoffman	Regional Operations Manager
Rachel Gilliam	Regional Sales Manager

INCENTIVE TRIP ONLY

Greg Kimball	VP, Divisional Operations Manager
John Dech	Regional Operations Manager

**Division 3 – TOP WEST DIVISION**

PRESIDENT'S CLUB RECIPIENTS

Nabil Bawa	Regional Manager
Brian Aulenbach	Account Executive
Brandon Carter	Account Executive
Tamera Stanley	Account Executive
Amanda Leipheimer	Account Executive
Jason Fulgham	Account Executive
Sandra Perez	Rising Star
Jessica Welch	Service Award

**Division 6**

PRESIDENT'S CLUB RECIPIENTS

Michael Vinson	Regional Manager
Richard Johnson	Account Executive
Cynthia Budry	Account Executive
Kristopher Koepke	Account Executive
Dawn Glasso	Account Executive
Paul Diaz	Account Executive
Richard Cross	Rising Star
Lissette Castro	Service Award

INCENTIVE TRIP ONLY

Tim Lambert	VP, Divisional Operations Manager
Monique Tatsch	Regional Operations Manager
Jennifer Calvert	Regional Sales Manager

INCENTIVE TRIP ONLY

Katherine Duncan	Regional Operations Manager
Bill Young	Regional Sales Manager

For complete program details about the President's Club, visit The Lounge.

- 1) The top regional managers recognized from the President's Club program, enables his/her sales and operations manager to be eligible for invitation on the Quarter 3/4 incentive trip to Ireland.
- 2) Divisional operation managers will be ranked based on the current divisional scorecard. The top divisional operations manager from the east and the top divisional operations manager from the west will be eligible for invitation on the incentive trip.
- 3) Service Award Program Recipients are not eligible for the incentive trip.

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**IDEAS OR COMMENTS?**

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PRODUCTION LINE

The Quarterly News of New Century Wholesale