



## MORTGAGE LENDING GURUS

by Judy Kirkwood

# ERIC WALLBERG & CARLOS CEPEDA

**ERIC WALLBERG AND CARLOS CEPEDA ARE** in a unique position in the mortgage lending industry: their company--WCS Lending (Wallberg Cepeda Systems)--is thriving. With more than 200 mortgage-related lenders closing or failing in 2009, how has WCS managed to increase business by about 20 percent?

"In fact, we're doing better now than ever," says Wallberg. Revenue was about \$30 million for 2009 and the company lent close to \$2 billion. In addition to the 25,000 square foot corporate office in Boca Raton, which employs 125 people, there are four branch offices, in Ft. Lauderdale, Southfield, Michigan, and Manhattan and Rye in New York. Not bad for two guys who had to share a car (with no air conditioning) for the first year they were in business together.

One major factor in WCS Lending's growth is that—even though 95 percent

of its loans are residential—the business didn't make subprime loans to homeowners who later defaulted, a major cause of the implosion of mortgage companies. Another factor is that the partners have focused on becoming nationally licensed. "It's a lot of work to remain compliant in all 50 states," says Wallberg, "but if we were limited to Florida [where about 20 percent of their business is] we'd be out of business like many of our competitors."

The keystone of the partners' success is their mission to ensure highly professional service in a field that has been strongly impacted by negative public perceptions. As part of maintaining rigorous industry standards, they hired Dave Barie, who used to work for the office of financial regulation for the State of Florida, as chief compliance officer. "Having him on board speaks to our

focus on quality," notes Cepeda.

Unlike many lending companies, WCS has a high retention rate of experienced staff. The partners believe in not only training and educating staff, but in encouraging feedback and supporting their causes as well. "Our 'Friday Five' is where staff dress casually on Fridays in exchange for donating \$5 (or more) to a designated charity. We take requests and have raised money for about 40 organizations or causes," says Wallberg.

Trust is essential in this business and WCS is run like a family. Eric and Carlos met each other while working at the same online lending company in Manhattan a block from the World Trade Center. After the tragedy of 9/11 they both felt the time was right to move their families and strike out on their own. "We wanted to bring a 'Manhattan mentality' to the lending industry in South Florida," says Wallberg.

Eric, who graduated from the University of Maryland in Criminal Justice, brought his top-producing sales skills to the business. Carlos, with degrees in

Astrophysics and Real Estate Investment from Columbia University, contributes administrative and high tech talents. Outside of work and family, Eric plays poker and sports and Carlos plays piano and travels. "It's like a marriage," jokes Wallberg, whose office has a rec room vibe, filled with trophies and family photos, one wall a whiteboard for wipe-off markers. Cepeda's huge desk is empty except for his computer; numbers scroll across the Fox business channel on the wall TV. "Opposites attract," he laughs.

As for the future, WCS Lending has just aligned with Corcoran, the largest real estate concern in the state of New York. The company is regularly approached by other entities for acquisition, but right now Wallberg and Cepeda are comfortable where they are. "As hands-on owners, we've never had to compromise our values," says Cepeda.

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