get to know

[JOHN BORDON]

THE COMPANY: Stewart Lender Services

THE POSITION: SVP

THE HISTORY:

DS News: As a 25-year industry veteran, what led you to your current position with Stewart?

JB: I started my career with Allstate Enterprise Mortgage, which became Sears Mortgage, which became PNC, which became WaMu, which is now Chase! When I came to Stewart, it was a company that offered title, assignment, and document retrieval services. Shortly thereafter, the company expanded its product line to 30 or so services that assist lenders, servicers, and secondary market organizations. When the economy was just starting to slow, Stewart saw the market shifting toward the default arena. From Stewart’s perspective, we didn’t have legacy systems or processes that had to be retrofitted for the new default sector. So when the old rules of default and loss mitigation were thrown out the door with the Obama administration’s changes and the initiation of the Home Affordable Modification Program, Stewart was there with the right systems and processes for the change in landscape.

THE VISION:

DS News: As a title company, Stewart has been in business for more than a century. How has Stewart managed to remain a visionary company, either in spite of or due to its long history?

JB: When I first joined Stewart, being a proactive and forward-thinking person, it was very difficult to look at a 100-plus-year firm and not say, “How proactive can they be?” But in reality, Stewart is very proactive and progressive. Stewart looks at the market and asks, “What direction is it going, and how do we position ourselves to best serve that market?” Stewart looked at the challenges of 2009 from a processing standpoint of, “What’s the best streamline process flow that could be applied?” From the industry perspective, there was a tsunami of originations that happened from 2003 through 2007. Suddenly, all that production needed to be documented, so we had a tsunami of requests for document retrieval and all the related necessary custodial services. When the economy turned for the worse, there was a tsunami of defaults related to that same production. At this point, the questions are, “How do we handle the tsunami? And what do we learn from our pasts?” Being the progressive company that it is, Stewart understands exactly what needs to be done.
Stewart’s position in 2010 is about serving the current market needs, determining where the market is headed, deciphering the government’s next move, and providing services that can fill the gap and make a more streamlined process. HAFA is an example of where we have headed, as short sales are a great illustration of what happens when the modifications don’t work. It’s also an example of following that product line through its product cycle or the loan through its life cycle. If your modification doesn’t work, then you’re in a short sale scenario. If the short sale doesn’t work, then it becomes a deed-in-lieu process. Stewart offers a complete loss mitigation strategy that includes processes that anticipate the eventual outcome of the loan, thereby expediting the process and saving the servicer/investor time and money.

THE PERSPECTIVE:

DS News: One industry hurdle right now that many companies are trying to overcome is staffing (i.e., staffing up to meet demand but not being oversupplied when a lull hits). What is your perspective on this issue?

JB: As always, it is the volume fluctuations and excessive changes that are killers. The on/off of the foreclosure moratoriums, the changes to the HAMP program and other foreclosure alternatives, the influx of short sales, the move to deed-in-lieu—all these events place a tremendous strain on the servicing departments to staff with experienced personnel. Many companies have gone ahead and staffed up, but from an outside perspective, it doesn’t make any sense to add and train staff for a temporary increase in volume because, at the end of the day, you’re going to have to let all those people go or place them elsewhere. From my perspective, it makes sense to hire an outsource firm to take care of the temporary need and plug and play as you need to.

THE LIGHTER SIDE:

DS News: When you’re not at the office, what do you enjoy pursuing in your free time?

JB: I’m based in Denver, so I’m an avid snowboarder. If you think of all the things the Rocky Mountains have to offer, that’s pretty much what my family and I enjoy. It’s either wakeboarding or snowboarding, depending on which season we’re in.