

CONFIDENTIAL**File:** Trade secrets**Name:** Michael O'Reilly**Company:** MO'R MORTGAGE
OPTIONS**Identity:** Director

KEEPING IT IN THE FAMILY

Michael O'Reilly of MO'R MORTGAGE OPTIONS loves his family and his job, so he brought the two together, creating the perfect marriage

TO BE a good mortgage broker you need to have a lot more than good listening and customer service skills.

According to MO'R MORTGAGE OPTIONS director and Elite Business Writer Michael O'Reilly, you need to have passion as well – and the right motivation.

For O'Reilly, that motivation was his family.

The seasoned broker, who is based in Canberra, has run a very successful family mortgage business for the past 11 years.

Last year, O'Reilly settled more than 420 loans for a cumulative total of \$95.8 million, while MO'R MORTGAGE OPTIONS was acknowledged by his aggregator as 'National Business of the Year (under five loan writers)'.

In 2009, the business was also recognised by the Real Estate Institute of the Australian Capital Territory as the 'Mortgage Provider of the Year'.

O'Reilly attributes a vast bulk of his success to his family.

"Without them, I may never have become truly serious about building our own family business," he says.

THE EARLY YEARS

After four years of writing loans for other mortgage businesses, O'Reilly had developed enough confidence to venture out on his own.

"With my wife working part-time and three children in private schools, it was a difficult decision to make," he admits.

"With our parents and friends also all working in long-term public service positions, it was definitely considered to be a risky move at the time – but it is something I have never regretted."

In 2005, O'Reilly expanded his team to include his two sons Daniel and Brendan.

The husband and wife company had always been very successful, but the addition of the boys really helped the business to flourish.

"I found that Brendan and Daniel provided the extra resources and motivation for us to

really get serious about growing the business," he says.

"My sons were young, enthusiastic and eager to make it work, which provided an enormous boost for us all."

One year later, O'Reilly's daughter Kathryn joined the family business.

"We became focussed on building something that would last long after we've gone, and we wanted the business to support our children and their children."

O'Reilly adds that the children, all skilled and successful loan writers in their own right, have a genuine say in the direction of the company.

SPECIALISE RATHER THAN DIVERSIFY

It was a family decision to keep the business specialised rather than to diversify into other services, bucking a trend in thinking about the industry that increasingly is accompanying NCCP regulation.

"We are not big advocates of diversification per se, although I understand it can be quite beneficial for many businesses," he says.

"Some mortgage professionals' business cards are very interesting. It says they specialise in home loans, investment loans, commercial loans, leasing, hire purchase, factoring and business loans to name but a few. I often find myself asking: 'How can one individual be the best in all these areas?'"

MO'R MORTGAGE OPTIONS doesn't do personal loans, car loans, commercial loans or non-conforming loans.

Instead, O'Reilly and his family business live by the mantra that specialisation rather than diversification is the way forward.

"Concentrating on a few areas and being absolutely exceptional in those disciplines has worked really well for us," he says.

Diversification for its own sake, he adds, can be a big trap for small business. "That said, it's always good to keep your eye out for opportunities as they present themselves," O'Reilly says.

In 2010, one such opportunity did present itself and the broker entered into a partnership with others to form a residential property management business.

"We thought it would be a good synergy as over two thirds of our clients have investment properties," O'Reilly says.

While he thought the business would fit well with his own mortgage business, he went to great lengths to keep the two separate.

He is adamant that the property management business is not operated in-house, so the company is run from premises on the other side of Canberra.

O'Reilly says this helps him to keep the paths separate and make the business more of a referral relationship, rather than a business addition.

REFER IT ON

O'Reilly works well with referral partners.

The Canberra-based broker says much of the \$90 million he settles each year comes from repeat and referred business opportunities.

However, he believes that while good referral partners are crucial to a broker's bottom line, it is often impossible to hold on to them forever.

"It goes without saying that over the years, our referral partners have changed tremendously," he says.

"In the early days, it was mostly builders who gave us a start. At that time, when no one did construction loans particularly well, we specialised in them."

O'Reilly adds that since those early days, however, he has inevitably lost touch with some of his referrers – especially those lured to other brokers offering cash incentives.

"Interestingly, most of those mortgage professionals are no longer in the industry and those referrers are now actively chasing us for networking opportunities." ■

BROKER FACT BOX

NAME: Michael O'Reilly

COMPANY: MO'R MORTGAGE OPTIONS

TITLE: Director

BEST YEAR (BY VOLUME): 2009/2010; \$95.8 million

BEST BDM: Westpac's Phil Bennett

BEST REFERRAL SOURCE: Real estate professionals and existing client database

SUPPORT STAFF: "Two. In 2006, I hired Karen Ajaye as our client liaison officer. She is a fully-qualified mortgage professional in her own right. She helped me bring my business into the 21st century and made me realise I couldn't keep doing things the old way if I wanted to grow the business. Greg Oberscheidt was the last person to join the team, coming on board in 2010. He has just finished his Certificate IV in mortgage lending with the plan to become a fully accredited and qualified loans consultant in the next few months"

I WENT INTO BROKING BECAUSE... "I loved the idea of doing something meaningful with my life, shaping my own future and being solely responsible for my own successes and failures along the way"

IF I WASN'T A BROKER I WOULD BE... "I don't know – I have never seen broking as a job or work; rather, it is part of my life and it is who I am. I love being able to have a positive impact on other people's lives"

BEST PIECE OF ADVICE I HAVE EVER BEEN GIVEN: "Keep it simple. I like to take an old fashioned approach to building the business. Despite what some might think, this business is not about lending, money or even banks. First and foremost, we're in the people business. It is strange to me that banks as a whole, after being close to 200 years old, still don't get it"