

# CRAIN'S

## CHICAGO BUSINESS

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### DEFYING GRAVITY AND THE ODDS

★ Guaranteed Rate Inc., Chicago

Data and text are excerpted from 2010 profile by H. Lee Murphy

■ It's been a miserable couple of years for mortgage banking. The ranks of brokers in Illinois have fallen to an estimated 800 firms from a peak of 2,100 in 2006. But one Chicago company, Guaranteed Rate, has continued to grow.

■ Surprisingly, Guaranteed Rate has never made an acquisition to boost its volume or geographic footprint. On its own, the company doubled its office network last year to 50 branches, entering markets such as San Diego, Las Vegas and St. Louis. At its start, the company had 15 employees working in a single Chicago office; today there are nearly 900 employees in 44 states.

■ "Until 36 months ago, we were a Chicago-based lender. Now we're expanding nationally," says Mr. Ciardelli. Guaranteed aims to offer lower mortgage rates than rivals. "We do that by cutting our overhead and cutting our profit margins lower than anybody else," he says.

■ Marvin Stockert, executive director of the Illinois Assn. of Mortgage Professionals in Lombard, says the recession has cut loose good mortgage sales talent at failing firms. "Along with a few other opportunistic bankers, Guaranteed Rate has picked up some of these loan originators," he says. "The company doesn't need to acquire other firms, which don't have much value. It only wants their best loan officers."

■ Mr. Ciardelli expects to open another 25 offices this year and raise loan volume past \$6 billion. "While everybody else is pulling back, we have our foot on the gas," he says. That has allowed him to put off plans for a public stock offering. "The goal now is to just see how long we can keep growing like this without having to go public," he says.

# ★ FAST FIFTY

A LOOK AT CHICAGO'S FASTEST-GROWING COMPANIES AND THEIR RACE TO SUCCEED

**16** 2009 revenue: \$117.3 million  
 Five-year growth: 361%  
 Profitable? Yes  
 Local employees: 542  
 Worldwide employees: 879  
 What it does: Mortgage banking

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guaranteedRate®

AMERICA'S FASTEST GROWING MORTGAGE COMPANY  
 More Products, Greater Flexibility and In-house Operations = Fast Closings

Out of ALL Privately Held Companies in Chicago, Guaranteed Rate had the largest Revenue Growth for 2009 – **80% Increase**

- Crain's May 2010 Issue

CELEBRATING 10 YEARS OF LENDING  
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