



## Opening Doors: Navigating Underserved Communities

**VO** [00:00:09] Welcome to The Way Home, a Freddie Mac podcast series that explores the latest in mortgage solutions for today's dynamic housing market. Here, housing industry leaders will share insights and actionable strategies that you can put to work today to help make home possible. Let's get ready to dive in and to explore the complexities of the housing market with Freddie Mac.

**Phil Treadwell** [00:00:32] In this episode, Katie Givens, Director of Sales at Freddie Mac Single-Family Seller Engagement, and Rebecca Lopacinski, account executive at Freddie Mac Single-Family Seller Engagement, talk with Juan Rodas, CEO and co-founder of New Story Lending, about serving underserved markets and the incredible story of how his company grew to become a Freddie Mac seller servicer.

**Katie Givens** [00:00:52] Well, thank you, Juan, for joining us today. We're very excited to have you and hear about your story and your success with New Story Lending, a minority-owned institution. So I understand that you have a very inspiring story, and I've heard just a little bit about it before we moved into this room, but tell us how you found yourself in the mortgage industry and how you got to where you are now.

**Juan Rodas** [00:01:16] Yeah, no, thank you so much for having me again. So I started in the mortgage industry about 2004. So I think I was about, what, 18 years old at that time. I started in the file room at about a mid-size lender, and kind of just took it from there. I was somebody who worked unloading trucks. And I wasn't a business person at all or working in any kind of offices. And so I ended up joining that organization and they gave me the opportunity out of the gate. Within a few months, I transitioned from the file room to other places within the organization, and I started from there, to final docs, to post-closing, to ensuring, to the whole gamut. It's very rare, in my opinion, that you start in the back and you go towards the front. More people will usually start as a loan officer or processor, whatever you want to call it. It's very rare that they get to appreciate what the backend does. I mean, you're dealing with loans that are closed a year ago, or whatever the case is. And so I really got to learn all aspects of the mortgage industry. I ended up working there for about 15 years. And I learned very quickly that I was exposed to more things than people actually get exposed to in their entire career. And I had a child when I was in high school, and so needing to financially provide was very important at that time, which led to a lot of mistakes that I ended up making when I was a lot younger in life, and really just, I hate to say it, but just kind of a product of the environment. I grew up in the DC metropolitan area, and it's an interesting area in terms of there being a lot of money in certain areas, but then other areas are not exactly that, and it could be across the street. And so, my parents migrated here from Ecuador. I am



the last one in my generation to be ... Actually, I was born here. I have an older brother and older sister, all my cousins were born in Ecuador. But with that came a lot of financial struggles and them coming into everything and just struggling. And I was born with my left hand actually deformed. And so as a kid, my parents would ... We had the Shriners hospital for children, who I love. And they used to take me and my family out to the Shriners hospital in Philadelphia, actually, and at no cost to my parents. And so you remember those types of things and you start to see that you don't have it as bad as others. And I think I would see some kids that unfortunately didn't have arms, no legs, whatever the case is. And it basically results in that mentality of I don't have it as bad as others. And so when you then translate that over to the financial struggles that we had and the decisions that were made, I think first of all, you start to realize you don't have it as bad as others, but you just kind of go down sometimes negative paths. Most of the people that I know didn't graduate from high school. No one talked about college. That wasn't my circle of friends. And it's just kind of where we were in life at that moment in time. Luckily, I did end up graduating from high school, and again, did end up getting into the mortgage business. But even at that moment in time, I was I think struggling with personal things that I had going on in my life that were very negative at the time. I was fortunate enough to have my job at the time support me through those challenges that I had going on, and then eventually they encouraged me to go to school. So I ended up going to college really later on in life. I was in my late twenties when that ended up happening. And I have an addictive personality, so I went on to get a bachelor's degree, I got a master's degree. I was able to get certifications. I got a CMB with mortgage, and I really changed my life. And so the thought process behind New Story Lending and the naming behind that is that I feel at least that I created a new story out of the communities that I come from, which is affordable housing and those types of things. And I think that it's a rare situation. I don't necessarily feel like I should be here, but I'm fortunate to be here. And I think sharing that with others and hopefully inspiring some people to be able to do that is going to be great. I have a business partner who, although we're culturally different, also have similar upbringings and to where we came from. And we were able to take that and make something of ourselves. So that's what we're doing today.

**Katie Givens** [00:05:58] Yes, very inspirational that you took a situation and were able to have the support. Somebody saw the light in you and pushed you and propelled you to the next level.

**Juan Rodas** [00:06:10] The light that I didn't see in myself, I could tell you that for sure.

**Katie Givens** [00:06:12] That's right, that's right.

**Rebecca Lopacinski** [00:06:14] That's awesome.



**Katie Givens** [00:06:16] So without divulging the company's secret sauce, can you talk about what your areas of business focus are and how you've been able to gain traction in meeting the business goals in such a short period of time?

**Juan Rodas** [00:06:29] Yeah, I think a lot of it luckily is the experience that I was able to gain and the people around me and the skill sets. And so my business partner is extremely strong. His name is Shane Miller. He's extremely strong at sales. I'm extremely strong at everything else, from a fulfillment capital markets perspective. So we really complement each other and we've created a dyadic leadership structure where we're coCEOs, co-owners, we run the business together, but we extremely complement each other. And I think that that's unique in our industry. It's very rare that you have dyadic leadership in our industry. And so I think that creates a situation where it's created some success for us. On top of that, just where we are in the market today, things have just really reset. So salary expectations have reset from where COVID was, and those types of levels. Vendors are more open to having conversations because there's a need for volume and there's a need for business. Investors are open to having conversations. And so I think it was a conglomerate of just a bunch of different things all happening at the same time. And I'm a capital markets guy at heart, so I'm in the buy low, sell high mentality.

**Rebecca Lopacinski** [00:07:43] Right. Saw the opportunity.

**Juan Rodas** [00:07:44] Exactly. So I saw the opportunity. I think it's a perfect and still do believe it's a perfect time to be able to enter. And there's no legacy issues. We are not dealing with any buybacks or any of that kind of stuff. And so it creates a unique opportunity for us. Loan officers are open to having a conversation. And so in an extremely, really short period of time, we closed our first loan on June 28th, and we've been able to get a lot of different approvals that normally you wouldn't be able to get. And I'm thankful for all of my business partners that were able to do those things for us, and multiple state licenses. The goal is to ultimately go nationwide. We're up to 14 states right now, with three pending. And I think just the momentum ... Both of us are young, but we've been in this business for over 20 years. So I think mixing all that together, we're not planning on going anywhere anytime soon. So it's really helped propel us.

**Katie Givens** [00:08:40] Yeah. And we here at Freddie Mac are just very grateful that you thought of us. And our focus, we obviously have similar focuses and strategies around the mission and providing affordable housing. And nobody better to help us with that mission and strategy, so we appreciate that and we look forward to partnering with you. So what are some of the challenges? We've talked a lot about you taking what we consider the challenges of inventory and higher interest rates and being able to see opportunity in a volatile market in different ways that maybe others hadn't thought



about. So in thinking about those challenges, what are your expectations of doing business with Freddie Mac?

**Juan Rodas** [00:09:25] Yeah, I mean, look, the focus is really on affordable. Again, that's where me and my business partner come from. We come from those communities, and so that's something that we feel a very confident and authentic voice to be able to do that. So I think we're going to lead with that. And we believe in Freddie Mac's mission in accordance with that. And so being that there's very few minority-owned businesses, also, my partner is a vet. So not only are we a minority-owned business, but we're also a vet-owned business. And so I think that's really going to help propel the overall relationship that we have with Freddie Mac. And what I think the challenges are in terms of getting into those spaces, really, I think education is a big thing. We all say education, education, education. And it's actually pretty sad. I'm helping somebody now that's a Hispanic. And I gave him some advice and I said, "This is what you should do. Let's come back around in a couple months." He literally called me the week later and said, "How much do I owe you?" And I said, "What do you mean?" He said, "Well, you consulted with me. You gave me this information." And he genuinely thought that he had to pay for that service. I've heard horror stories of realtors that go show people homes, minorities homes, et cetera, and they charged them for that service. And that's just not right. Exactly. So a lot of it is just around educating them, but then it also goes back to the loan officer. So the loan officer is really the biggest educator of them. And so I think that there's some opportunity, probably with some regulations, et cetera, to make some changes. In my personal opinion, I think it's great that the loan level pricing adjusters have been improved to make the pricing better, but frankly, it can't just stop there. Where my mind is, is that there should probably be maybe, let's just say, some kind of tax incentive for lenders that do a certain amount of affordable lending business to incentivize that business to do more of that. Possibly they can take some of those tax credits to maybe change some of the LO compensation rules. You're not going to steer a consumer to an affordable product, so why not, okay, allow for a lender to pay different compensation, a higher compensation to a loan officer for the amount of time and education that they're going to need to spend on, frankly, a pretty low loan size, when they get paid on volume?

**Rebecca Lopacinski** [00:11:50] Right, yeah, value that piece of it.

**Juan Rodas** [00:11:51] Yeah. I think those are the types of things that we need, above just education and pricing changes. And I think it's going to take a lot of effort from the entire industry to be able to do that. I mean, I'm happy that we're going to be able to make an impact, but in order for it to be done on a larger scale, there has to be incentive to do so.



**Katie Givens** [00:12:11] Absolutely, yes, yes, in addition to the financial literacy in addition to the education training, et cetera.

**Juan Rodas** [00:12:19] That's right.

**Katie Givens** [00:12:20] So you have a very clear vision. We talked about your strategy and where you see yourself in the next 10 years and where you want to take your business. So we want to be there alongside you, obviously, and helping fill those gaps and be an advocate.

**Juan Rodas** [00:12:33] Yeah. You will be, you will be.

**Katie Givens** [00:12:33] And we love nothing more than having these innovative conversations on things that could help improve the situation that our industry is experiencing. So what three tips would you give other mortgage professionals or small businesses to succeed in this industry? Any piece of advice, words of wisdom?

**Juan Rodas** [00:12:59] I mean, for me at least, which is what we're doing with New Story, I think you have to be authentic. I think you have to allow yourself to be vulnerable. And I think you have to realize that leveraging other people's talents and their ideas and not trying to be I'm the smartest person in the room, I think those are the three things that will help propel people kind of forward. And with the first two, authenticity and vulnerability, I don't think that not many leaders put themselves in front of the brand. And I think that that's extremely important. And then again, from where we're coming from, from the affordable space, it's like, okay, well, we feel authentic that we can go into these communities and have these conversations. And it's not just because I have a Hispanic name and the color of my skin. I feel like, okay, I'm actually from that. And then from a vulnerability perspective, I think just being a man, I think that a lot of times it's frowned upon and it's looked at as weak or whatever the case may be. And I think that we're just in a different world now that where people can see through that. And being vulnerable allows for the sharing of your story and allows for the inspiration that would come along with doing that. And I think that many people are trying to succeed without allowing themselves to be open, and that's a challenge for them.

**Katie Givens** [00:14:28] Absolutely.

**Rebecca Lopacinski** [00:14:29] They're great tips. Thanks.

**Katie Givens** [00:14:31] Yes. Becky, anything else that you would like to ask Juan while we're here?



**Rebecca Lopacinski** [00:14:37] I think I've had the opportunity to partner with you in getting you started and just entering Freddie Mac, right? So I think from your perspective, what are you looking forward to in working with us and partnering with us on the go-forward, right? You clearly have a great vision for yourself and we are aligned in mission. So from that perspective, what are you looking forward to working with us?

**Juan Rodas** [00:15:05] Yeah. I think leveraging all the services that you have. I think a lot of people ... unfortunately, lenders will often ... It's like this kind of a point that they want to hit where it's like, "I want to get my agency approvals." But then once they hit that, they may not even turn around and sell much to you, for example, right? And it's because, in my opinion, they're not probably taking advantage of all the services that you offer, whether it's education, whether it can be cash retained, it can be cash released. There's the different cash release programs that you have, and you guys do a great job of putting that information out there. But I think that oftentimes lenders aren't always taking advantage of that. And so what I look forward to is really I'm going to take advantage of every single ... in the most positive way. I'm going to leverage every aspect of the relationship that I possibly can to make it fruitful for everyone. And that's where my mind's at.

**Rebecca Lopacinski** [00:16:00] Good. Awesome. Thank you. Well, we like to hear that. We put a lot of time and energy into the training. And we love to hear lenders that are absorbing it and sending it out into their organizations to leverage it, to complete their missions. So we appreciate that. Thank you.

**Juan Rodas** [00:16:14] Some of the multiple language stuff too, is I think going to become even more important over time.

**Katie Givens** [00:16:17] Yes, credit smart. Yes.

**Juan Rodas** [00:16:19] I think the industry I think probably needs ... there's still a lot of work that needs to be done in terms of more dock engines and more things of that nature to support that type of stuff and the education around it. So I'm looking forward to seeing that.

**Rebecca Lopacinski** [00:16:34] Good. Well, we look forward to seeing you grow, so thank you, and we appreciate it.

**Katie Givens** [00:16:37] Yes, we do. And we are there right alongside you, Juan. Yep. We appreciate your partnership. Such an inspiration, such an advocate. We appreciate you taking the time to meet with us today. And we are very excited to partner with you and continue to watch you succeed throughout the years. Thank you.



**Juan Rodas** [00:16:51] Appreciate it, I appreciate it. Thank you. It means a lot.

**Rebecca Lopacinski** [00:16:52] Enjoy the rest of the conference.

**Juan Rodas** [00:16:54] Thank you so much. Thank you so much. Thank you.

**VO** [00:16:57] The Way Home is brought to you by Freddie Mac, where we make home possible. For more thought-provoking discussions and expert insights, join us for upcoming episodes by following The Way Home on your favorite podcast platform. Connect with us on LinkedIn @freddiemacsf. You can also sign up for our newsletters by navigating to our subscription center at [sf.freddiemac.com](https://sf.freddiemac.com).