

Financial Federal Keeps Up By Offering New Services

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[Financial Federal Savings Bank](#), which celebrates its silver anniversary this year, has a few simple goals for 2010.

Among them: The Memphis savings bank wants to see its customers more frequently. And soon, it will roll out new products to help do that while keeping the bank's unique focus and structure generally untouched.

"If it's a deal we want to do, we'll get it done. And we'll get it done tonight if we have to."

– **Kent Wunderlich**, *Financial Federal C.E.O.*

Those ideas go hand-in-hand. It might sound like an unusual limitation for a bank, but Financial Federal bankers rely on a variety of means to bring customers through the door since they don't accept or handle cash like a traditional bank branch.

The company plans to soon add money market accounts to the product mix, which already includes certificates of deposit and a variety of loans and credit lines to businesses and individuals.

Money market accounts typically have higher balance requirements than regular savings accounts, pay higher interest rates and are limited to only a few transactions per month.

"We don't have transactional accounts, although that's fixing to change a little bit," said [Kent Wunderlich](#), the bank's chief executive officer. "We're going to add money market accounts and creep into that type of business, because we think we need to."

It's a shift in direction, but it doesn't necessarily signal a dramatic new turn for the savings bank, which has been locally owned and operated for 25 years.

It will remain a community bank with a deep bench of long-serving employees who do things a little differently than its competitors.

"We offer flexibility, ease of transaction, and our advantage is there are a lot of people that want to do business with a strong, locally owned and operated bank," said bank president [William Tayloe](#). "That's what we are, and we're committed to Memphis and the Memphis market."

The bank doesn't plan on adding tellers or other branches in Memphis beyond its one office on Humphreys Boulevard anytime soon. It also doesn't cash checks or offer traditional checking accounts.

Not having the expenses from multiple branches is one of many ways the bank can stay lean and nimble. In a reversal of the trend Starbucks popularized – branches popping up in clusters on almost any major corner – retail branches are one of many expenses getting cut these days.

There are about 300 fewer bank branches in the U.S. today, with 98,913, than there were eight months ago, according to data from SNL Financial.

Scanning some paperwork, Wunderlich took a quick head count to illustrate another point.

“When you call here, we have 33 employees of our 50 that have been here longer than 10 years,” he said. “And eight who have been here more than 20 years.

“So you can see if you have 66 percent of employees that have been here longer than 10 years – when you call us, you don’t get somebody new a lot of times. And we’re adding people in that we see opportunities in this market to grow.”

Financial Federal, owned by Memphis’ Wunderlich and Montesi families, plans to keep writing loans – and a lot of them.

The bank’s commercial and multifamily division services more than \$1 billion in loans for properties spread from coast to coast.

On the private banking side, Financial Federal makes loans for everything from vacation homes to owner-occupied businesses that need a commercial real estate loan.

Some of the loans Financial Federal originates are kept on its books. Others, the bank sells in the secondary market while continuing to service them.

The bank sells loans to investors and lenders such as Wells Fargo, which last month sent the Memphis bank a letter praising the quality of its residential lending as the best among its partners in the Mid-South.

“Congratulations!” begins the letter from [Wells Fargo Funding Inc.](#) executive vice president [Eric Stoddard](#) honoring Financial Federal with Wells Fargo’s first annual “Lender Quality Award.”

“Not only did you deliver strong volume, you adhered to high standards of quality and did it according to the principles of our shared vision,” Stoddard wrote to First Financial senior vice president [Mary Floyd](#).

Wunderlich said his team loves making deals happen. They’ll convene a loan committee meeting in five minutes if necessary.

“We try, if it’s a good loan or it’s a credit we like and there’s something that’s not cookie-cutter about it – we’ll fit a square peg in a round hole,” he said. “That’s what I enjoy doing. It’s what I’ve been doing for over 40 years.

“I know how to do a loan. We all do. If there’s something unique about it, if it’s a deal we want to do, we’ll get it done. And we’ll get it done tonight if we have to.”