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COMMERCIAL BROKER PARTNERSHIP LAUNCHED BY COMMERCIAL FIRST

Specialist lender Commercial First has announced the launch of a distribution partnership for commercial intermediaries. Commercial First Partners (CFP) has been established to consolidate the activity of individual professionals and provide a range of sales and marketing services that will enable its partners to build their business. Relationships with several lenders and providers have been established to provide a range of commercial lending and business finance products.

Commercial First Sales & Marketing Director Stephen Johnson commented, "The commercial broker market is highly fragmented. There are a large number of professionals operating in isolation without the scale to leverage product or service terms with lenders. The Partnership will consolidate this activity for the benefit of its partners and lenders, as we look to build a volume distributor of commercial property and business finance products."

"Institutional lenders are restructuring their resources and revisiting broker strategies. Origination and distribution are not the short term imperative – however cost efficient acquisition of new business will become critical for lenders when the cycle turns. We believe the Partnership will be ideally positioned to benefit from this need."

Alongside the benefits of aggregating volume and creating a group with buying power, the partnership will provide processing services for specialist and private lenders who have capital to invest in the market but lack the distribution and infrastructure to complete transactions or deal with a wider group of brokers. This will provide the partners with access to bespoke funding in order to complement products on offer from the institutional lenders.

Central services provided by CFP to its partners include; market research on lenders, identifying other complimentary products areas to drive income from existing clients and win new relationships; marketing tools and campaigns to help generate activity and access to an appraisal team for initial enquiries.

A key objective for CFP is to help create long term capital value for its partners by distributing a share of any annual profits made and a share of any value realised upon sale or flotation.

The partnership is a long term complementary strategy for Commercial First as the lender seeks to leverage its own brand and infrastructure. Stephen continued "As a lender which played a significant role in driving intermediary participation in the market we understand how to energise brokers and add value to their business. It is good to be out there with a positive message, and be part of trying to revive the broker market.

"The business is committed to a return to lending in its own right. We recognise it will be difficult to replicate the scale of our activity in the past and like all businesses, realise we need to adapt to the current market conditions. This is a message central to the development plans we promote to our broker partners, so it makes sense for us to follow our own advice."

CFP has attracted the support of key institutional lenders as well as specialist providers, smaller banks and private lending sources. The Partnership has been recruiting professionals since the summer and has over 100 fully accredited partners.

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