

‘Thriving’ Union Home Mortgage could reach 2,000 total employees in three years

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Contributed photo

Union Home Mortgage currently occupies two buildings in Strongsville. A third building, "the crown jewel," will open in May.

Last year, as the Cleveland marathon opened discussions with potential title sponsors, the race's organizers had a handful of qualities they believed would make for a "perfect" partner.

The marathon, which had been tied to CVS and Rite Aid over a span of two-plus decades, was hoping to align with a local company. In [Union Home](#)

[Mortgage](#), a rapidly growing Strongsville company, it found "a natural fit," said Jack Staph, the marathon's executive director and owner.

On Feb. 9, the marathon [announced](#) that Union Home Mortgage was its new title sponsor. The three-year deal was "comparable and better" to the previous agreement with Rite Aid, Staph said.

The deal is a crucial one for the marathon, which is in its 44th year and is coming off a 2020 in which its road races were forced to a virtual format because of the pandemic.

For Union Home Mortgage, it was yet another foray into sports sponsorships.

Within the last year, the company has inked sponsorship deals [with golfer and Northeast Ohio native Jason Dufner](#), former Browns quarterback Bernie Kosar and Indians play-by-play voice Tom Hamilton. In October, Union Home Mortgage [became the title sponsor](#) of the Gasparilla Bowl, a college football game that is held at Raymond James Stadium in Tampa, Fla.

Earlier in 2020, Union Home became the Indians' [first official partner](#) in the mortgage category, and the company began sponsoring the Professional Bull Riders circuit.

Sports sponsorships, Union Home Mortgage president and CEO Bill Cosgrove said, are an effective way to reach a wide range of demographics and add to the company's name recognition.

Lining up the right sponsorship can be "a balancing act" for a company that has more than 150 branches in 44 states, Cosgrove said. But Cleveland, the Bedford native said, is home.

"Strongsville, Greater Cleveland, is our headquarters, and as we continue to grow our business and support different events throughout the country, we really focus on Northeast Ohio," Cosgrove said. "We want to continue to expose the company, expose the brand, to the region, because we plan on hiring 500 people over the next three years."

'Thriving' business

Union Home Mortgage might not be a household name in the region, but that could be changing — and quickly.

The company, which was founded in 1970 and purchased by Cosgrove in 1999, is expanding its Strongsville headquarters with the addition of a third

building. The project [was approved](#) for a 10-year, 1.477% Job Creation Tax Credit by the state last July.

At the time, UHM said it expected to create 450 full-time positions that would generate \$29.3 million in new annual payroll. The third building, described by Cosgrove as "the crown jewel" of the company's campus, will open in May and feature fitness and corporate training centers, as well as a cafeteria.

UHM has more than 1,500 employees, about 500 of whom are based in Northeast Ohio, Cosgrove said. He expects the total employee tally to exceed 2,000 within a few years, thanks in part to a 2020 that was historically good for mortgage companies.

The combination of record-low interest rates, more people working from home, and more customers looking to refinance their current home or search for a new place to live led to a 152% bump in revenue for UHM. The company generated \$488 million in revenue in 2020, which was up \$294.1 million year-over-year. And those gains were on top of a 2019 in which Union Home's revenue soared 25% to \$193.9 million.

When Crain's [compiled its list](#) of the largest private companies in Northeast Ohio in 2020, Union Home checked in at No. 55. The rankings were based on 2019 revenues, and UHM's 2020 figure of almost half a billion would have been good for a top-30 showing the previous year.

In 2016, UHM [reported](#) a five-year revenue growth of 210% to a total of \$69.5 million in 2015 — or about 14% of its revenue for 2020.

The company expects its lending volume to exceed \$13 billion this year.

"The last five years, the company has really been thriving," Cosgrove said.

The UHM president and CEO said the profits are reinvested into the business in three ways: people, technology and brand.

The first has meant an increase of about 900 employees since 2016. The third element has led to an array of sports sponsorships that spans football, baseball, golf and even bull riding.

And the technology aspect was never more critical than last March, when UHM made the decision on a Thursday night to switch its entire workforce (about 1,400 at the time) to remote. The "seamless" transition was completed by 5 a.m. the following Wednesday, Cosgrove said.

'Attacking opportunities'

Cosgrove mentioned the word "culture" five times during a conversation with a Crain's reporter.

That might seem like corporate speak, but Staph, the Cleveland marathon's executive director, and Jessica Colombi, the executive director of career services at Cleveland State University, say it's legit.

Colombi lauded UHM for the manner in which the company transitioned its summer interns to remote work last year. The company, in addition to giving students meaningful tasks, "went out of their way to make sure students' social and emotional development was attended to as well," the CSU career services director said.

Kristen Orosz, Union Home's campus recruiting team lead, told Crain's that the company's 85 summer interns (its largest class yet) had a laptop, monitor, mouse, headset and a welcome bag of "goodies" shipped to them. UHM also has had 55 interns work with the company during the school year, and it's expecting its summer class to jump to 115.

The employees, Cosgrove said, learn about a culture that starts "with attacking opportunities and attacking problems, not attacking each other."

The formula has worked, and with all of that success comes questions about taking the company public.

Though he would "never say never with anything," that's not anywhere near the top of Cosgrove's to-do list.

"The size and the growth of the organization has never been impeded by a lack of capital," Cosgrove said. "We run the business the right way; we run it conservatively. We've always had the resources to reinvest the profits back in the business."