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TCF Financial Corp. Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Ladies and gentlemen we will now begin the question-and-answer session. [Operator Instructions]. Our first question comes from Jon Arfstrom with RBC Capital Markets. Please go ahead.

Jon Arfstrom - RBC Capital Markets

Thanks. Good morning.

Lynn A. Nagorske - Chief Executive Officer

Hi, Jon.

Jon Arfstrom - RBC Capital Markets

Just a term of follow-up on funding can you talk about your comfort with the current strategy in terms of funding your loan growth. And then as a follow-up to that you... with lower Fed funds and potentially lower long-term borrowing rate. Do you have the opportunity to go back into that \$4.5 billion in long-term borrowings and potentially take some of those rates down?

Lynn A. Nagorske - Chief Executive Officer

Well we look at all those things constantly and as you know we had a very large change in short-terms rates yesterday. In the fourth quarter, we viewed that the competition was getting a little insane and I think, perhaps you will see some moderation of that as this liquidity crisis passes and there are some indication of that and if you look at LIBOR versus Fed funds and how they are sinking up. But we have consciously led some of those CDs run down that's not something that we are going to continue for the long-term. So, we do have objectives this year of increasing our deposits and funding our loan growths through that. But that's kind of a temporary situation. In terms of long-term borrowings, those are fixed rate and so, we are pretty much lacked in with those and once we decided to prepay them.

Jon Arfstrom - RBC Capital Markets

I guess that's what I was getting at I know that. In case if you look back maybe four or five years, you made the election to do that? Do you see any potential opportunities there?

Lynn A. Nagorske - Chief Executive Officer

Not at the present time.

Jon Arfstrom - RBC Capital Markets

Okay. And then just a couple of more on the flat residential, real estate-owned balances it's a pretty good trend and I am just wondering if you could talk about that process in terms of the length of time to sell a property and the type of pricing you will get, when you are finally giving one of the properties that changed on the last quarter or so?

Lynn A. Nagorske - Chief Executive Officer

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