

Los Angeles Times

WAYS AND MEANS

In the 90210, don't call it a pawnshop

At the Beverly Loan Co., those in need of quick cash can discreetly hock that Rolex watch, even Grandma's pearls -- as long as they're real.

By Monica Corcoran, Los Angeles Times Staff Writer
October 12, 2008

IN certain ZIP Codes, hocking a pair of Tiffany diamond studs is as hush-hush as a tummy tuck. That's certainly the case at the Beverly Loan Co., where the process couldn't be more discreet and dignified. No skittish neon signs or grimy display cases here. Instead, there's a Picasso in the waiting area and bottled water to help wash away the bitter taste of the current economy.

"I have people waiting with their chauffeured Maybachs in the alley and people who ride a bike here because they can't afford gas," says Jordan Tabach-Bank, chief executive of the upscale Beverly Hills pawnshop that first opened in 1938. Among its offerings are a \$44,000 platinum Rolex and a 5-carat engagement ring that sells for \$150,000. "Right now, everyone is feeling the crunch."

Tabach-Bank elaborates on how he handles bailouts in the 90210.

How has business changed in the last few weeks?

We are seeing more first-timers and many more loans over \$50,000. We also have more doctors, lawyers, politicians, producers in here than ever before because they can no longer get credit at the bank -- no matter how good their credit may be.

Which item is typically the first to go?

It's that box of jewelry that they no longer wear, which is usually gold. Or Grandpa's gold coins from the garage. The engagement ring is usually the last to go. Then again, a big diamond will always fetch more than a bunch of little ones, so it's easier to justify bringing in an engagement ring and then coming back to get it. I have people who bring in gold fillings. I just made a loan on a bunch of Obama "Hope" posters signed by [the artist] Shepard Fairey.

Does someone with a platinum Rolex miss interest payments too?

Yes. Unlike the banks, we are willing to work with our clientele who are late on payments.

You must become a bit of a confidant to clients.

The women who work here say we're a lot like manicurists or hairdressers. I have always likened myself to a bartender. People come in here and they pour out their hearts and spill their guts.

How do you reassure a first-timer on a crying jag?

People come here in all different states of mind. Some are really excited to get a loan and put it into an investment. Then there are people who are down on their luck and think that things will never get better. I just tell them, "I have seen people who were in your situation. The economy is cyclical, and you'll get through it and you'll be back on your feet in no time."

What is most valuable right now?

Gold has grown in value, and that has been well documented, so people know about it. What they don't know is that diamonds have gone up exponentially in value. Stones over three carats are through the roof. We can always loan the most on a large diamond. The pearl market is soft unless you have natural pearls, which you don't see very often.

Do people tend to undervalue or overvalue that brooch from Aunt Ella?

A lot of people come in and think that they have a treasure on their hands. I have to let them know that it's not the case. Some people think they have a great diamond, and one of the worst parts of my job is letting them know that it isn't even real. On the other hand, I recently had someone come in with a piece inherited from a grandmother that was a signed Cartier and worth \$30,000.

Is "pawn" a dirty word here?

We usually refer to ourselves as a collateral lender, but at the end of the day, it's a fancy term for pawnshop. There is a stigma attached to the word "pawnshop," and it has always been a goal of mine to do away with that. The Picasso helps.