



SOLUTION HIGHLIGHT COMMERCIAL

Commercial Lending for **Community Banks**



Commercial Banking Solution

Built into nCino's Cloud Banking Platform, the Commercial Banking Solution provides institutions with a seamless, end-to-end experience. The intelligent single platform for commercial banking replaces disparate systems within the institution with one digitally enabled solution that streamlines customer onboarding through deposit account opening, loan origination, underwriting and portfolio management. With nCino, financial institutions' customers and employees interact on the same secure platform, enabling accelerated revenue growth, improved efficiency, effective risk management and an exceptional customer experience.

Transforming Today's Community Banks for Success Tomorrow

Though small in size, community banks play a huge role in the communities they serve. Unlike their larger counterparts, community banks provide loans to the neighborhoods where their customers live and work, positively impacting local businesses and communities.

Community banks have a deep understanding of their customers, knowing them as more than just names on applications. By investing the time to foster robust and trusted relationships, community bankers glean critical insights into their customers' goals for the future. This knowledge, coupled with their comprehensive grasp of the

Like many of the businesses they serve, **community banks find themselves trying to navigate a turbulent economic environment.**



local economic landscape, empowers community bankers to customize loans that meet the unique needs of their customers.

Like many of the businesses they serve, community banks now find themselves trying to successfully navigate a turbulent economic environment. Slower loan growth, tighter credit standards, higher funding costs and lower profit margins are creating challenging conditions for community-focused financial institutions to chart a path forward for safe and sustainable growth.

Despite a tendency to outperform larger banks during turbulent times, including the 2008 financial crisis and COVID-19 pandemic,¹ many community banks are still looking for ways to streamline their operations for increased efficiency and reduced costs to counter today's negative economic forces. Market research firm IDC reports that 20% to 30% of revenue is lost to inefficiencies each year.² And community banks are striving to make these changes while continuing to deliver on customers' expectations for fast, convenient and personalized service.

However, their efforts are often hampered by a reliance on legacy technology and siloed systems, resulting in inaccessible data along with disjointed and inefficient user and customer experiences. Nearly 50% of community banks surveyed by CSBS believe existing technology is a liability on some level,³ while 48% of financial institutions surveyed by Bank Director are concerned they're not effectively using their data.⁴

Outdated and fragmented systems cause adverse impacts that can be felt throughout the institution, ranging from increased risk exposure to an inability to deliver exceptional customer experiences, along with greater challenges attracting and retaining expert talent. Accenture notes that 82% of employees say technology plays a role in deciding where they work today.⁵



Industry experts are advising community banks to take advantage of the slowdown in commercial loan volume to **invest in modern technology that will help them automate and refine processes** so they can work “better, faster and smarter.”⁶

Modernizing Commercial Lending for Increased Efficiency and Growth

To achieve their current efficiency and growth goals while positioning themselves for success in an uncertain future, industry experts are advising community banks to take advantage of the slowdown in commercial loan volume to invest in modern technology that will help them automate and refine processes so they can work “better, faster and smarter.”⁶

Charles Potts, Executive Vice President and Chief Innovation Officer at ICBA, recommends community banks “[t]ake advantage of this time to get the house in order and become leaner and more efficient with operations.”⁷

While the leadership at many community banks appears to agree with this sentiment, rising concerns over cost and resource constraints, uncertainty caused by the rapid evolution of new technology like AI or an unwillingness to take on another technology provider is causing some institutions to reconsider planned technology investments. This hesitation can have long lasting impacts on the institution’s strength, stability and reputation.

The right technology partner can help community banks overcome the obstacles holding them back from their modernization efforts. When choosing a technology partner, banks should look for a vendor who has extensive



experience serving the community financial space and a modern lending solution which reflects an in-depth understanding of community banking.

Community banks should also consider whether a potential technology partner has a history of continuous innovation and re-investment in their solution. A successful technology partnership is dependent on the vendor’s commitment to continuously updating their solution to keep pace with the ever-changing needs of community banks.

Working side-by-side with the bank, the ideal technology partner will leverage their understanding of the institution’s current processes and future goals to swiftly implement a cost-effective, end-to-end solution that automates and streamlines workflows, centralizes data for increased accessibility and accuracy, and accelerates the lending process. Then, the community bank will realize efficiency gains and cost savings quickly, leading to the growth of long-lasting customer relationships and revenue.

More than 55% of community banks surveyed view integrated loan processing systems as **“very important”** or **“extremely important”** to their institution.

**2023 CSBS Annual Survey
of Community Banks**

Delivering a Modern Community Banking Experience with nCino's Commercial Lending Solution

A proven community banking partner for over a decade, nCino has a deep understanding of what your community bank needs to effectively grow relationships, increase efficiency and achieve lasting growth in an ever-changing landscape.

Combining this knowledge with the experience we've gained through hundreds of successful implementations in the community space, nCino is expertly equipped to help you modernize the loan onboarding and origination process across your front, middle and back offices swiftly and cost-effectively, ensuring you see benefits faster.

With nCino's Commercial Lending Solution for Community Banks, your financial institution gains access to a powerful solution set that can help you:

- Replace disparate, siloed systems with a cloud-based, single platform solution.
- Simplify and modernize the commercial loan application and origination process with streamlined, automated workflows.
- Ensure your institution's compliance with Dodd-Frank 1071 through the collection, translation and exportation of data into detailed dashboards and reports.
- Offer your bankers a complete view of the customer relationship in a single location, enabling easy structuring and management of credit/non-credit deals and products.
- Centralize data from your core and other siloed systems to generate 360-views of customer relationships in real time and facilitate reporting.
- Attract and retain top talent through a modern technology offering.
- Increase transparency and collaboration between your front, middle, and back-office workers, allowing them to deliver value to customers faster and increase their contribution towards your institution's growth.
- Decrease costs through operational efficiencies, error reduction and improved accuracy while increasing profitability across relationships and portfolios through data-driven decision making.
- Easily fulfill regulatory compliance policies and adherence to global, local, and federal regulations through a powerful combination of tools.
- Streamline technology providers, resulting in cost savings and simplified vendor management requirements.



Commercial Loan Origination System

nCino's Commercial Loan Origination System combines an innovative and intuitive loan origination framework with automated workflows, document management, real-time reporting and other vital features to provide a complete, end-to-end loan origination system.

Enterprise Onboarding

Enterprise Onboarding helps community banks provide customers with a seamless, personalized onboarding experience. Using digital channels and automated workflows, the onboarding process becomes convenient, fast and secure, leading to increased customer satisfaction, consistent compliance across channels and transparency across business lines.

Decrease the time to originate commercial loans **up to 80%** and **increase efficiency at every stage** of the loan origination cycle



"nCino enables us to be **more efficient and more collaborative**, especially around renewals and originations. **With nCino, we have completely automated and digitized the loan approval process.**"

Jeff Bajek

CCO at Platinum Bank

Online Application

With nCino's Online Application, you can provide your customers and prospects with a simple, convenient application experience. They'll have the flexibility to submit commercial loan requests online and exchange documents with you anytime, anywhere and from any device.

Dodd-Frank 1071 Solution

nCino's 1071 solution allows relevant data to be captured as a part of the loan origination workflow and subsequently exported across the portfolio for compliance reporting. The solution includes fields for data capture, translation of the data into 1071 codes, and the ability to extract the data for required CFPB reporting.

Document Manager

Document Manager is a secure central document repository that provides instant, digital access to documents during the loan lifecycle and provides a visual audit trail to reduce compliance risk.

Deal Management

Deal Management offers a complete view of the customer relationship in a single location, enabling easy structuring and management of credit and non-credit deals and products.

Collateral Management

Collateral Management tracks collateral, associated loans, lien positions and associated market rates, allowing your underwriters to view collateral owned by multiple entities and pledged across loans while gaining valuable insights from LTV and lendable values calculated within the tool.

Covenant Management

Covenant Management centralizes the creation and management of covenants onto a single platform. Automated reminders and robust reporting allow your users to easily identify covenants reaching their due date or those that are past due, providing increased transparency into the entire process.



Automated Spreading

Automated Spreading, powered by nIQ, uses machine learning and optical character recognition to intelligently automate the process of spreading financials. Underwriters can automatically extract and interpret data from financial statements and tax returns uploaded into nCino's Document Manager. Extracted data can be inputted directly into nCino's credit analysis tool, Spreads, removing the need for underwriters to manually re-key data.

Spreads

nCino's Spreads is a powerful credit analysis tool that creates a streamlined, consistent process for underwriters to analyze financial statements and identify major risks and trends. Your underwriters can easily forecast future cash flows with speed and accuracy through the analysis of multiple periods across financial statements for both C&I and CRE loans.

Total Exposure Tracking

Using nCino's Total Exposure feature, your credit analysts can gain a clear understanding of how much exposure a relationship or a collection of relationships carries, helping them make informed decisions and minimizing risk for your organization.

Improve time to spread
C&I financials by **35%**

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“Now, with nIQ, we've been able to drastically **reduce data input time and fully digitize our credit analysis process to further increase speed and convenience.** This has helped us bolster our data integrity, make better credit decisions and enable our employees to focus on more value-added tasks like relationship building instead of manual data input and analysis.”

Jason Shields

VP and Loan Operations Manager
at Gulf Coast Bank & Trust

Credit Memo

nCino's Credit Memo provides relevant, dynamically generated information tailored to your institution's credit review policy and auto pulls the most updated information stored on nCino's platform into an optimized template, eliminating the need for underwriters to re-key data. Completed credit memos are automatically stored in nCino's Document Manager for easy access and customer distribution.

Decrease manual reporting by **up to 100%**



"With nCino **we have been able to turn our loans faster** because we have the pipeline [reporting] to help manage that process."

Kathy Brown

SVP of Loan Operations at VeraBank



Reports and Dashboards

nCino's Reports and Dashboards can centralize data from your institution's core and other siloed systems onto a single platform. Using point-and-click reporting tools, your users can run custom reports instantly and accurately without frustrating and complicated queries. Insightful dashboards can be viewed safely and securely through nCino's digital and mobile experiences anytime, anywhere.

Portfolio Management

With nCino's holistic portfolio management capabilities, your users gain the ability to action all facilities across a single relationship or household from a single screen, allowing them to initiate the needed combination of credit actions to serve customers quickly and compliantly.

nCino's Commercial Lending Solution

Drives Real Results for Community Banks

100%

increase in active deals handled per underwriter

80%

reduction in duplicative data entry for loans

70%

decrease in loan approval time

67%

increase in booked loans

16%

relative improvement in efficiency ratio

9 to 1

reduction in systems used

End Notes

1. Michelle W. Bowman, [The Consequences of Fewer Banks in the U.S. Banking System](#), Board of Governors of the Federal Reserve, Apr. 14, 2023
2. Entrepreneur, ["How to Ditch the Inefficiencies That Are Eating Your Revenue"](#), 19 Jun 2018
3. CSBS, ["2023 Community Bank Survey"](#), 4 Oct 2023
4. Bank Director, [2022 Technology Survey](#), Aug 2022
5. Accenture, ["Why is the empowered relationship manager so important right now?"](#) 31 Aug 2020
6. Independent Banker, ["7 smart strategies during economic uncertainty"](#), 01 Jan 2023
7. Independent Banker, ["CEO Roundtable: Ideas for a successful 2023,"](#) 1 Jan 2023



The nCino Difference