

Popular Bank embraces technology in constant search to reinvent itself

When Fred McDonald joined Popular Bank in February 2015 as Vice President and Property Appraisal Analyst, he was concerned about the ability to execute on the Bank's CRE lending strategy given the somewhat archaic and time-consuming appraisal process.

Lending process was archaic and time consuming

"When I got here and reviewed the processes in place I knew right away that I couldn't go back to the outdated methods of going back and forth between Excel spreadsheets, Word documents, and email," McDonald said. "All three of them don't talk to one another and mistakes are too often made."

In today's competitive climate, banks cannot afford to continue to operate with inefficient processes. The processes within Popular Bank, McDonald thought, slowed down deals, created inefficiencies, and left the bank open to making mistakes. They needed to find a solution or risk falling behind.

Collateral360 delivers everything on a single platform

Prior to joining Popular, McDonald had evaluated EDR and its Collateral360® system. **Collateral360** is a single platform that allows financial institutions to manage all their property due diligence from a single dashboard, including appraisal procurement, environmental investigations, collateral site inspections, tax monitoring, and more. A web-based application, Collateral360 also helps lenders better manage key processes, risk, and compliance, and ensures that each loan is managed to credit and risk policy.

PROBLEM

Lending process was archaic and time consuming



SOLUTION

Collateral360 made the process far easier including the onboarding process

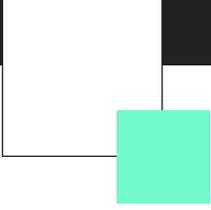


BENEFITS

- Average deals per month grew from 40-50 to an average of 75 per month
- Direct result of new efficiency created by Collateral360
- 50-75% time savings
- Saved hiring at least two full-time employees as a result



Shortly after joining the bank, McDonald met with EDR to review Collateral360. McDonald's boss, John Incandela, SVP, Head of Credit Risk for the U.S., gave the final approval for adopting Collateral360, recognizing the need to advance their processes using new technology. The onboarding process began right away led by McDonald and Edward Castro, Credit Risk Analyst, at Popular Bank and included an onboarding specialist from EDR.



“Our onboarding specialist was absolutely brilliant,” McDonald said. “Never before in my experience with implementing technology have we been able to get completely up and running in under six months. We were able to do it in basically 60 days after purchase. She trained over 50 people, we set up approximately six training sessions, and we started using it in late September or October 2015. And we closed our first loan before year-end.” McDonald said the onboarding effort included training his bank staff as well as the external third-party appraisers the bank engages as part of the appraisal process.

The Results?

Before implementing Collateral360, Popular Bank averaged 40-50 deals per month. After learning and familiarizing employees with the new system, the bank, as of early 2019, was averaging the equivalent of 75 deals per month over the last six months. McDonald said he was able to do that without adding additional staff.

McDonald said that boost in output is the direct result of the increased efficiency made possible by Collateral360.

“The way I measure it is, if all of the account officers weren’t doing the inputs into the system and they were sending me emails, then I’d have to take those emails, copy and paste, send it to the appraisers, and then get the email back,” he said. “Then we’d go through the whole appraisal process and then do it all over again with all the reviewers.

“For us, that’s probably 50-75% of time savings, and we’ve probably saved hiring at least two full-time employees.”

Adopting Collateral360 has also allowed Popular Bank to better address other issues – such as the environmental and engineering requirements of a transaction.

“Popular Bank’s Corporate Credit Risk Department is very proactive on technology and, with Collateral360 in here now, we see it as a very effective tool,” McDonald said. “In our industry, we must constantly reinvent ourselves and we need to leverage whatever automation we can, and EDR is constantly trying to figure out how best to serve the appraisal community.”



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– Fred McDonald, Popular Bank

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