YouConnect Increases Appraisal Department Productivity with Workflow and Reporting
KEY POINTS (from a few of our clients)

* **Process Efficiencies** – Workflow driven processes increased transparency between lending and credit departments.

* **Onboarding** – Lenders and appraisal staff onboarded quickly, typical in less than 30 days.

* **Scalability** – A 5x increase in loan volume with YouConnect utilizing existing staff.

* **Reporting** – Real-time reporting, custom reports and concentration mapping provides the tools to meet service level agreements (SLA).

* **Customer Service** – RealWired’s response time to deliver new requested features typically in weeks, not years compared to the entrenched provider.
**Lesson 1 - Process Efficiencies**

Appraisal workflow platforms replace existing manual and inefficient processes that present communication gaps between lending and credit departments. Through implementation of a common digital platform, interdepartmental synergy and transparency bridges the current gaps through the use of improved process efficiencies and reporting capabilities.

Improved efficiency means processes that are scalable and that support a faster pace of growth for the bank’s revenue stream and asset base such as reducing handoffs, eliminating duplicate activities and organizing lending and credit around process flows instead of functional silos.

Automated workflow gives managers immediate visibility into the activities being performed, allowing monitoring of work queues, identifying bottlenecks or problems, and reallocating work to respond to changing conditions.

Lenders are typically the customer facing and largest revenue generating component of a financial institution. It is imperative that the approval process provides real time reporting of work in progress allowing lenders to stay on top of their portfolios.

Successful banks utilize the leadership to influence the culture between lending and credit. Process improvement in this area involves continual performance monitoring and often comes about as a result of analyzing, mapping, benchmarking, and ultimately rethinking back-office processes.

As a risk management professional, the goal is to drive greater process efficiency through automation. Reporting facilitates strategic planning providing a competitive advantage against other financial institutions.

“It was exciting to see YouConnect bring our appraisal department together with process efficiencies, especially with a recent acquisition. YouConnect reporting provided department transparency through reporting of our key metrics.”

Job Manager

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Lesson 2 – Onboarding

The key findings of a 2019 KPMG Operational Risk Excellent Survey is further standardization of risk and control identifying linkage between processes, risks and controls. “Deploying (End-to-End Business Flows) E2E process risk assessments across business lines develops a more complete picture of risk, dependencies and redundant controls.

Establishing robust operational risk dashboards supported by integrated data and tools delivers consistently meaningful reporting to business lines, risk teams, executive management, and the board.”

YouConnect can be integrated as part of a larger goal to develop business intelligence (BI) reports, dashboards and scorecards. This allows your staff to organize and determine projects with meaningful reporting and analytics.

As a risk management professional, the goal is to drive greater process efficiency through adopted automation. Coordinated departments facilitates strategic planning providing a competitive advantage against other financial institutions that lack such technology, increasing the ROI.

The survey suggests that financial institutions of all sizes continue to make strides in these areas. It’s not limited to smaller community banks, super-regional or the largest national financial institutions.

“Our department was surprised at the speed and ease onboarding with YouConnect. The lending and credit departments were up and running in less than 30 days.”

Senior VP
Credit & Risk Management
Lesson 3 – Scalability

Working with RealWired helps you make better choices about utilizing your personnel most effectively and often eliminates the need for hiring permanent, additional staff. We give you the ability to work with your known vendors with confidence that we will help you expand your provider list through a highly vetted process. You have the final determination of who is best to serve your organization.

Independent studies and actual customer interviews revealed that YouConnect creates an efficiency of 25%. Avoid the cost of new hires and free up an appraisal department's current personnel to handle additional or more vital work.

Assuming a five person appraisal department with a Chief/Senior Appraiser @ $150,000, two Associates/Analysts @ $100,000 each and two Supports, each @ $55,000 results in a total, (fully loaded with benefits) payroll of $460,000 or an average of $92,000 (FTE - Full Time Equivalent). This correlates to an annual Efficiency Savings of 25% - $115,000; which is slightly greater than the cost of one FTE.

Based on a 10% present value, the above example reflects a $285,000 savings in three years. This is substantial for a five member appraisal department. The savings can be exponential for larger appraisal departments.

<table>
<thead>
<tr>
<th>FTE Cost &amp; Savings</th>
<th>Per FTE</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
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<tbody>
<tr>
<td>Current Team Cost</td>
<td>$92,000</td>
<td>$460,000</td>
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<tr>
<td>Gain/Savings Efficiency @ 25%</td>
<td>$23,000</td>
<td>$115,000</td>
<td>$115,000</td>
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<tr>
<td>Average Annual FTE Cost</td>
<td>$92,000</td>
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<tr>
<td>Total Annual Savings above FTE Addition</td>
<td></td>
<td>$23,000</td>
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<tr>
<td>Total 3 Year Gain/Savings</td>
<td></td>
<td>$345,000</td>
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<tr>
<td>Present Value of 3 Year Cost/Savings @ 10%</td>
<td></td>
<td>$285,988</td>
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“Since we went with YouConnect, our workload has increased 5x with over 100 transactions more per week. We haven’t had to hire any new employees. Wow.”

Valuation Services Manager
Lesson 4 – Reporting

Data is often called the “new oil.” Its impact on decisions can be significant, especially with the substantive dollar amount and risk associated with commercial real estate (CRE). A growing number of financial institutions recognize the importance of a competent level of knowledge regarding their collateral. One topic that’s often overlooked when discussing data is its quality. Trust of its accuracy is critical. YouConnect allows the leveraging of data benchmarking.

Quick, responsive customer service is vital in an era where real-time reporting of work in progress is essential for lenders to stay on top of their portfolio. The credit side better manages work in progress reducing turnaround times.

The ROI from a workflow systems needs to coincide with driving business value. This is a big challenge for financial institutions as they invest billions into regulatory initiatives. The business benefit needs to be ascertained from this data; reporting is a critical element to business intelligence.

Differentiate your bank by having the right data at the right time with the right person for collateral decisions and funding opportunities.

Concentration maps property types geographically, allowing you to drill down to the borrower level. This facilitates collateral decisions to answer basic but important questions, “what do we have”, “what do we want” and “what property types do we not want?”

“Upper managemental has been pushing for concentration mapping reporting. The RealWired team created custom reporting so we can now do portfolio monitoring.”

Chief Appraiser
Sample reports

* Job Manager Assigned vs Vendor Report Received

* Review vs Review Due Date = Days in Review

* Past Due: Days from Request Accepted to Assignment of Review

* Reviewer Acceptance/Start to Review Completion Date

* Vendor Original Delivery Date vs Review Delivery Date

* Report Returned to Vendor & Received from Vendor
Lesson 5 - Customer Service

The RealWired support staff is always accessible and quick to respond to configuration change requests. Our clients realize significant improvements in nearly every area of their operation, thanks to the flexibility YouConnect provides.

Customer service is the engine that drives productivity through the four lessons presented in this white paper - process efficiencies, onboarding, scalability and reporting.

Each step is supported by RealWired’s staff to facilitate successfully implementation aligning with the goals of the appraisal department.

The RealWired support staff is always accessible and quick to respond to configuration change requests. Our clients realize significant improvements in nearly every area of their operation, thanks to the flexibility YouConnect provides. RealWired hosts an annual YouConnect Users Forum, bringing together clients to provide real-world feedback to our technology roadmap.

Customer service is key to configure workflow to align with your bank’s policy.

Awareness of where the loan request is at any point in time in the process eases lenders concerns. Allowing them to communicate with their client, nurturing the relationship.

The more successful banks utilize the leadership to influence the culture between lending and credit to recognize a long-term view the mindset of a shareholder. Focus on revenue generation and risk loan quality is important, the improved relationship between the two departments will be rewarded.

Creating custom reporting through customer service provides the data for the credit department to quickly ascertain client and market information fostering credibility with the lenders. It’s imperative that the credit officer maintain consistency to have a strong understanding of the banks risk appetite and reporting facilitates credit decisions weighed against this framework.

“The responsiveness of RealWired’s staff with YouConnect has been outstanding for our Appraisal, Environmental and Relationship teams. Their support team was highly responsive in working with us to customize the system, use our technology and answer our follow-up questions. The staff at RealWired listens to what we want and need, and they deliver, quickly.”

Chief Credit Officer

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A Service Company that Provides Software

**OUR MISSION**
Always provide the best service, delivered with friendliness and individual pride, putting the needs of each individual client first.

**OUR GOAL**
Create lasting relationships. Exceed everyone’s expectations. Ensure profitability enabling us to improve, grow and support our clients’ needs and goals.

**Why We’re Different**
With over 25 years in the commercial real estate business, RealWired focuses on streamlining the business of commercial real estate with processes and technology, focusing on what makes the commercial real estate industry tick – people and the relationships they build.

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<thead>
<tr>
<th>Brenda Dohring Hicks, MAI, CEO</th>
<th>Jeff Hicks, MAI, President</th>
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<tbody>
<tr>
<td>813.349.5640</td>
<td>813.223.4238</td>
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<tr>
<td><a href="mailto:Brenda@realwired.com">Brenda@realwired.com</a></td>
<td><a href="mailto:Jeff@realwired.com">Jeff@realwired.com</a></td>
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