

Top Lending Management Technology Company-2019

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Louis Taylor, Founder and CEO

It might come as a surprise to learn that one of today's most innovative bank lending software platforms has a track record dating back more than 15 years. Long before the "fin-tech" label became popular, the early building blocks of NOVATRAQ® technology were already being used to shorten small business loan processing times and provide transparency in the back office. Founder and CEO, Louis Taylor, says this is a reflection of a shared focus on delivering high-quality outcomes so banks can better support small businesses in their local communities and across the country. "We have always believed in the important role small businesses play in the fabric of our economy, and we recognized the relevance of the banking system in meeting their financing needs," Taylor said. "Smaller loans are challenging for banks, so we started working on ways to help them bridge the funding gap."

If that is the target the company set for itself, today's NOVATRAQ platform definitely hits the bull's-eye. The system connects all parties in a common operating environment to complete the steps required to move a loan transaction from initial prospect all the way through to closing and funding. An online application, configurable rules engine for score-assisted credit analysis, and secure borrower portal with document upload and electronic signature capabilities eliminate repetitive, manual processes. NOVATRAQ's internal electronic file cabinet and proprietary algorithms that automate the creation of closing checklists for complicated loans help to cover the difficult "last mile" between approval and funding, an important part of the process sometimes ignored by other lending systems. With API connectivity, real-time status reporting, and secure internal messaging added into the mix, NOVATRAQ makes all of the elements of a digital borrower experience readily accessible on a subscription basis to banks of all sizes and IT budgets.

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CIOs and risk managers can rest assured that bank employees and borrowers access the features of the hosted platform through a secure login to an institutional quality, SOC2-certified environment, and that all sensitive data is encrypted at all times. Annual audits conducted under the AICPA data security and confidentiality protocols are widely respected by bank regulators, and NOVATRAQ has a spotless record of successful SOC2, Type 1 and Type 2 examinations.

NOVATRAQ supports all commercial and small business loan types, with special features available for SBA-guaranteed loans, an attractive loan product for lenders in today’s market. The system’s dynamic business logic tests for SBA eligibility and provides substantive feedback about SBA program requirements. Automated outputs include term sheets and SBA forms, as well as credit memos and SBA eligibility reports, creating a complete digital file for easy access during regulatory exams or when defaulted loans need to be presented to SBA for payment. NOVATRAQ integrates with SBA’s E-Tran submission system, so dual data entry is not required. Current subscribers process over \$1 billion in SBA loans annually, achieving estimated processing cost savings of up to 50 percent. One top-10 national SBA lender uses the system to close SBA loans at the rate of more than four loans every business day of the year.

The SBA compliance module and the auditable workflow design of the entire system seem like a natural fit for a company led by a finance lawyer CEO who formerly served as Chief Counsel of the U.S. Senate Committee on Small Business. The bank auditor background of the company’s long-time Chief Technology Officer also guided the architecture of all aspects of the platform. Taylor explained, “Our software reflects best practices across the entire process of creating small business loan assets in a regulated environment—credit, compliance, staff productivity, and borrower experience—all brought together so our customers can achieve the same outcomes that we would expect if we were actually performing the service ourselves”.

NOVATRAQ Info

Company
NOVATRAQ

Management
Louis Taylor, Founder and CEO

Description

NOVATRAQ offers premier cloud-based software for today's small business lender. The firm has a fully-integrated set of lending tools that had been leveraged by top lenders for over 15 years to process over \$2 billion of small business loans. In today's competitive market, the choice of lending software determines if a business will be able to keep up with its peers or will be left behind at the station. Choosing NOVATRAQ will offer a significant boost in the business operations to a company. Further, the use of streamlined data collection processes and automated small loan score retrieval will deliver a quick turnaround on smaller loans