

# CRE Data Management for Analysis

As the Founder and CEO of a services company, Qualtik CEO Mark Prior worked with over 300 community banks providing valuation, annual loan review, M&A evaluation, and other services. He saw community banks struggling with a common set of challenges around working with their data. Many lenders aggregate data from multiple systems into complex spreadsheets, and then spend dozens of hours every month navigating the management of those spreadsheets in order to generate reports and analyze CRE loan portfolios.

Mark set out to change the way banks manage their CRE portfolios using technology to speed up the process, and to add flexibility and reliability. Qualtik was born.

## First Things First – Data

The first step to successfully reporting on and analyzing CRE portfolios is gathering the data. Many lenders have a variety of systems they must pull from to analyze their data, such as:

- Core system
- Loan review system
- Spreading software
- CRM
- Spreadsheets
- Data warehouse

Many lenders export data from these various systems and import them into a spreadsheet. They use formulas to merge the data and then create pivot tables, ratios, and graphs for reports. In many cases, a skilled data analyst is spending 16 to 32 hours, or more, compiling data and building reports each month. These analysts often tell us that 80% of their time is spent gathering and organizing data while only 20% is spent analyzing the results. Qualtik believes analysts' time can be better spent, so we set out to flip the data gathering verses data analyzing equation.

**“Normally I spend 80% of my time gathering and organizing data, and only 20% analyzing it. Qualtik lets me flip that.”**

## Mapping Data

Qualtik designed tools to map data into our system using the same methodology lenders already use to pull data into spreadsheets. Our system relies upon the same type of report that is being generated to inform your current spreadsheets. This keeps technical overhead low and prevents the need for new integrations.

The system supports over 300 fields of data, though we find that most banks start with 60 or fewer, and see significant value even from just those 60 initial fields.

## Agnostic View on Valuation

CRE lending is complex, and every bank has their own set of methodologies and strategies to place value on assets. Qualtik's platform was designed to accommodate each bank's specific valuation approach. We have created processes that support the import of any value you have placed on the

## CRE Data Management for Analysis (cont'd)

asset, and our platform also allows lenders to run scenarios and discounted cash flow valuations inside the system.

### QA Your Data

Qualtik identifies missing data and provides detailed reports on what may need to be reviewed or updated. Customers use this feature to generate reports and so that team members can update their systems of record (typically their core system and or their loan review system). It is frequently called out as the first big benefit that customers notice when working with Qualtik. According to the MIT Sloan Management Review, companies lose 15% to 25% of revenue because of bad data<sup>1</sup>. Qualtik can help find missing data and minimize that impact.

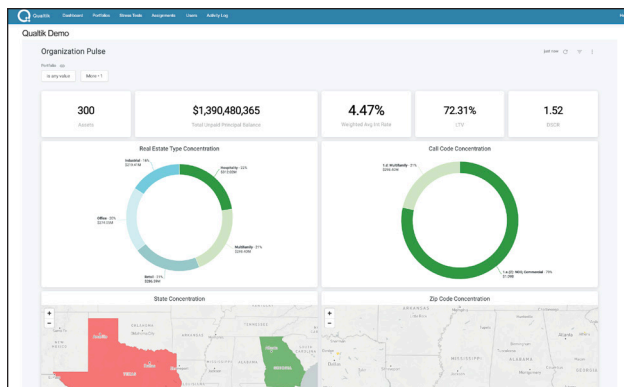
**“For many banks, to instantly see where data is missing is an important and immediate benefit.”**

### Data Updates

Most customers update the Qualtik system monthly. New loan and payment data updates are imported using the same processes most banks use to pull data into spreadsheets.

### Visualizing Data

Once the data is loaded, lenders can access powerful interactive visualization tools. Qualtik's configurable dashboard allows lenders to instantly see the concentration reports and ratios that are

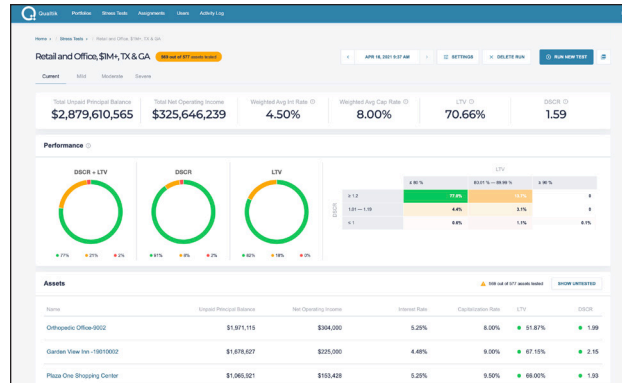


important to them. Drill into detailed analysis directly from the dashboard. Filter data and generate reports with a few clicks.

## CRE Data Management for Analysis (cont'd)

### Stress Testing

Lenders told us they wanted to be able to filter their CRE loan portfolio and apply stress criteria in different ways to different segments. Banks often have multiple versions of complex spreadsheets for stress testing. When it's time to run a new scenario or filter data in a different way, it often requires



creating yet another version of the spreadsheet. Qualtik's Stress Testing Tool allows lenders to filter their portfolio, set test-specific criteria, and generate an interactive report in as little as 9 minutes. The system saves stress testing reports, so lenders can re-run them with fresh data in the future by simply clicking a button.

We've designed Qualtik's platform and dashboards to complement your current systems while using processes you already use to manage data, and to add value right out of the gate. Build on your existing workflows to gain insights, proactively identify and manage risk, maximize earnings, and create efficiencies related to audit and management processes.

**Qualtik helps CRE lenders spend less time organizing and gathering data and more time analyzing it.**

**Request a demo at [qualtik.com/demo](https://qualtik.com/demo)**

<sup>1</sup> Redman, Thomas, 2017, Seizing Opportunity in Data Quality, MIT, accessed June 14, 2021, <<https://sloanreview.mit.edu/article/seizing-opportunity-in-data-quality>>