

De Novo Bank Grows Quickly and Confidently With Help From Wolters Kluwer Financial Services

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you have to anyone."*

Barry Riggsbee,
Head of Credit Administration,
Civic Bank & Trust, Nashville, TN

Background

Civic Bank & Trust of Nashville, Tennessee, focuses on small businesses, including business owners, physicians, physician practices, accountants, and attorneys. Starting in 2005, with roughly \$20 million in capital, the bank has already grown to approximately \$75 million in assets. Mark Trogdon, Chief Lending Officer, said the organization is "on a quick growth path," with the board recently approving a budget aimed at doubling the company's size in 2007.

Challenge

A new bank faces many operational challenges. When Civic Bank opened, officers immediately had to choose the most appropriate type of loan origination and documentation platforms. In addition, they needed to satisfy regulators concerning the bank's business/financial plan and the systems to be used. Regulators would have to know, and agree with, how the operation would process loans and implement control points from a documentation standpoint. In 2007, compliance with HMDA became mandatory. Trogdon and his staff faced daunting tasks—especially given the bank's small staff.

Despite Civic's rapid growth, Trogdon has no plans to open additional branches. Instead, he believes his bank can more efficiently deliver services to customers via technology, such as the internet and remote deposit processing.

That decision made it important for Trogdon and his staff to locate both the right technology partner *and* the kind of provider they could trust for the long haul.

Solution

Civic Bank & Trust purchased ARTA Lending because it was so user friendly, and "did more in terms of what we were wanting to do" than the competitor's product.

Rembrandt Lending came six months later. The combination of the two, said Trogdon and Barry Riggsbee, Head of Credit Administration, has allowed the bank to do some pretty complex transactions from a lending perspective.

Throughout the process, Wolters Kluwer Financial Services worked *with* the bank's staff to make sure people were adequately trained, with support available whenever needed.

Results

Bank personnel express great satisfaction with ARTA and Rembrandt Lending. "Systems from your company allow you to grow as your business grows—handling different transactions *as you encounter them*," commented Trogdon.

Such flexibility is vital for opening new loans and quickly generating additional revenue—as well as dealing with the unexpected.

Trogdon pointed to an example. Suppose Company A processes a complicated loan for three individuals who own a piece of property, and those three lease the property to their company (XYZ). The individuals act as co-borrowers. The fourth co-borrower (where cash flow is generated) would be XYZ. However, the bank looks to the three individuals because they are withdrawing the profits or distributions. Things can get very complicated.

"Rembrandt," stated Trogdon, "accommodates that kind of transaction from a documentation standpoint, just like we wanted." And, because the bank usually deals with \$100,000 and higher equity lines, the tight documentation package greatly facilitates that process.

Outstanding Support

Barry Riggsbee especially appreciates the level of service and support provided by Wolters Kluwer Financial Services. He came on board after the initial training for ARTA Lending, and admits to using the 800 number regularly while learning. "Both systems are user-friendly, so I don't call as much now, but it was a great crutch for me."

"Wolters Kluwer Financial Services was very good, very responsive. I've relied on them a lot...I would recommend the support systems you have to anyone."

"The relationship is such," added Trogdon, "that whenever we call and ask for help, we've gotten it. You've responded and you've responded quickly and effectively."

"Whenever we talk to you, it's never, 'I don't know. It's, well, do this or don't do that. Or let me have so and so call you.' Then so and so calls very quickly. Our trust level for you is very high."

Trogdon also enjoys the fact that his Wolters Kluwer Financial Services' Account Representative stops by regularly to see if he can be of service. "He's very supportive of us and what we're doing, and he stays in touch. We appreciate that."

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About Wolters Kluwer Financial Services

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