

# First Federal Lakewood Grows Business Portfolio 3.4X in 2 Years with Numerated



## The Story: Community cornerstone leverages fintech to grow organically /

**First Federal Lakewood** is the largest independent, depositor-owned bank headquartered in Ohio. While many banks have come and gone from the greater Cleveland area and shores of Lake Erie, for more than 80 years the \$2B financial institution has been a community cornerstone fiercely dedicated to helping the area's people and businesses thrive.

With a large and successful mortgage business and 18 branch locations, the bank sought to further diversify and grow its business banking segment. The bank's leadership team identified lending as an area both ripe for growth and customer experience gains, and which aligned with its commitment to reinvest deposits locally to foster economic growth.

Looking to empower its bankers to expand relationships with businesses and quickly scale its loan portfolio, First Federal Lakewood implemented Numerated's real-time lending and sales platform. After two years with the platform, First Federal Lakewood has achieved impressive organic growth, all while ensuring the credit confidence of its underwriting team:

**3.4X**

growth of its <\$100,000  
business loan portfolio

**749**

average FICO score  
of business owners

**10 day to 10 min**

reduction in approval time

**67%**

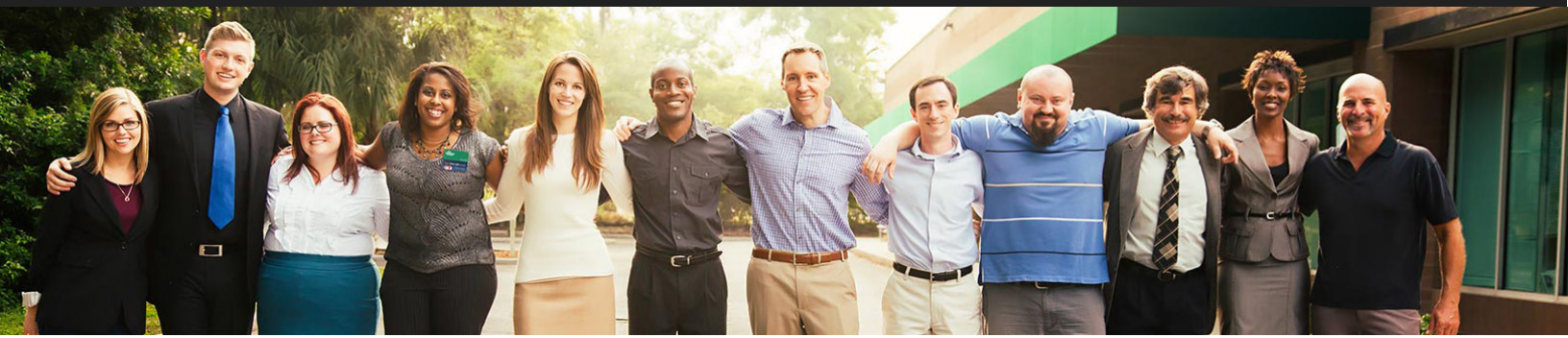
of closings from new customers  
in the most recent quarter

“

*“While JP Morgan may be dominating digital headlines, First Federal Lakewood has quietly created a competitive advantage by coupling data analytics and technology with its bankers' local expertise. They offer a blueprint for community banks to win relationships in today's intensely competitive banking market. We are continually impressed by the bank's strategy, leadership team, and bankers, and look to them as key influencers of our product roadmap.”*

- Dan O'Malley  
Founder and CEO, Numerated

”



## The Opportunity: Grow the business banking segment /

First Federal Lakewood recognized that attracting businesses and scaling its loan portfolio required an exceptional borrowing experience that respected the time of business owners and met their digital expectations. The bank also recognized that relationships are at the core of its long-standing success in the community. It wanted to avoid lending technology that removed or replaced its bankers' relationships with customers.

While traditional loan origination systems provided workflow efficiency tools for underwriters, they did not help address the business development needs of bankers, nor did they enable convenient borrowing experiences for end customers. Similarly, while many digital lending platforms offered a faster customer experience than manual bank underwriting, they disintermediated banker relationships and left underwriters without transparency and control.

Ultimately, the bank determined it needed lending technology designed for relationship growth, without sacrificing credit confidence.



*"As a community bank, First Federal Lakewood is dedicated to building relationships with the businesses that make up the fabric of our communities. To help facilitate those relationships and ensure our business customers are meeting their goals, we needed an easier and more convenient way for them to get a loan. Numerated enables us to build our partnerships with the local business community with their Express Loan platform, making it convenient for our customers to get the working capital they need in a timely and seamless way."*

- Timothy E. Phillips,  
President & CEO, First Federal Lakewood



## The Solution: Lending technology designed for relationship growth /

After evaluating loan origination systems and digital lending providers, First Federal Lakewood selected Numerated for its unique ability to help the bank execute a relationship-based digital lending strategy. Three pillars of the platform drove the bank's decision:

- ① Credit decisioning automation customized for the bank's unique credit policy
- ② Business development tools to help bankers identify and engage lendable businesses
- ③ Digital borrowing experiences that made the bank easy for businesses to choose

## (1) Customizing Credit Decisioning Automation

First Federal Lakewood digitized its credit policies for small business loans and lines of credit with Numerated's platform. The platform's rich data integrations and segment- and risk-based approach to decisioning automation provided First Federal Lakewood with confidence in underwriting in advance and pricing risk in real-time.

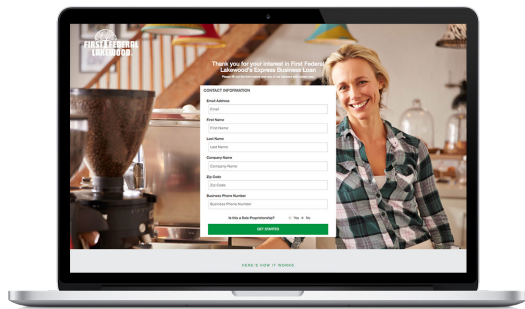
For example, Numerated's integration with the bank's core system allowed it to incorporate key customer data in its underwriting automation. These were important factors for the bank in choosing to partner with Numerated, as they could trust the underwriting automation since it mirrored, and executed, its manual underwriting policies.

## (2) Empowering Bankers with Modern Business Development Tools

With decisioning automation configured, Numerated's rich data integrations and data science continuously identifies every business in First Federal Lakewood's market and pre-qualifies them for loans and lines of credit. This has transformed how its bankers go to market, as they are now able to understand a business's eligibility—or reasons for ineligibility—before ever approaching them.

Numerated's business development tools allow its bankers to search for eligible businesses, build prospect lists, and surface opportunities among its consumer base—such as customers with loans at competing banks or alternative lenders. Ultimately, this empowers its bankers to have more proactive, consultative conversations with businesses about their capital needs.

First Federal Lakewood also leverages Numerated's email marketing automation to send targeted emails to eligible businesses from bankers, informing them about the bank's real-time loan products. This helps generate awareness and inbound interest for the bank's real-time loans, and ensures the bank is top of mind when businesses are seeking capital.



*"With Numerated, we're more than just bankers: we're data-driven bankers. Every morning we wake up to a set of pre-qualified businesses to proactively reach out to. The speed of the borrowing experience coupled with this personal service sets our bank apart with customers."*

- Kurt A. Raicevich,  
SVP, Head of Retail Banking, First Federal Lakewood

### (3) Closing Loans Instantly with Real-Time Borrowing Experiences

Numerated's unique ability to leverage data from inside and outside of the bank allows First Federal Lakewood to offer customers a radically fast and simple borrowing experience. By doing much of the underwriting work in advance and leveraging data the bank already knows about its customers to pre-populate applications, First Federal Lakewood offers a borrowing experience with 5 questions that can be completed in a matter of minutes.

Further, Numerated allows the bank to offer businesses omnichannel choice and consistency in securing capital. Whether online, in a branch, or over the phone, bankers can assist in initiating applications on behalf of customers with the click of a button, or customers can apply and secure capital on a self-service basis. Regardless of what channel a customer chooses or where they are in the borrowing experience, the banker remains informed and can help support the customer through closing.

## The Results: Forging deeper relationships with businesses /

First Federal Lakewood's bankers saw immediate success with Numerated and its relationship-based digital lending strategy. The bank has now used the platform for 2 years, and over the course of this time has achieved:

- 3.4X growth of its <\$100K business loan portfolio
- 749 average FICO score of business owners
- 10 day to 10 minute reduction in approval times
- 67% of closings from new customers in the most recent quarter

Most importantly, First Federal Lakewood's relationship-based digital lending strategy has generated exceptional customer feedback and testimonials. This has spurred word-of-mouth referrals within the business community to its bankers, such as this testimonial from a local bike shop ([full video here](#)):



*"The Express Loan program has been huge for us. It's given us a lot more fluidity. We've been able to pull in more inventory and become a little more competitive locally, strictly because of that product. ... Applying for the Express Loan was shockingly simple. I was able to coordinate a lot of the details with [First Federal Lakewood] over email and over the phone. The communication was great, and it was a very simple process. First Federal Lakewood has revolutionized my business."*

- Owner, Beat Cycles  
Lakewood, Ohio



### About Numerated /

Numerated is the bank technology company powering the digital transformation of relationship banking. Numerated's real-time sales platform helps banks attract and deepen relationships with businesses, arming bankers with modern business development tools and real-time borrowing experiences that win relationships. Numerated partners with top relationship banks, including Eastern Bank where its technology was originally incubated, Bremer Bank, Dollar Bank, MidFirst Bank, Seacoast Bank, People's United Bank, and more.

