

# Portfolio Strategist

## The Help You Need to Address CRE Guidelines

Recent Federal Banking guidelines highlight the requirement for commercial real estate lenders to improve their risk management practices, particularly in identifying loan concentration levels and stress testing portfolios.

Heightened risk management practices require more than just the production of regular portfolio reporting – it places the onus squarely on banks to pro actively manage risks and change business practices accordingly.

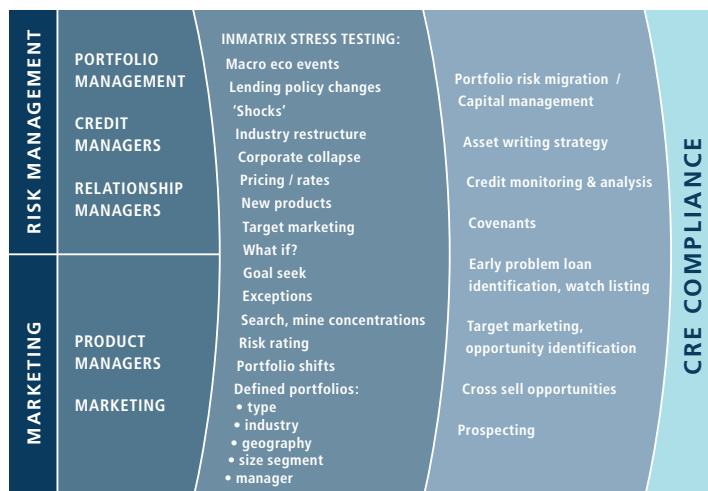
Inmatrix through its next generation credit origination and analysis application, *Optimist*, together with its *Portfolio Strategist* tool, are assisting banks in remaining competitive and meeting more stringent examiners requirements and improve the quality and reliability of their risk management processes.

### MITIGATING RISK

Inmatrix solutions give your bank the ability to analyze and monitor the underlying risk of your entire portfolio – or one or more sub portfolios – while applying stress testing and scenario modeling techniques to identify deteriorating credits.

Designed to focus on your CRE portfolio, and satisfy the examiners demands for improved risk management processes and controls, Inmatrix solutions offer unmatched commercial real estate analysis, underwriting and reporting capability.

### PORTFOLIO STRATEGIST OPERATING MODEL



### PORTFOLIO STRATEGIST VERSION 7.0 IS A POWERFUL TOOL THAT:

- ✓ Measures and controls CRE credit risk on a portfolio basis by identifying and managing concentrations, performing market analysis, and stress testing.
- ✓ Identifies CRE Exposures using intuitive search and refine functionality coupled with a graphical Data Mining interface.
- ✓ Conduct Risk Migration analysis and identify changes in your portfolio's risk profile, pre and post 'stress testing' – identify early warning signs of emerging weaknesses.
- ✓ Generates critical reports and loan documentation.
- ✓ Targets CRE concentrations, by type, geography or size, and develop watch lists to highlight those that breach credit policy.
- ✓ Assesses a borrower's/property's sensitivity to changes in macro economic and project-specific factors for example: variations in vacancy and rental rates, interest rates, and inflation rates.
- ✓ Facilitates the analysis of current and future CRE lending strategies and policies at your financial institution.
- ✓ Strategic Planning through sophisticated Stress Testing and Scenario Modeling functionality.
- ✓ Helps the user determine underwriting standards through advanced search and refine functionality and the ability to monitor portfolio metrics.

## STRESS TEST

Be prepared to respond to a change in any market conditions – use Inmatrix’s powerful “what if?” analysis to understand the impact of changes in:

- Vacancy %
- Cap rates
- Interest rates
- Construction costs
- Property valuations
- Inflation
- Macro economic events – floods, hurricanes, currency changes etc.

Combine a borrower’s overall creditworthiness with project specific considerations for robust risk assessment. Use Inmatrix’s stress testing capability at both the individual deal level, and then ‘shock’ your portfolio to reveal the extent of the portfolio’s overall exposure to systemic risk factors.

## SYSTEM FLEXIBILITY AND CORE SYSTEMS COMPATIBILITY

Inmatrix solutions are capable of integrating with your bank’s core system, loan accounting software, or data warehouse – providing your analysts with access to virtually all forms of client financial and non financial information (limits, outstandings, balances, collateral values etc.) allowing you to identify specific vulnerabilities and all major areas of potential exposure.

With access to information made so simple, you’ll wonder how your bank ever lived without Inmatrix’s credit risk solutions.

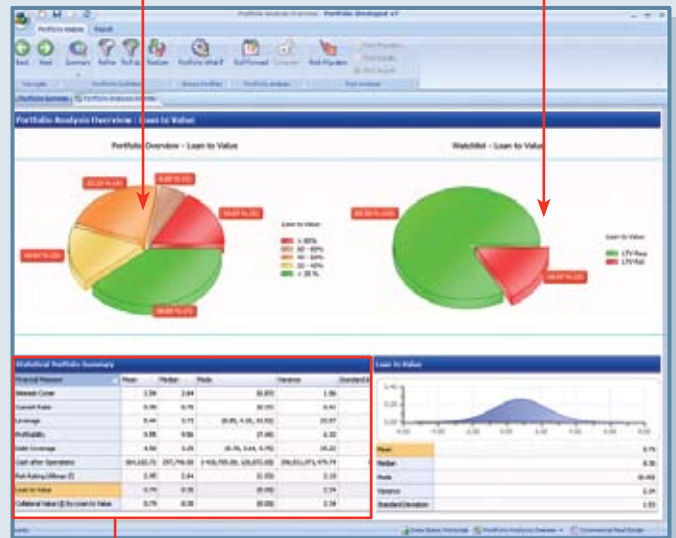
Proudly Partnering with:



## PORTFOLIO ANALYSIS

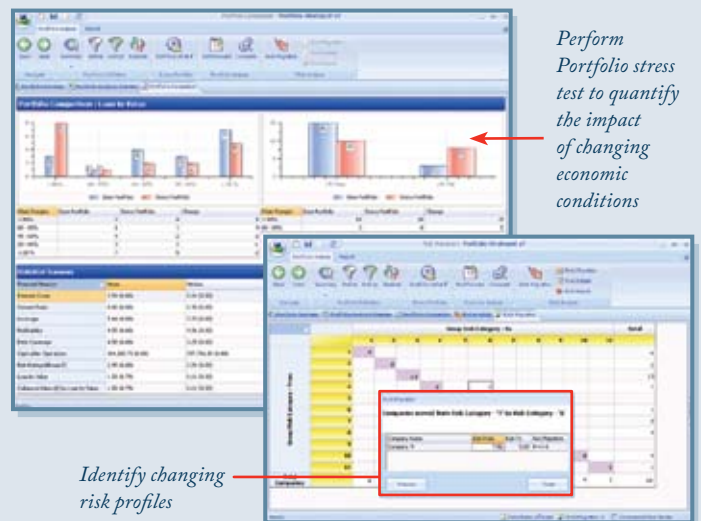
*Identify CRE concentrations in a portfolio*

*Focus on exceptions within a portfolio*



*Summary of key risk measures*

## STRESS TESTING / RISK MIGRATION



## ABOUT INMATRIX

Inmatrix offers a dynamic, interlocking suite of credit risk management solutions for banks seeking to increase their commercial loan businesses.

From credit assessment and monitoring of individual borrowers or portfolios to stress testing of business plans,

key financial drivers, and credit scenarios, Inmatrix has the tools banks need to achieve superior business results.

The company was founded in 1999 and is head quartered in San Francisco.