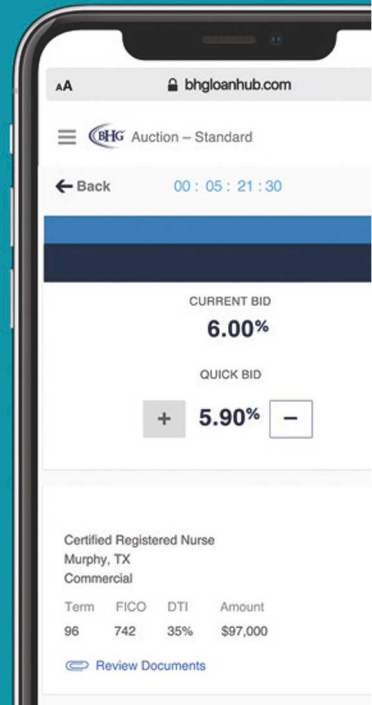


#1 source for medical and professional loans

THE BHG LOAN HUB:

Delivering FinQuant to Community Banks



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While community banks historically have considered alternative lenders as competition, that mindset is evolving. Today, countless local banks are reaping the benefits of partnerships with nontraditional lenders.

However, not all alternative lenders are created equally; there are shiny new ones popping up regularly while others have been around for decades. Some are running as fast as they can and learning as they go, while others function to match the quality of a traditional lender, with a close eye on compliance.

One alternative lender that has made a nearly two-decade impact with community banks is Bankers Healthcare Group, a leading provider of financial solutions for licensed healthcare practitioners and highly skilled professionals. While BHG is neither a true fintech nor a traditional bank, it has the best parts of each—data, analytics,

technology, marketing, underwriting, compliance, speed and customer service.

This combination has led to BHG originating record volume from today's essential professional workers: high-earning borrowers with top-tier credit scores. Today, BHG works with more than 15,000 of these coveted borrowers each month through its marketplace, with a record \$429 million funded in the first quarter of 2020.

April continued the trend with over \$188 million in loans sold through the BHG Loan Hub, a state-of-the-art loan delivery platform exclusively for community banks to buy. The 1,100 and growing bank network gets access to high-quality medical and professional loans—earning a solid return of 4 – 6.5%—and over the course of 19 years, no bank has ever taken a loss on the BHG Core Loan portfolio.

Driven by Data and Insights

BHG has carved its own niche as a financial quantitative service company, or FinQuant for short. BHG uses quantitative analysis to determine the performance potential of every borrower and the price risk. Utilizing a large division of some of the brightest minds in analytics from the top universities and companies in the country, as well as over \$25 billion in underwritten loans, they have gained unmatched insight into its borrower characteristics, performance and their industries.

BHG's analytics department has acquired an enormous amount of data during the past 19 years. The insights are used to target millions of professionals and to design the types of finan-

cial products they want. The 40-person analytics team works closely with BHG's full-service, in-house marketing department to develop highly targeted campaigns to millions of professionals through various mediums.

But it didn't come overnight, and it didn't come without a lot of hard work.

Founded in 2001, Al Crawford's focus has been on building relationships with community banks, while his partners brought incredible knowledge of the healthcare industry.

They identified an opportunity: Doctors, dentists, veterinarians and nurses needed commercial loans, but their demanding schedules simply don't provide them the luxury of leaving the office to apply for a loan in a traditional setting. Furthermore, many have expressed frustration with lenders not truly understanding their business.

BHG knew there had to be a better way and went about building a fast and hassle-free process for these professionals to get capital. BHG offers a concierge lending experience that their clientele has earned and expects from those they do business with. Borrowers can complete a simple online application or speak with a live financing specialist to quickly move through the loan process. Approvals are made within 24 hours and funds can be provided in as few as three days. To date, BHG has worked with tens of thousands of licensed healthcare practitioners and highly skilled professionals and has provided more than \$6 billion in financial solutions.

Building by One Bank at a Time

On the other side of BHG's business is the team dedicated to working with community banks. Mr. Crawford was the original bank representative covering a client bank base that was centered in Oklahoma, Illinois and Minnesota.

Each subsequent BHG bank representative has trained under him and understands his high standards for service.

Banks purchase BHG loans through the company's proprietary web-based Loan Hub. This secure, online system allows for daily sale and delivery of medical and professional loans while helping BHG service the growing loan demand from community banks. The platform includes various methods whereby a single loan or group of loans can be purchased. New loans are typically posted by 11 a.m. EST each day and, as with all BHG loans, a consistent, complete credit file is available for review prior to purchase.

BHG's 2020 sales distribution has averaged more than \$8.6 million per day.

All About Relationships

If your bank is looking for new ways to diversify its commercial loan portfolio, partnering with an established lender like BHG may be a great opportunity.

As any community bank representative knows, it's all about relationships—and BHG takes those relationships to heart. When you come across the terms "FinQuant" and "alternative lender," you may be surprised by the partnerships, opportunities and growth that await you, and BHG is a prime example of that.

FINQUANT

/ fin·kwänt /

adjective

Shorthand for financial quantitative service company.

Describes BHG's unique process of using quantitative analysis to determine the performance potential of every borrower and the price risk.

BHG | BANK GROUP



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