



Micro-finance continues to grow in importance in economies around the world. It is a most desirable activity for those organizations who are prepared to think outside of traditional lending paradigms and work in a market based primarily on cash flow and the repayment capacity of the borrower. Traditional models based on assets and credit history often do not work well in such situations. More traditional lenders like commercial banks have no experience in such situations, and in any event they find it difficult to conduct such business using their traditional processes.

It is full-featured and powerful. Micro-Credit has many faces, from a small farmer in a rural area to an inner-city entrepreneur to a fisherman who needs to repair his boat. It is a complex environment, one requiring well thought-out lending decisions and constant loan monitoring. Often, borrowers have no credit history and perhaps no easy access to borrowing services.

Community development is often a major objective, with loans made to improve the lives of your customers. Through your micro-credit activities you 'give back to the community' by aiding to its growth and prosperity. Highgate Micro-Credit can help you maximize your impact on the community.

Micro-Credit is not only about lending to businesses: it is a way of thinking based on small loans for specific purposes, some of which may be 'business' loans, and others which may be 'personal' loans. Ultimately, it is about making small loans using non-traditional lending models (often without traditional collateral security) or past credit history.

Highgate has been an active participant in this market sector through its lending and loan origination and administration technology for many years. We have a solid understanding of the issues and challenges, and you will find that we are knowledgeable – most importantly – we can help.

The Highgate Micro-Credit module is configurable, flexible, and user-friendly. Each of Highgate's Loan Origination Solutions has been designed to process and adjudicate credit applications systematically, all while providing quality credit decisions. It provides both your customers and your lenders with an easy to use application process that supports superior service and improves the quality of the lending portfolio by lowering the risk.

Micro-Credit Lending contains all the functionality needed to effectively manage loan application processing for microcredit applications. It has been architected to provide support for any or all of the following loan types:

- Promissory Notes
- Unsecured Loans
- Entrepreneur Loans
- Agriculture Loans
- Pay Cheque Loans
- Appliance Loans
- Vacation Loans

Lender productivity is important and Micro-Credit Lending has been designed to deliver the most efficient application process – one that permits lenders to spend their time on good applications and reduce the time spent on applications that are not likely to be approved.

Micro-Credit Lending Process

While the application process can be configured to support any sequence of activities, Micro-Credit Lending is able to deliver a process based on progressive “GO/NO GO” decision points e.g.

- Who is the applicant?
- Is the applicant creditworthy?
- Can they afford the loan?
- Can they provide support for the loan?
- Does this loan meet the lender’s risk management criteria?

Features

- Application capture
- Multi-product capability
- Multi-currency capability
- Automated document generation
- Document and image capture
- Document library for easy reference
- Valuation database Interface
- Trade-in Management
- Notes
- Credit Bureau interface
- Automated decisioning
- Calculators
- Extensive functionality for security documentation
- Support for multiple applicants
- Mobile/Web Interface
- Multiple Scorecards
- Management Reporting
- API Interface

Score Cards

Micro-Credit Lending lets you implement one or more scorecards to automate and standardize the review and decisioning process. You can use a commercial scorecard, or you can work with Highgate to develop a scorecard that is tailored uniquely for your particular business needs. These scorecards are managed by you, and can be modified as often as necessary to meet changing conditions.

Its fast. Micro-Credit Lending permits your organization to process credit applications quickly and effectively. The results are reduced delinquency and happy borrowers whose needs have been met effectively, as well as a highly productive organization that can maximize its throughput each and every day.



Call us and let us show you how Highgate Micro-Credit can help you build your business!