Innovating the lending ecosystem

The Zest Effect

70-83% ALL CONSUMER LOAN DECISIONS AUTOMATED	**30-40%** LOWER DELINQUENCY RATE THAN THE NATIONAL MODEL	**340%** INCREASE IN AUTOMATION FOR AUTO AND PERSONAL LOAN DECISIONS

In search of fast, frictionless lending

In 2019, Commonwealth Credit Union set out to make better lending decisions for their members. The lending team wanted to confidently lend down the credit spectrum through more accurate, unbiased decisioning that would not increase risk. They also knew they needed to innovate their lending processes to meet their members' increased demand for a fast, frictionless lending experience.

Just one year later, the COVID-19 pandemic changed the workforce: like many industries, Commonwealth Credit Union faced a high turnover rate, especially for their experienced underwriting staff. The ability to make accurate decisions and keep pace with application volume was critical to maintaining both relationships with members and business needs. Zest AI was ready to fill in the gaps with increased automation, accuracy, and ability to aid the new underwriting team in focusing on members who need more support.

More approvals, better decisions

Zest AI's technology has allowed Commonwealth Credit Union to say yes to more members while decreasing their charge-off and delinquency ratios. With **70-83%** of all consumer loan decisions automated, Commonwealth's ability to compete with other lenders has skyrocketed. Since 2021, Zest AI has helped Commonwealth approve more than **$324 million** in consumer loans, amounting to more than **18,000 loans**.

Commonwealth Credit Union

ASSETS
$2.2B

MEMBERS
120k

LOS
meridianlink

CREDIT BUREAU
TransUnion

PRODUCTS
auto, credit card, personal loan

ZEST

The performance of these loans is also stronger than ever before: depending on the portfolio, Commonwealth has seen a **30-40%** lower delinquency rate than if they had used traditional scoring methods to underwrite.

With increased speed and accuracy, Commonwealth can reach more members in less time, leading the lending team to focus on managing a stable pipeline of volume rather than looking for ways to attract more loans. Zest AI's integration with TruStage Digital Storefront and WithClutch has enabled Commonwealth to pre-screen and pre-approve applicants with Zest AI's technology, bringing in even more qualified members.

Expanding AI to better serve all members
Commonwealth Credit Union is looking for more ways to innovate and serve their members, including implementing Zest AI's technology into their HELOC and SMB portfolios. Commonwealth also aims to price with Zest AI this year, providing their members with competitive pricing that accurately matches their risk level.

"As a credit union, we always want to find ways to say yes to more loans and reach deeper into segments of the communities we serve. Zest AI's technology allows us to do that in a **managed, data-driven way**, showing us the risk associated with any approval increases we make. This enables us to confidently serve more communities across Central Kentucky, helping our members get their affordable or first loans and make an impact on their financial lives."

**Jaynel Christensen,
Chief Growth Officer**

Commonwealth is excited to adopt Lulu, Zest AI's lending intelligence companion. With Lulu, the leadership team at Commonwealth will receive instant answers to optimize their performance, manage risk, and access critical information.

Trusted and mission aligned

Since 2009, Zest AI has been innovating and perfecting AI credit underwriting technology. A CUSO and pioneer in the field, with over 500 active models, Zest AI aims to make best-in-class AI underwriting technology available and accessible to all credit unions.

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