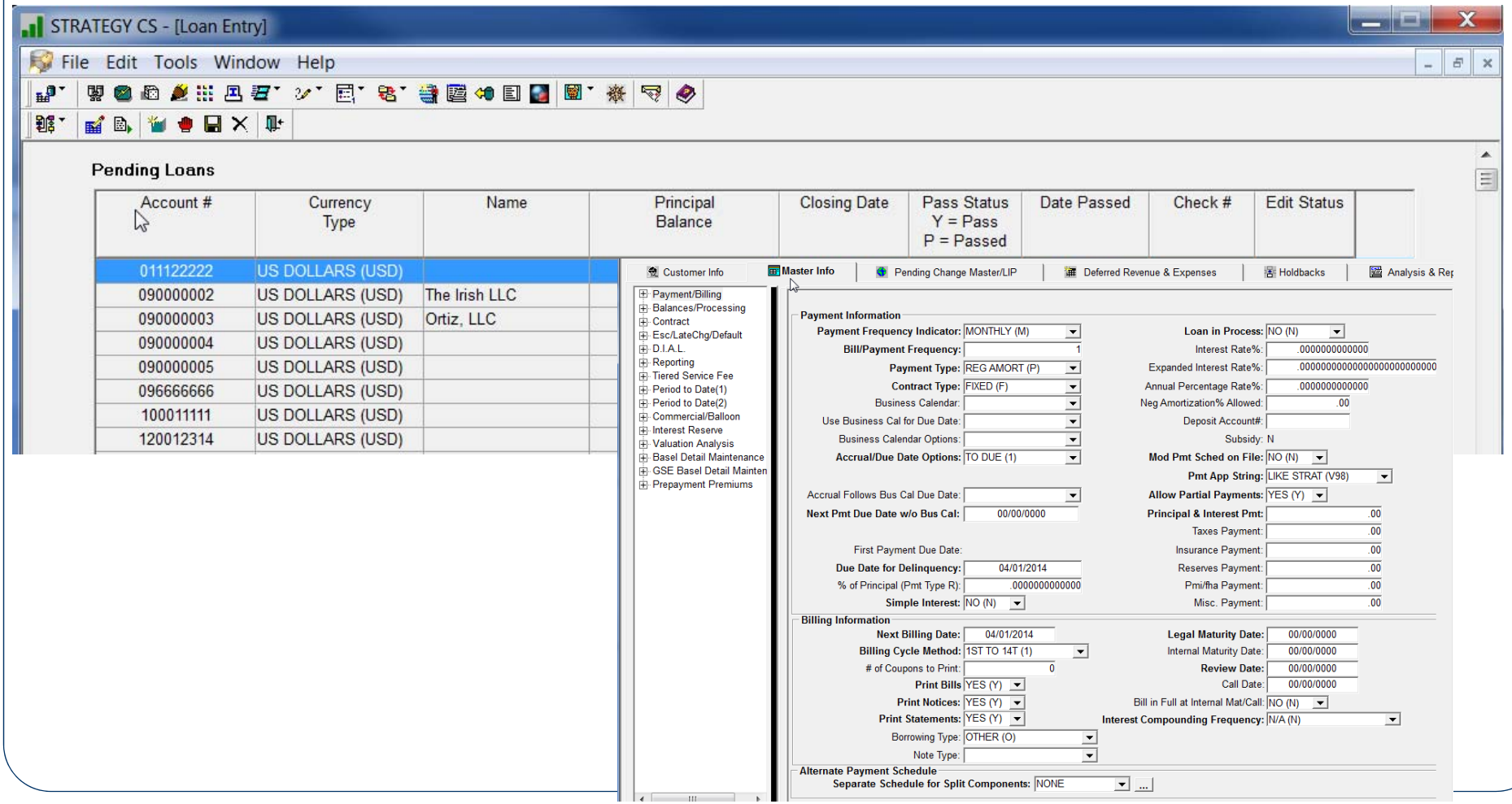
2019 McCracken Customer Conference

New Loan Entry Reinvented

McCRACKEN
FINANCIAL SOLUTIONS CORP.

Loan Entry


STRATEGY CS - [Loan Entry]
File Edit Tools Window Help
Pending Loans
Account # | Currency Type | Name | Principal Balance | Closing Date | Pass Status Y = Pass P = Passed | Date Passed | Check # | Edit Status
011122222 US DOLLARS (USD)
090000002 US DOLLARS (USD) The Irish LLC
090000003 US DOLLARS (USD) Ortiz, LLC
090000004 US DOLLARS (USD)
090000005 US DOLLARS (USD)
096666666 US DOLLARS (USD)
100011111 US DOLLARS (USD)
120012314 US DOLLARS (USD)
Customer Info
Master Info
Pending Change Master/LIP
Deferred Revenue & Expenses
Holdbacks
Payment/Billing
Balances/Processing
Contract
Esc/LateChg/Default
D.I.A.L.
Reporting
Tiered Service Fee
Period to Date(1)
Period to Date(2)
Commercial/Balloon
Interest Reserve
Valuation Analysis
Basel Detail Maintenance
GSE Basel Detail Mainten
Prepayment Premiums
Payment Information
Payment Frequency Indicator: MONTHLY (M)
Bill/Payment Frequency: 1
Payment Type: REG AMORT (P)
Contract Type: FIXED (F)
Business Calendar:
Use Business Cal for Due Date:
Business Calendar Options:
Accrual/Due Date Options: TO DUE (1)
Accrual Follows Bus Cal Due Date:
Next Pmt Due Date w/o Bus Cal: 00/00/0000
First Payment Due Date:
Due Date for Delinquency: 04/01/2014
% of Principal (Pmt Type R): .0000000000000
Simple Interest: NO (N)
Loan in Process: NO (N)
Interest Rate%: .0000000000000
Expanded Interest Rate%: .0000000000000000000000000
Annual Percentage Rate%: .0000000000000
Neg Amortization% Allowed: .00
Deposit Account#:
Subsidy: N
Mod Pmt Sched on File: NO (N)
Pmt App String: LIKE STRAT (V98)
Allow Partial Payments: YES (Y)
Principal & Interest Pmt: .00
Taxes Payment: .00
Insurance Payment: .00
Reserves Payment: .00
Pmi/fha Payment: .00
Misc. Payment: .00
Billing Information
Next Billing Date: 04/01/2014
Billing Cycle Method: 1ST TO 14T (1)
# of Coupons to Print: 0
Print Bills YES (Y)
Print Notices: YES (Y)
Print Statements: YES (Y)
Borrowing Type: OTHER (O)
Note Type:
Legal Maturity Date: 00/00/0000
Internal Maturity Date: 00/00/0000
Review Date: 00/00/0000
Call Date: 00/00/0000
Bill in Full at Internal Mat/Call: NO (N)
Interest Compounding Frequency: N/A (N)
Alternate Payment Schedule
Separate Schedule for Split Components: NONE

Why Deliver Another Method to Board Loans?

- Enhanced quality assurance – Edit against Product Type
- Ease of understanding loan product entry requirements
  - Freddie K Loan
  - Fannie Mae SARM
- Simplify loan acquisitions
  - Easy to mass populate as a conversion tool
- Efficiency
  - Faster to populate spreadsheet than manual entry
- Incremental collection of loan data
  - Not restricted by loan entry edits while gathering data

Business Use Case

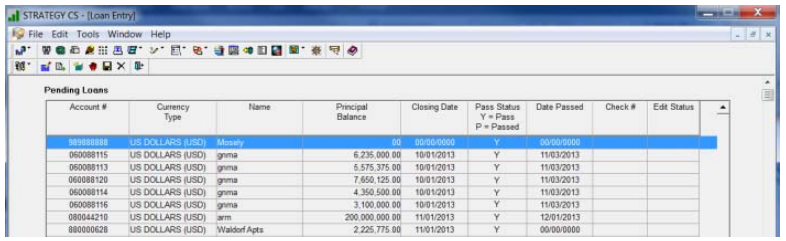
- More than one group is responsible for the loan data required to board a loan
  - They each have to translate their data into a boarding sheet
  - That data gets keyed into Loan Entry

Business Use Case

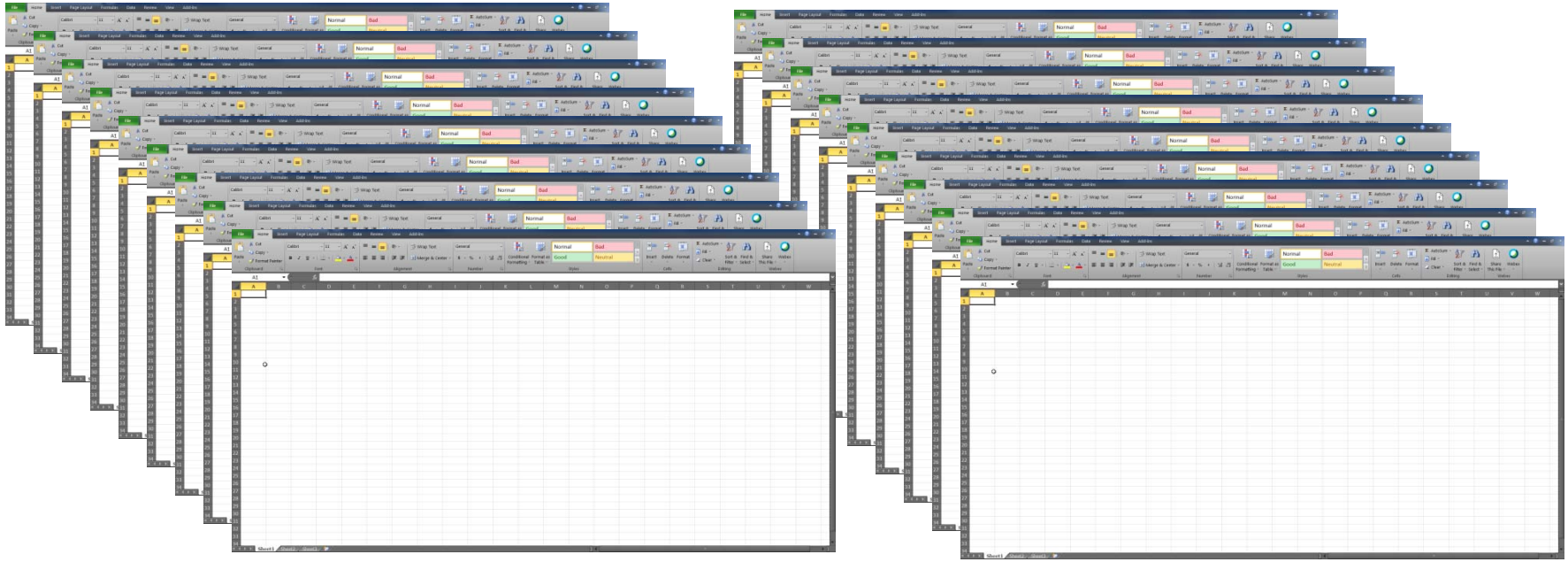
- Acquiring a portfolio of loans and have the technical expertise to extract and transform the data
  - But its complicated to map the data to the Strategy data model

How Do We Solve These Issues?

- Build a 'Smart Spreadsheet' as part of the product that will:
  - Allow entry of information into a spreadsheet
  - Perform basic data validation – numbers, dates, field length, etc.
  - Associate a Loan Product Type to the information entered for advanced validation
  - Allow defaults to be defined for a Loan Product Type

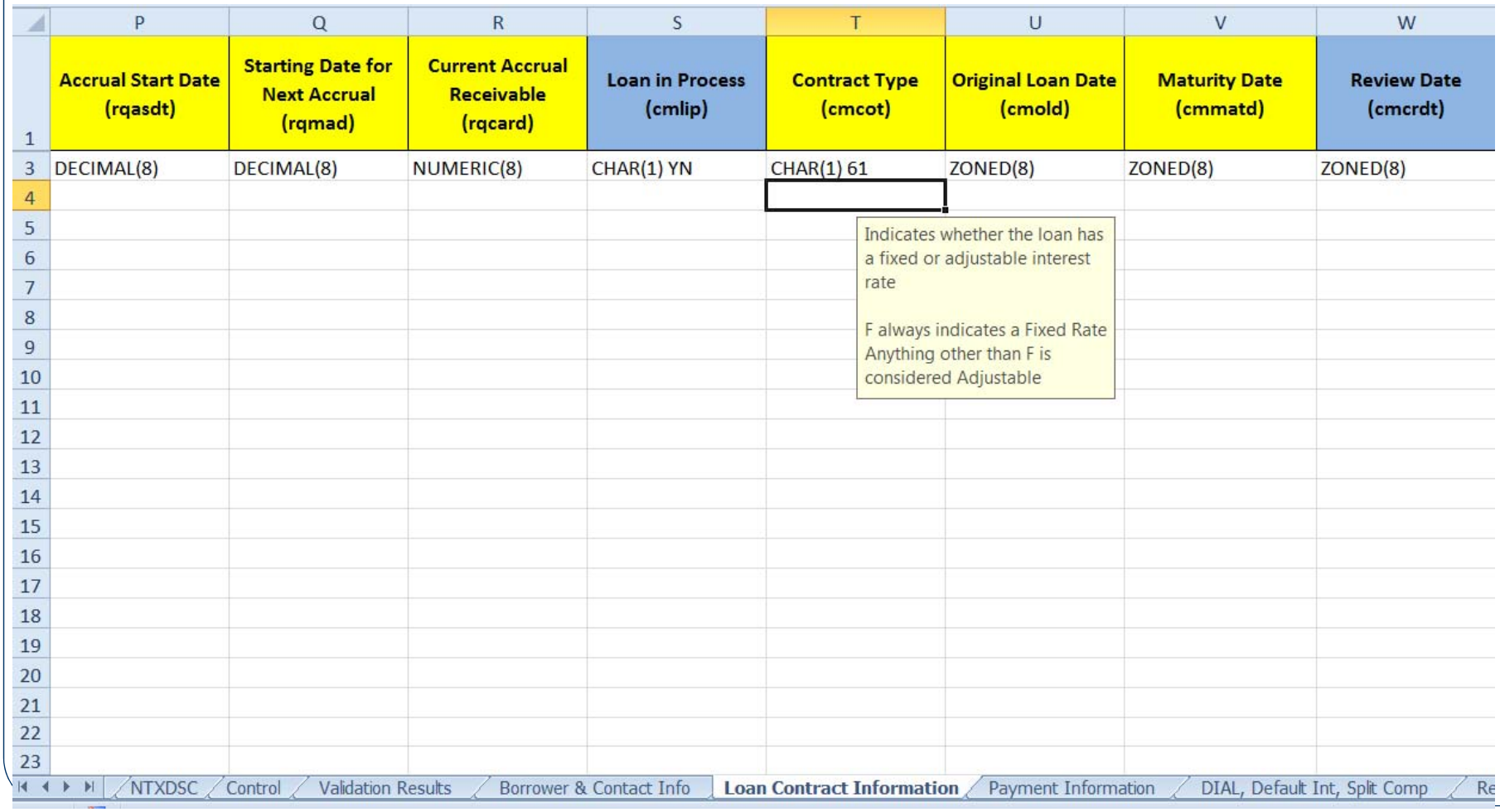


This is not the Mapping Tool Loan Entry you have Today!



Let’s Walk Through How It Works

The ‘Smart Spreadsheet’



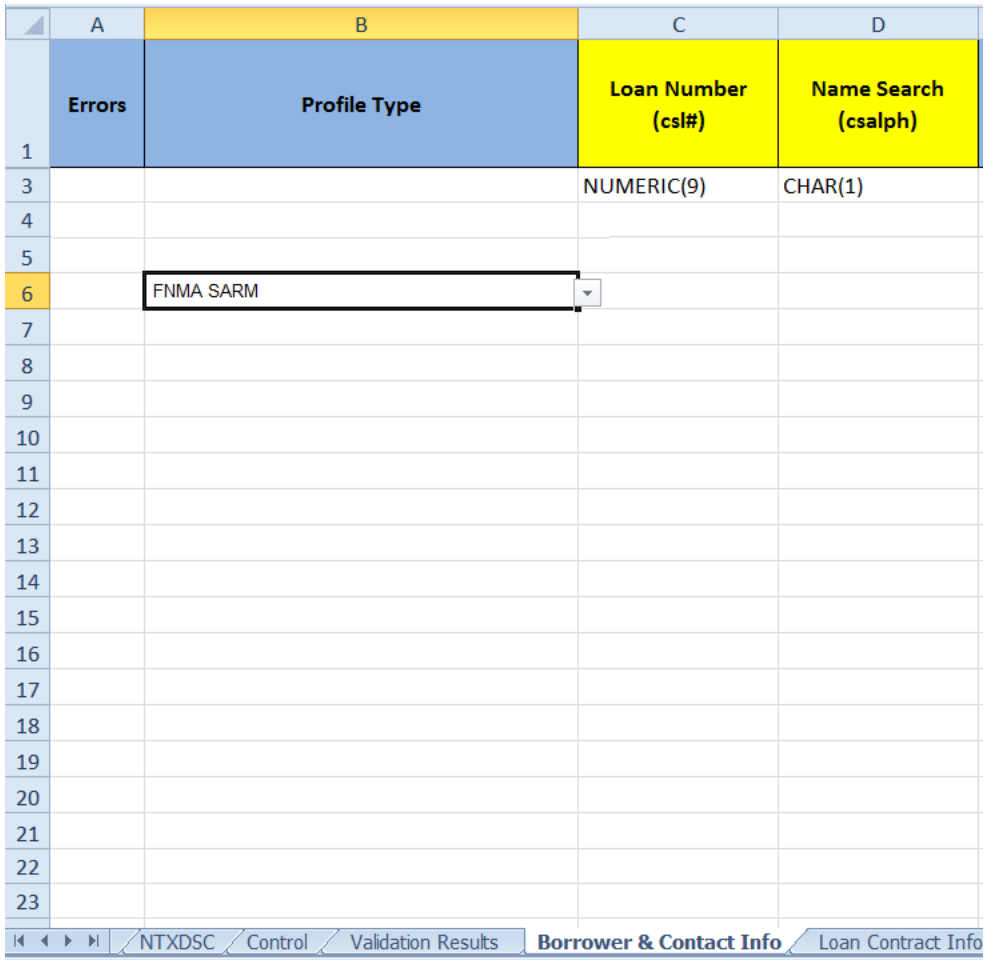
	P	Q	R	S	T	U	V	W
1	**Accrual Start Date (rqasdt)**	**Starting Date for Next Accrual (rqmad)**	**Current Accrual Receivable (rqcard)**	**Loan in Process (cmlip)**	**Contract Type (cmcot)**	**Original Loan Date (cmold)**	**Maturity Date (cmmatd)**	**Review Date (cmcrdt)**
3	DECIMAL(8)	DECIMAL(8)	NUMERIC(8)	CHAR(1) YN	CHAR(1) 61	ZONED(8)	ZONED(8)	ZONED(8)
4								

Indicates whether the loan has a fixed or adjustable interest rate

F always indicates a Fixed Rate
Anything other than F is considered Adjustable

NTXDSC | Control | Validation Results | Borrower & Contact Info | **Loan Contract Information** | Payment Information | DIAL, Default Int, Split Comp | Re

Select a Profile Type



	A	B	C	D
1	Errors	Profile Type	Loan Number (csl#)	Name Search (csalph)
3			NUMERIC(9)	CHAR(1)
4				
5				
6		FNMA SARM		
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				

Fannie Mae's MBS/**SARM** product offers an adjustable-rate option that can be used to fund multifamily **loans** delivered through the DUS® product line of $25 million or more.

MBS/**SARM loans** have an adjustable interest rate that is equal to 1-month or 3-month LIBOR plus a **mortgage** margin.

Fields Default Based on Product Type Selected

	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK
1	**Interest Basis Code (cmib)**	**Interest Rate (cmrate)**	**Extended Interest Rate (cmerate)**	**Annual Percentage Rate (cmapr)**	**Borrowing Type (cmbtyp)**	**Subsidy Loan (cmbuyd)**	**Note Type (cmnott)**	**Adjustable Loan Description (abatyp)**	**Index Description (abindx)**	**Interest Rate Margin (abmarg)**
3	CHAR(3) PI	PACKED(15,13)	PACKED(28,26)	PACKED(15,13)	CHAR(1) BT	CHAR(1)	CHAR(2) N3	CHAR(2) 10	CHAR(2)	PACKED(15,13)
4										
5	B66				O	N	E1			4.0000000000000
6								L9		
7								30 DAY LIBOR-2 DAY LOC		
8								30 DAY LIBOR AMORTIZI		
9								30 DAY LIBOR - 15 DAY L		
10								30 DAY LIBOR-2 DAY LKB		
11								LIBOR 13TH (L6)		
12								90 DAY LIBOR / 45 DAY L		
13								MONTHLY AVE 6 MO AUC		
14								MOODYS (MD)		
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										

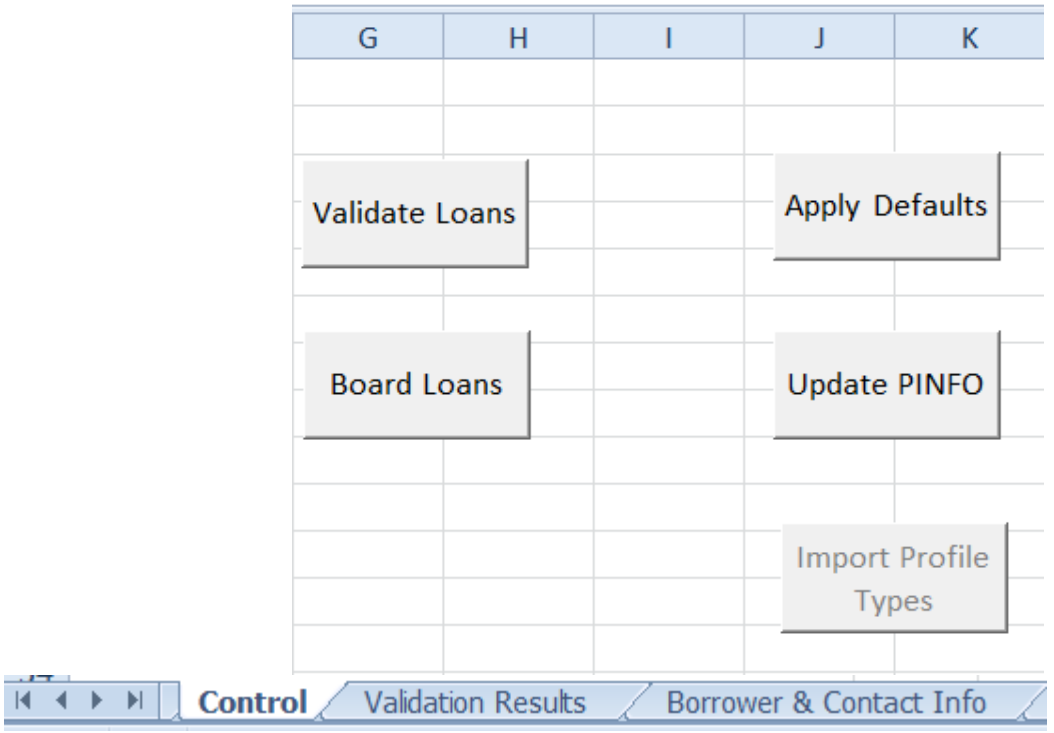
NTXDSC | Control | Validation Results | Borrower & Contact Info | **Loan Contract Information** | Payment Information | DIAL, Default Int, Split Comp | Reporting Information | YTD Amounts | Commercial Loan Info | Interest

Enter Remaining Data

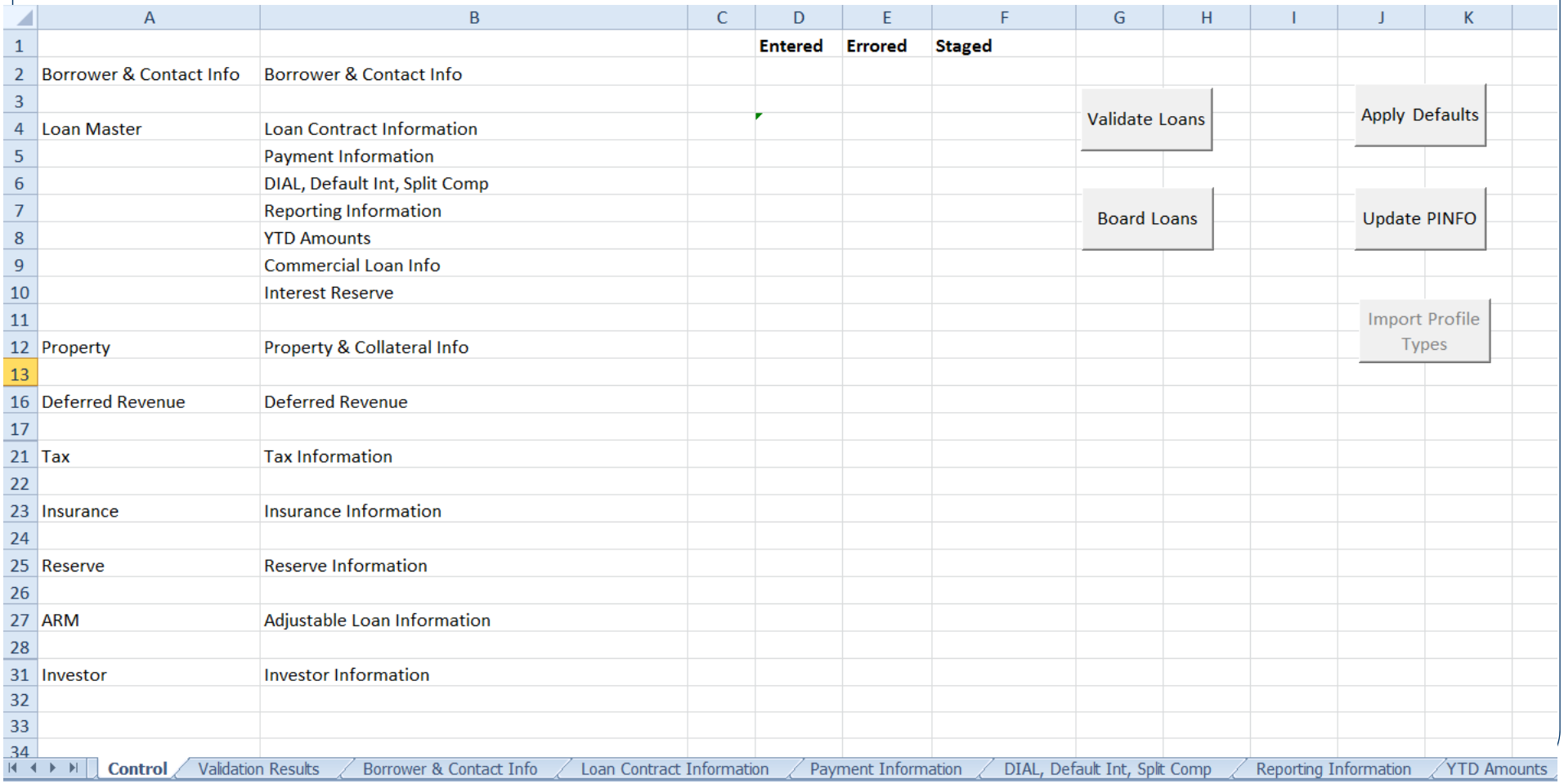
	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Errors	Loan Number (cmln)	Original Principal Balance (cmopb)	Current Principal Balance (cmpbal)	Principal Dollars Disbursed to Date (cmpdsp)	Tax Escrow Balance (cme1b)	Insurance Escrow Balance (cme2b)	Reserve Escrow Balance (cme3b)	FHA/MIP Escrow Balance (cme4b)	Escrow 5 Miscellaneous Balance (cme5b)	Late Charge Due (cmlcb)	Suspense Escrow Balance (cme6b)	Active Status Cod (cmasc)
2	errors	cmln	cmopb	cmpbal	cmpdsp	cme1b	cme2b	cme3b	cme4b	cme5b	cmlcb	cme6b	cmasc
3		ZONED(9)	PACKED(17,2)	PACKED(17,2)	PACKED(17,2)	PACKED(17,2)	PACKED(17,2)	DECIMAL(17,2)	DECIMAL(17,2)	DECIMAL(17,2)	PACKED(15,2)	PACKED(17,2)	CHAR(1)
4													
5													
6		123456789	$30,000,000.00		$30,000,000.00	$10,000.00							
7													
8													
9													
10													
11													

What If I Have An Acquisition of 100 Loans

- Load 100 records into the smart spreadsheet
- Apply Defaults
- Validate Loans



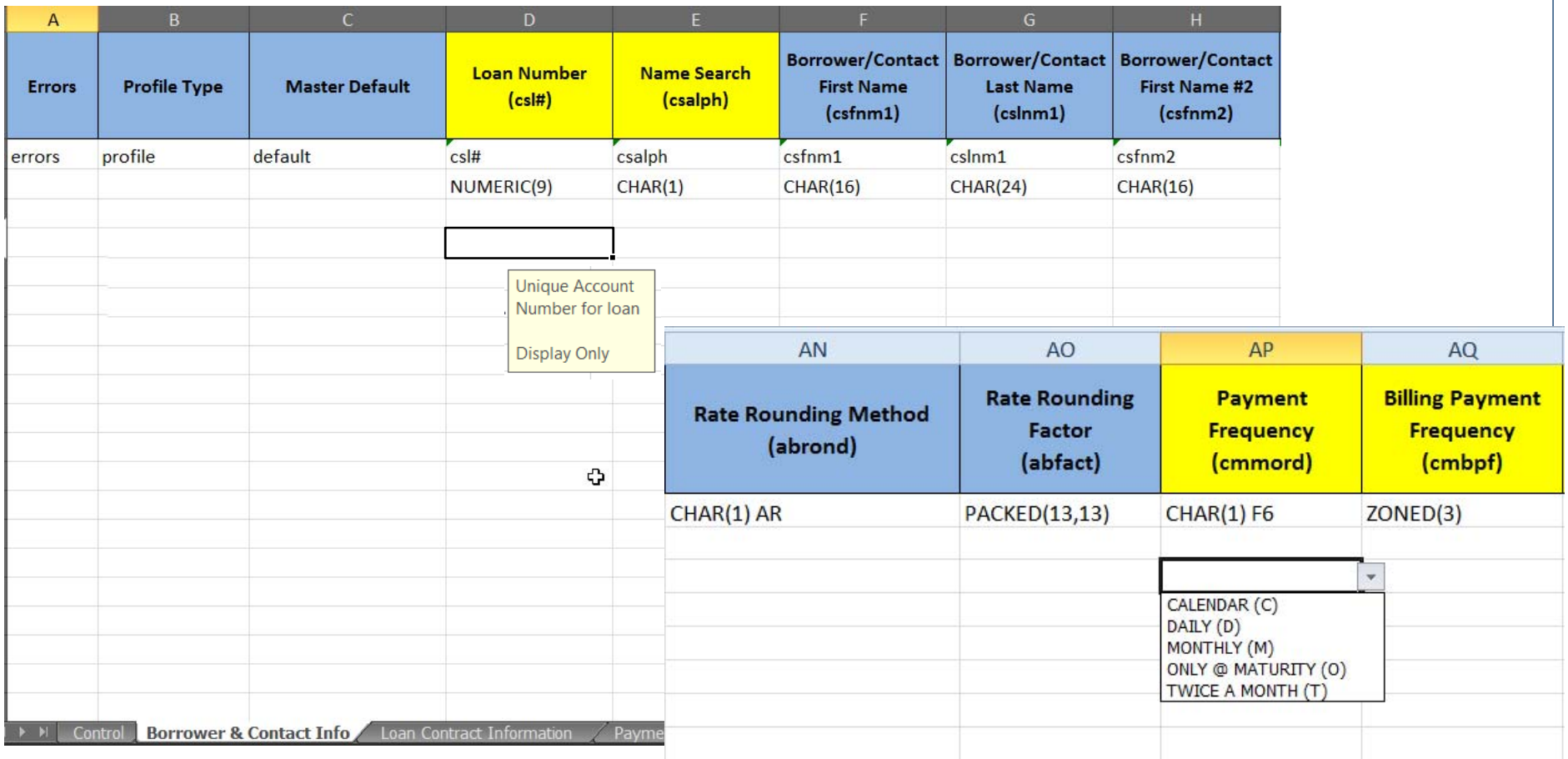
Control Tab



	A	B	C	D	E	F	G	H	I	J	K
1				**Entered**	**Errored**	**Staged**					
2	Borrower & Contact Info	Borrower & Contact Info									
3							Validate Loans			Apply Defaults	
4	Loan Master	Loan Contract Information									
5		Payment Information									
6		DIAL, Default Int, Split Comp									
7		Reporting Information					Board Loans			Update PINFO	
8		YTD Amounts									
9		Commercial Loan Info									
10		Interest Reserve									
11										Import Profile Types	
12	Property	Property & Collateral Info									
13											
16	Deferred Revenue	Deferred Revenue									
17											
21	Tax	Tax Information									
22											
23	Insurance	Insurance Information									
24											
25	Reserve	Reserve Information									
26											
27	ARM	Adjustable Loan Information									
28											
31	Investor	Investor Information									
32											
33											
34											

Control | Validation Results | Borrower & Contact Info | Loan Contract Information | Payment Information | DIAL, Default Int, Split Comp | Reporting Information | YTD Amounts

McCracken Provided NLB Spreadsheet



A	B	C	D	E	F	G	H
Errors	**Profile Type**	**Master Default**	**Loan Number (csl#)**	**Name Search (csalph)**	**Borrower/Contact First Name (csfnm1)**	**Borrower/Contact Last Name (cslnm1)**	**Borrower/Contact First Name #2 (csfnm2)**
errors	profile	default	csl#	csalph	csfnm1	cslnm1	csfnm2
			NUMERIC(9)	CHAR(1)	CHAR(16)	CHAR(24)	CHAR(16)

Unique Account Number for loan

Display Only

AN	AO	AP	AQ
Rate Rounding Method (abrond)	**Rate Rounding Factor (abfact)**	**Payment Frequency (cmmord)**	**Billing Payment Frequency (cmbpf)**
CHAR(1) AR	PACKED(13,13)	CHAR(1) F6	ZONED(3)

CALENDAR (C)
DAILY (D)
MONTHLY (M)
ONLY @ MATURITY (O)
TWICE A MONTH (T)

Control | Borrower & Contact Info | Loan Contract Information | Payme

Spreadsheet and Many To One Relationships

	A	B	C	D	E
1	**Errors**	**Investor Default**	**Loan Number (imln)**	**Sequence Number (imseq#)**	**Investor Name (imi#)**
2	errors		imln	imseq#	imi#
3			ZONED(9)	ZONED(4)	ZONED(5)
4					
5		SWEDBANK(00170) COMMERCIAL LOAN SERVICING(D2) 000000001	987654321	1	170
6		GLENDALE (00503) COMMERCIAL LOAN SERVICING(D2)	987654321	2	
7					

New Loan Smart Spreadsheet

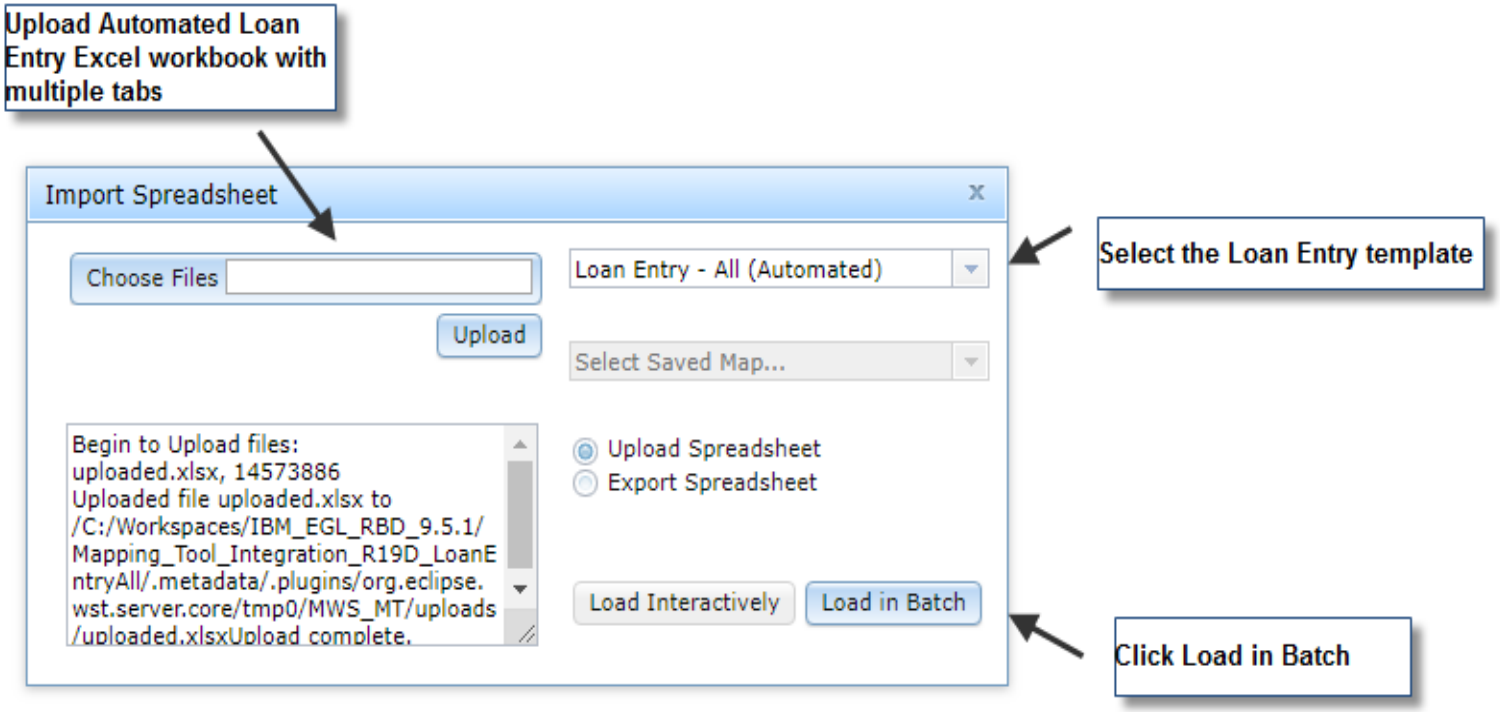
- McCracken provided spreadsheet as part of Strategy
- Multiple tabs to group like data
- Spreadsheet contains all loan level fields needed to enter a loan
- User-friendly field descriptions, required fields clearly marked.
- Hover text will provide info about field
- Data format requirements clearly shown

All Data Needed for Loan Entry

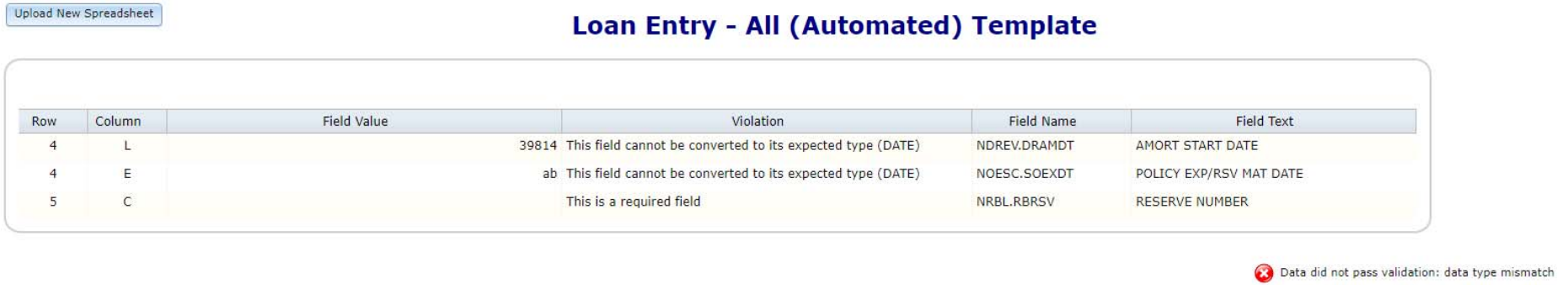
- Borrower & Contact Info
- Loan Contract Information
- Payment Information
- DIAL, Default Interest, Split Components
- Reporting Information
- YTD Amounts
- Commercial Loan Information
- Interest Reserve
- Property/Collateral Info
- Prepayment Premiums
- Deferred Revenue
- Pending Changes
- Analysis/Reporting
- Investor Information
- Additional Investor Reporting Info (CREFC)
- Tax Descriptions
- Insurance
- Reserve
- Adjustable Loan Information

Once Spreadsheet Is Complete….

- Run the Mapping Tool (MaTi)

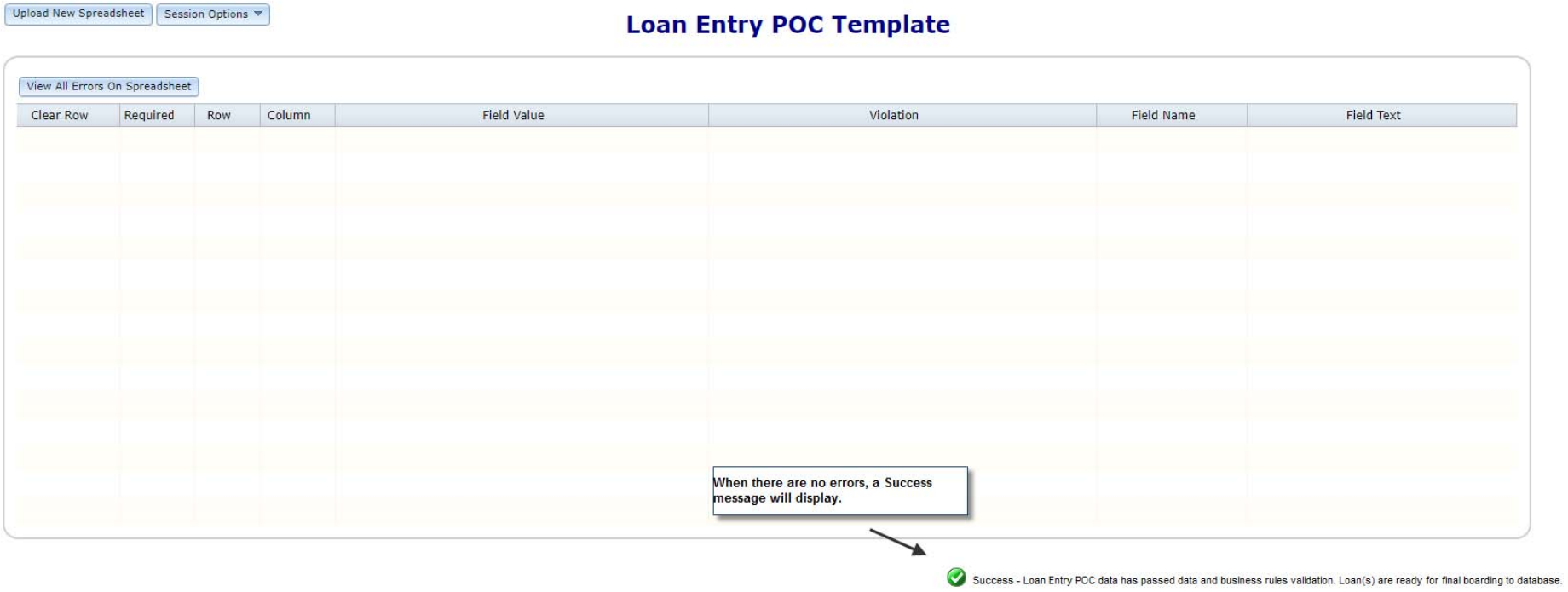


MaTi Processes & Displays Data Type Errors



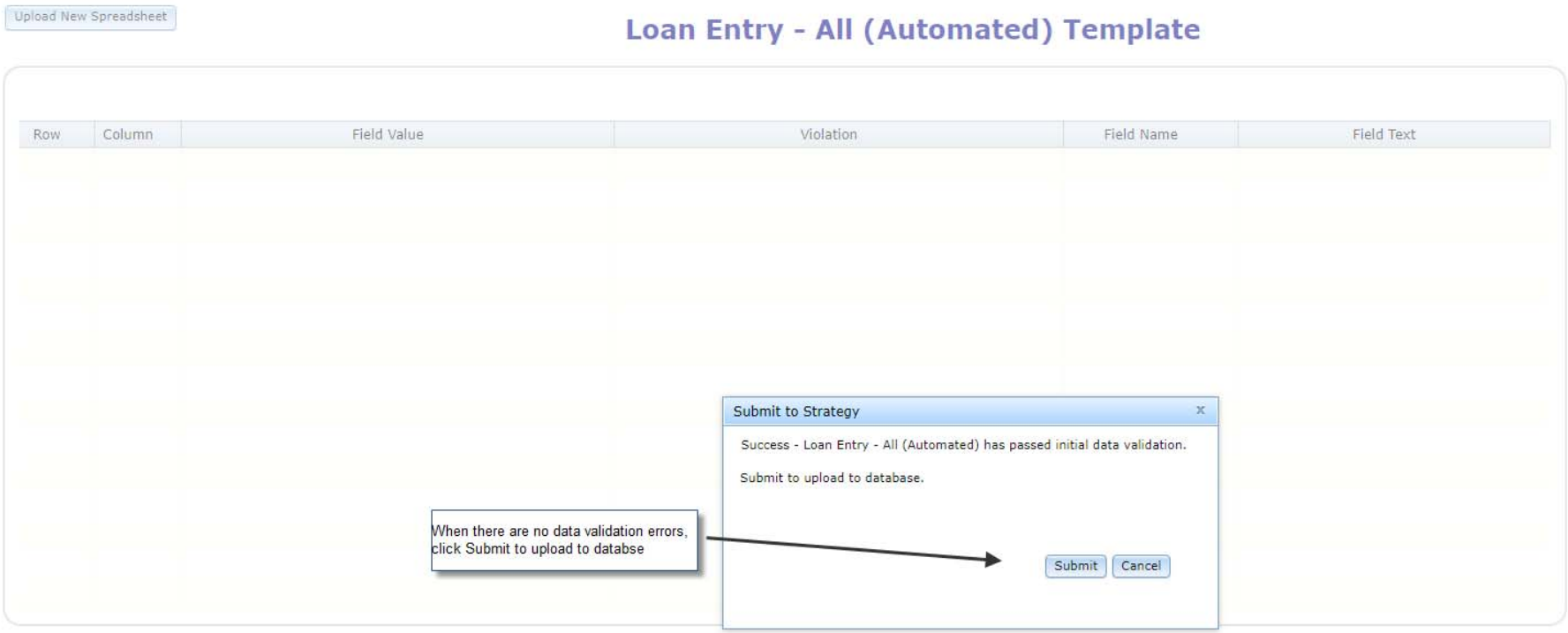
- Data did not pass validation. Correct the spreadsheet and upload again.

No Data Validation Errors

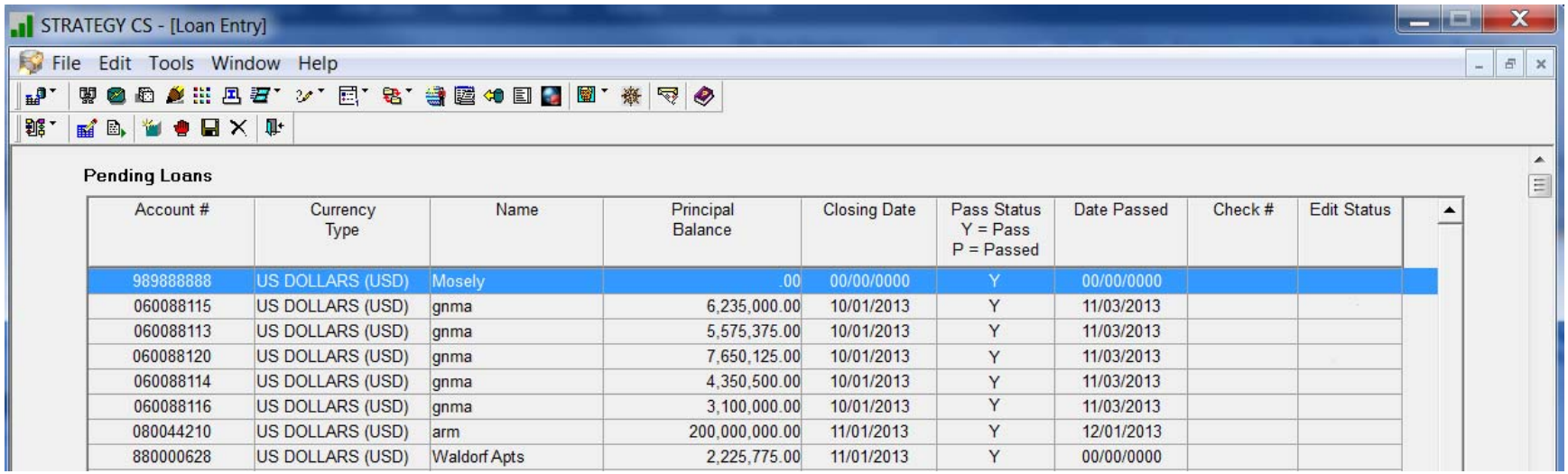


- Upload successful, ready for final boarding to servicing

Upload Successful



Loans are in Loan Entry to Pass to Servicing



Account #	Currency Type	Name	Principal Balance	Closing Date	Pass Status Y = Pass P = Passed	Date Passed	Check #	Edit Status
989888888	US DOLLARS (USD)	Mosely	.00	00/00/0000	Y	00/00/0000		
060088115	US DOLLARS (USD)	gnma	6,235,000.00	10/01/2013	Y	11/03/2013		
060088113	US DOLLARS (USD)	gnma	5,575,375.00	10/01/2013	Y	11/03/2013		
060088120	US DOLLARS (USD)	gnma	7,650,125.00	10/01/2013	Y	11/03/2013		
060088114	US DOLLARS (USD)	gnma	4,350,500.00	10/01/2013	Y	11/03/2013		
060088116	US DOLLARS (USD)	gnma	3,100,000.00	10/01/2013	Y	11/03/2013		
080044210	US DOLLARS (USD)	arm	200,000,000.00	11/01/2013	Y	12/01/2013		
880000628	US DOLLARS (USD)	Waldorf Apts	2,225,775.00	11/01/2013	Y	00/00/0000		

Complete System Level Values Before Upload

- Vendors
  - Banks, Correspondents, GL Company, Insurance Agents, Investors, Lockbox Locations, Taxing Authorities
- Role Types
  - Role Types, and Sub Role Types
- General Ledger Companies
- Note Types
- System Info Values for Customer Defined Tables

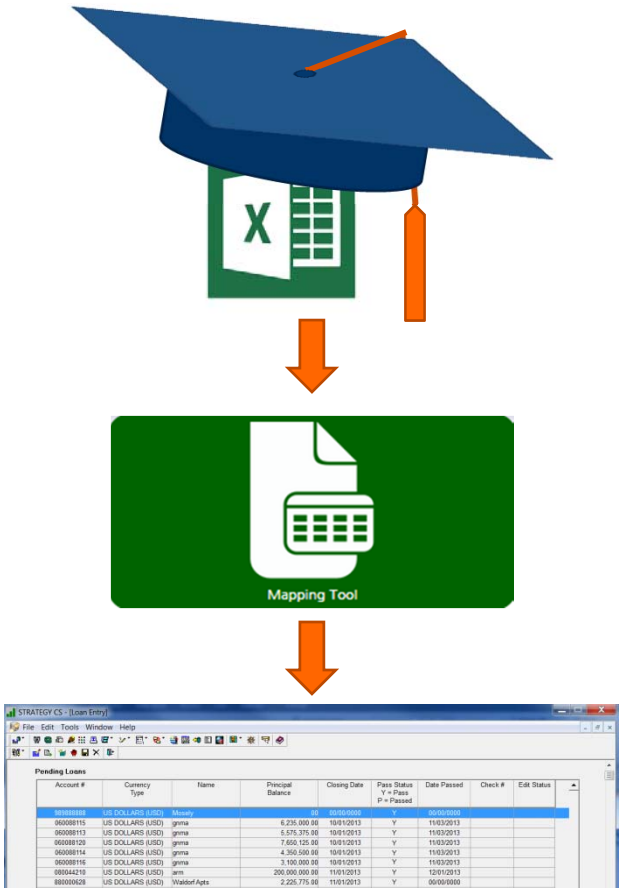
Future Direction

- Continued refinement of Product Types to include those items required for the Product Type but optional for Strategy.
- New Loan Boarding upload will allow you to upload data not currently supported in Loan Entry.

Asset Data
- Operating Statements
- Inspections
- Appraisals
- Rent Roll
- Environmental
- Liens

Pre-Authorized Transfers
Modified Payment Schedules
UCC Information
Other Collateral
Credit Instruments
Rate Caps (Hedge)
User-defined Fields
Miscellaneous Information

Loss Tracking
Assumption Information
Additional Investor Info
- GNMA Loan Keys, Certificate Records, Pool History
- CREFC & Freddie K Deal Info

Feedback?

- Take a closer look. Are data groupings logical?
- What do you think of the new process?
- Potential for incorporating business edits related to product types.