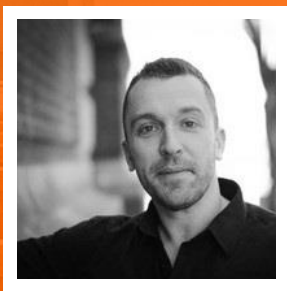




**WEBINAR SERIES**

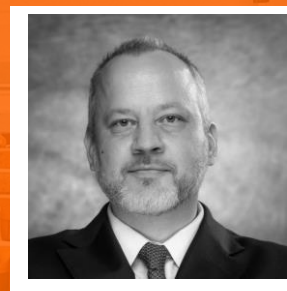
# Reduce Data-Entry Headaches with Advanced STRATEGY Automation

# Meet the team.



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Before we begin, a few reminders.



Submit your  
questions anytime.



We'll send you  
the recording.



Complete the  
survey.

## What you will learn.

1. The power of STRATEGY's web-based automation from a user perspective
2. How to leverage 3 applications to put financial statements data to work for you
3. Additional uses of STRATEGY's Rules Engine & Process Manager applications you should know about

# Our agenda.

- 
1. Financial Statements
  2. Rules Engine
  3. Process Manager

# SECTION 1

## Financial Statements





# Financial Statements Widgets



Use this widget to enter new financials, look up existing financials, prepare OSAR's, or compare financial records



Use this widget to setup custom financial forms. McCracken has already prepared most of the common forms (CREFC, Fannie, etc.)

# Financial Statement Form Maintenance

- This widget allows the user to modify an existing form type, or create a custom form.

## Search Results - All current forms

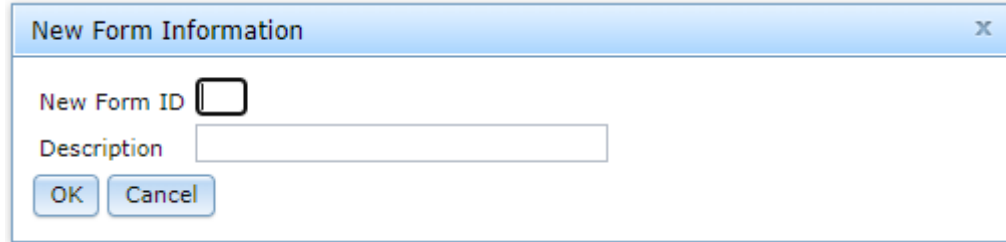
Select a form to copy/work with or click "New" [New](#)

Form Description	Form ID	MFS Supplied
CREFC Commercial	C1	Y
CREFC For Upload	22	N
CREFC Healthcare	C3	Y
CREFC Lodging	C2	Y
CREFC Multifamily	C4	Y
Fannie Mae 4254 MultiFamily	C7	Y
Fannie Mae 4254 Seniors	C8	Y
Fannie Mae Credit Fac	CF	Y
Fannie Mae Multifamily	C5	Y
Fannie Mae Seniors	C6	Y
Freddie Mac Multifamily	FR	Y
Freddie Mac Seniors	FS	Y
HUD/Ginnie Mae	F9	Y
Summary	S	Y



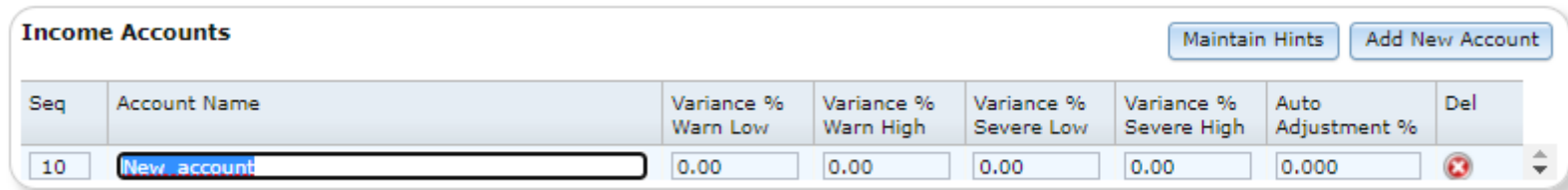
# Financial Statement Form Maintenance

- When adding a new form, the user will be prompted to create a form ID and description:



A dialog box titled "New Form Information" with a close button (X) in the top right corner. It contains two input fields: "New Form ID" with a small square icon next to it, and "Description" with a rectangular text box. At the bottom are "OK" and "Cancel" buttons.

- Establish line item types within the appropriate income, expense, and capital accounts. Note – you can setup percentage triggers that will notify the user of potential discrepancies from the previously entered financial statement:



An interface for managing income accounts. It features a title bar "Income Accounts" with "Maintain Hints" and "Add New Account" buttons. Below is a table with 8 columns: Seq, Account Name, Variance % Warn Low, Variance % Warn High, Variance % Severe Low, Variance % Severe High, Auto Adjustment %, and Del. The first row shows "10" in the Seq column, "New account" in the Account Name column, and "0.00" in the four Variance % columns. The Auto Adjustment % is "0.000" and the Del column has a red X icon.

Seq	Account Name	Variance % Warn Low	Variance % Warn High	Variance % Severe Low	Variance % Severe High	Auto Adjustment %	Del
10	New account	0.00	0.00	0.00	0.00	0.000	X

# Financial Statement Form Maintenance

- Select the master fields needed for financial statement comparisons:

Sel	Seq	Value Description	Field Name	Field Type	Decimal Places
<input type="checkbox"/>	10	Debt Service - A Note	MSDSAO	Number	2
<input type="checkbox"/>	20	Debt Service - B Note	MSDSBO	Number	2
<input type="checkbox"/>	30	Debt Service - C Note	MSDSO	Number	2
<input type="checkbox"/>	40	Net Cash Flow after Debt Service	MSCFANCF	Number	2
<input type="checkbox"/>	50	Unsubordinated Ground Rents	MSDSGR	Number	2
<input type="checkbox"/>	60	Cash Flow before Debt Service	MSCFBD	Number	2
<input type="checkbox"/>	70	Total Debt Service	MSTDSV	Number	2
<input type="checkbox"/>	80	Total Capital	MSTCAP	Number	2
<input type="checkbox"/>	90	Operating Lease	MSHOLP	Number	2
<input type="checkbox"/>	100	Cash Flow	MSCF	Number	2
<input type="checkbox"/>	110	Net Operating Income	MSNOI	Number	2
<input type="checkbox"/>	120	Net Cash Flow	MSNTCF	Number	2
<input type="checkbox"/>	130	Extra Items	MSAXCI	Number	2
<input type="checkbox"/>	140	DSCR: (NOI/Debt Service) - A Note	MSNOIAN	Ratio	5
<input type="checkbox"/>	150	DSCR: (NOI/Debt Service) - A & B Note	MSNOIABN	Ratio	5
<input type="checkbox"/>	160	DSCR: (NOI/Debt Service) - A, B & C Note	MSNOIABCN	Ratio	5
<input type="checkbox"/>	170	DSCR: (NCF/Debt Service) - A Note	MSNCFAN	Ratio	5
<input type="checkbox"/>	180	DSCR: (NCF/Debt Service) - A & B Note	MSNCFABN	Ratio	5
<input type="checkbox"/>	190	DSCR: (NCF/Debt Service) - A, B & C Note	MSNCFABCN	Ratio	5
<input type="checkbox"/>	200	Operating Expense Ratio	MSDC1A	Ratio	5
<input type="checkbox"/>	210	Freddie Mac Debt Service	MSFMDCR	Ratio	5
<input type="checkbox"/>	220	Occupancy	MSOCCP	Percent	2

# Financial Statements

- In order to put the financial statements to work, there are specific fields that must have data (even if they are not required to enter a financial).

- Occupancy %
- Next Statement Date

Create a new statement with these values:

Form Type:	CREFC Commercial [C1]	<input type="checkbox"/> Override
Purpose:	PERIODIC STATEMENT [PER]	
Frequency:	ANNUAL [AN]	
Entered For:	[1]	
Statement Source:	[1]	
Auditor:	[1]	
Contact:	[1]	
Consolidated:	<input type="radio"/> Yes <input checked="" type="radio"/> No	
Start Date:	01/01/2022	<input type="checkbox"/> Override
End Date:	12/31/2022	<input type="checkbox"/> Override
Required to be Annualized:	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Debt Service Note(s) A:	0.00	
Debt Service Note(s) B:	0.00	
Debt Service Note(s) C:	0.00	
Prop. Allocation %:	0.00000	
Rent Roll Seq:	[1]	
Occupancy %:		
Occupancy Date:		
Financial Stmt Audited:	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Financial Stmt Certified:	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Unsubordinated Ground Rents:	0.00	
Average Rental Rate:	0.00	
Debt Yield:	0.000000000000000	
Date to Investor:		
Operator Name:		
Property is Tax Exempt:	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Waiver Reason:		
Replacement Rsrv Waived:	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Waiver Comments:		

Documents Received	
Loan:	82022001
Borrower Name:	Somerset Partners
Collateral ID:	49
Collateral Name:	Bridgestone Apartments (1)
Statement Frequency:	ANNUAL
Period End Date:	12/31/2022
Operating Statement Received Date:	
Borrower Certificate Received Date:	
Rent Roll Received Date:	
Balance Sheet Received Date:	
Next Statement Date:	

# Entering a Financial Statement

A financial statement can be entered in Strategy either by manually inputting the information within the widget, or via the financial statements mapping tool (check with Support regarding your version of Strategy and the appropriate mapping template).

The screenshot displays a financial statement entry interface with three main sections: Income, Expenses, and Capital Items. Each section contains a table with columns for Borrower Statement Line Item, Amount, Adjustment, Adjusted Amount, Map To Account, Adjustment Comment, and a Delete button. Orange arrows point from callout boxes to specific fields in the interface.

**Income**

Borrower Statement Line Item	Amount	Adjustment	Adjusted Amount	Map To Account	Adjustment Comment	Delete
Gross Potential Rent	5,501,159.00	0.00	5,501,159.00	Gross Potential Rent		
Vacancies	0.00	0.00	0.00	Less Vacancies Loss		
EGI (Effective Gross Income)	5,501,159.00	0.00	5,501,159.00			

**Expenses**

Borrower Statement Line Item	Amount	Adjustment	Adjusted Amount	Map To Account	Adjustment Comment	Delete
Other Expenses	2,330,750.00	0.00	2,330,750.00	Other Expenses		
Total Expenses	2,330,750.00	0.00	2,330,750.00			
Net Operating Income (NOI)	3,170,409.00	0.00	3,170,409.00			
Management Fee/EGI Ratio	0.0000000000000000	0.0000000000000000	0.0000000000000000			
Operating Expense Ratio	0.4236800000000000	0.0000000000000000	0.4236800000000000			

**Capital Items**

Borrower Statement Line Item	Amount	Adjustment	Adjusted Amount	Map To Account	Adjustment Comment	Delete
Total Capital Items	0.00	0.00	0.00			
Debt Service Note(s) A, overridden	1,556,164.00		1,556,164.00			
Debt Service Note(s) B, overridden	250,000.00		250,000.00			
Debt Service Note(s) C, overridden	0.00		0.00			
Total Debt Service	1,806,164.00		1,806,164.00			
Net Cash Flow	3,170,409.00		3,170,409.00			
Net Cash Flow after Debt Service	1,364,245.00		1,364,245.00			
DSCR: (NOI/Debt Service) - A Note	2.03732		2.03732			
DSCR: (NOI/Debt Service) - A & B Note	1.75533		1.75533			
DSCR: (NOI/Debt Service) - A, B & C Note	1.75533		1.75533			
DSCR: (NCF/Debt Service) - A Note	2.03732		2.03732			
DSCR: (NCF/Debt Service) - A & B Note	1.75533		1.75533			
DSCR: (NCF/Debt Service) - A, B & C Note	1.75533		1.75533			

The borrower's line item type can be anything!

The Map To Account is the account established in the Financial Form Maintenance setup.

NOI, Mgmt Fee/EGI Ratio, Operating Expense Ratio, NCF, and DSCR are all calculated by Strategy

## SECTION 2

Rules Engine



# Rules Engine

- The Rules Engine contains over 400 different rules that can be utilized to create alerts in Portfolio Analysis, create tasks or start processes in Process Manager, send emails to specific parties, print or email a WriteTrack letter, and add loans to the Watchlist.
- For purposes of this session, we will focus solely on a few of the financial statement related rules

Financial Statements  
Past Due

Financial Statements  
Due



DSCR Below  
Threshold


DSCR Percentage  
Decrease

Occupancy Decrease

# Rules Engine

- Certain rules require the user to establish a value in order for the rule to be triggered, other rules are based on set criteria.
  - For example, the Financial Statement Past Due rule is triggered when the due date is greater than the System Process Through Date
  - The Financial Statement Due rule is triggered when the date of the Next Statement Due Date is within the user's predetermined number of days

Rule Name	Type	Rule Description	Value	Rule Actions	Status	Alert Button	Severity	
Financial Statement Past Due	FINANCIAL	Web Asset POPMST.MSENDT and frequency MSFREQ). If the date is prior to the System Process Through Date PSYSCPER.S2PTDT, take the designated actions.		Display Alert 	<input checked="" type="checkbox"/> Active	Documents ▼	Severe ▼	

Financial Statement Due	FINANCIAL	Financial statement due. Variable value: specify the number of days before the next statement due date that should trigger the designated actions. Logic: Retrieve the	30	Display Alert 	<input checked="" type="checkbox"/> Active	Watch List ▼	Medium ▼	
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## SECTION 3



Process Manager

# Process Manager

The Process Manager widget is a workflow tool that can be utilized to track various processes across groups or individual users.

- Each process is made up of tasks, or the steps involved.
- Each process can be customized by category, sub-category, responsible party, or role type.

For the purpose of this session, we will look at a simple process used to track the receipt of annual financials from a borrower:

Maintain Process Template ID: #000000001

Process Type: ANNUAL FINANCIALS - BORROWER

Process Short Description: ANNUAL FINANCIALS - BORROWER

Process Long Description:

Process Sub-Type:

Category: FINANCIALS

Sub-Category 1: BORROWER FINANCIALS

Sub-Category 2:

Sub-Category 3:

Start Date Indicator: 1-USE CURRENT DATE

Due Date Indicator: 0-USER ENTERS DATE ☒ Due Date synchronized with last Task

#Days Required to Complete:

Inactive: ☐

Recurring or One-Time: RECURRING

Frequency: ANNUAL

# Days: 1

Recurring Interval (Ex. every 2 years)

Responsible Party:

Role:

Severity Level:

Approved: ☐

Next Process to Start:

Confirm Before Starting: ☐

Case Number:

User Amount: 0.00

All Tasks are Sequential: ☒

Document Checklist Template

Additional Information

Process Template Tasks

Select Task Type from Template: Add > ReSequence Ignore Category ☐ Compact view ☒

Order	Task Type	Task Status	Assigned To	Role	A/S	Start Indicator	Due Indicator	#Days	Sev	Options
10	ANNUAL FINANCIALS				<input type="checkbox"/>	0-USER ENTERS DATE	0-USER ENTERS DATE	30		
20	SPREAD FINANCIALS				<input type="checkbox"/>	0-USER ENTERS DATE	0-USER ENTERS DATE	5		
30	APPROVE FINANCIAL STATEMENT				<input type="checkbox"/>	0-USER ENTERS DATE	0-USER ENTERS DATE	5		
40	ENTER/MAP FINANCIALS				<input type="checkbox"/>	2-USE PREVIOUS TASK	3-USE START DATE PLU	5		
50	ENTER/MAP RENT ROLL				<input type="checkbox"/>	2-USE PREVIOUS TASK	3-USE START DATE PLU	5		

# Process Manager

- How to connect the rule to the process -
  - Ensure that “Financial Statement Due” rule is included on the rule set affecting the loan or other data set. There are other rules that you could use to govern financial collections, see MFS Master Rule Set for details.

Financial Statement Due	FINANCIAL	Financial statement due. Variable value: specify the number of days before the next statement due date that should trigger the designated actions. Logic: Retrieve the	30	Display Alert	<input checked="" type="checkbox"/> Active	Watch List	Medium	
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- Select the pencil icon to open the Rule Action Maintenance pop-up window:

Rule Action Maintenance

Action	Values	Frequency	Remove
Display Alert		Always	

Action: Start Process

Process Template: ANNUAL FINANCIALS - BORROWER

Job Function:

Frequency: ☒ Once ☐ Always

Cancel New

OK Apply Cancel

- Select the “Start Process” action and the corresponding Process Template. A job function can be assigned, as well. If “Always” is selected as the frequency, this process will generate each day the rule remains triggered.

# Process Manager



- Always check the rule description in the rules engine to ensure you are utilizing the necessary fields for the rule to work properly. These fields are not always required fields!
- In our example, the next statement due date must be entered in the proper financial statement – a field that is not required for financial statements.

# Process Manager



- Test your process to ensure the start and due indicators are set properly.
- Confirm process & task level assignments.
- You can leverage the Process and Task Due/Overdue rules so that responsible parties receive an email regarding outstanding processes and tasks.



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your colleagues.**



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you'd like to learn more.**