

# More Investor Enhancements

Attend the Investor Enhancement session to learn about enhancements to IRP Reporting (CREFC) and the expansion of processing Excess Yield for multiple investor types.



# Agenda

- CREFC
  - Changes in R20
  - CREFC Changes coming in the future
  - What other customers asked about
- Gross Interest available for distribution
  - Ability to divide the Gross Interest Rate (any portion) to Multiple Investors /3<sup>rd</sup> parties.
  - What is it ?
  - Business Scenarios
  - What does this new functionally do



CREFC

# Strategy generates the following at Rel 20.....

## DATA FILES

- L – Loan Periodic (PIRPXLPU)
- P – Property (PIRPXPRP)
- S – Loan Setup (PIRPXLS)
- F – Financial (PIRPXFIN)
- D – Special Servicer Loan (PIRPXSSL)
- DP – Special Servicer Property (PIRPXSSP)

## REPORTS

- C – Comparative Financial Status (PIRPXCFS)
- D – Delinquent Loan Status (PIRPXLDS)
- M – Historical Loan Modification; Corrected Loan (PIRPXHLM)
- N – NOI Adjustment Worksheet
- O – OSAR
- V – Loan Level Reserve/LOC (PIRPXLLR)
- W – Servicer Watchlist (PIRPXWL)

# CREFC IRP Remittance

- Includes payment activity for the period
  - Prior Determination Date plus 1 day TO the Determination Date
- Remittance 01 (PIRPXCR01) – 22 fields
- Remittance 02 (PIRPXCR02) – 46 fields
- Remittance 03 (PIRPXCR03) – 18 fields
- Remittance 04 (PIRPXCR04) – 27 fields
- Remittance 05 (PIRPXCR05) – 44 fields
- Remittance 06 (PIRPXCR06) – 20 fields
- Remittance Freddie Q Deals (PIRPXQR) – 45 fields

# Remittance File Type – Investor Vendor

- Select which Remittance File Type to use in the Investor Vendor

**Remittance Instructions**

Next Remittance Base Date:	12/31/2050	Dep Gross Cust:	NO (N)	Suspense Escrow:	NO (N)
Next Remittance Date:	12/31/2050	Remit Gross P&I:	NO (N)	Late Charge:	NO (N)
Last Remittance Base Date:	11/30/2050	Remit Net P&I:	YES (Y)	Gross Gr Rent:	NO (N)
Last Remittance Date:	11/30/2050	Contingent Int:	NO (N)	Net Ground Rent:	NO (N)
Remit Freq Method:	MONTHLY (M)	Escrow 1:	NO (N)	Print Check:	NO (N)
Remit Freq:	0001	Escrow 2:	NO (N)	Print Remittance:	YES (Y)
Weekly Remittance Day:	0	Escrow 3:	NO (N)	Allow Excess Yld:	YES (Y)
Minimum \$ to Remit:		Escrow 4:	NO (N)	Guaran or Non-Guaran:	
P&I Test #:		Escrow 5:	NO (N)		
Payoff Formula:					
Int Basis for Loan Adv:		Remittance File Type:	FORMAT 01 (01)		
Remittance Instruction:					

**Late Charge Information**

Percent Due Servicer:	100.000000000000	Max Am	
Initial Amount to Servicer:		Ant	TIED TO PRIN BAL

# Investor Reporting Package Widget



Investor Reporting Package

### Select Reports

- Comparative Financial Status
- Remittance Servicer Format 1
- Remittance Servicer Format 2
- Remittance Servicer Format 3
- Remittance Servicer Format 4
- Remittance Servicer Format 5
- Remittance Servicer Format 6
- Auto Detect Remittance Format
- Financial
- Historical Loan Modification
- Delinquent Loan Status
- Loan Level Reserve LOC
- Loan Periodic Update
- Loan Setup
- Property
- Freddie Q Remit
- Special Servicer Loan
- Special Servicer Property
- Servicer Watchlist

### Settings

- Day-End
- On-Demand
- Include Usability Fields
- Exclude Usability Fields
- By Determination Date
- By Investor
- Investor List

Investor

Determination Date

Beginning of Determination Month

End of Determination Month

Prior Determination Date +1 Day

*\*Disclaimer*

# IRP Settings

- Day-End vs On-Demand
  - Day-End – as of the most recent Determination Date
  - On-Demand – as of the current date
- Usability Fields
  - Include when reviewing reports
    - Fields will help identify loans in Strategy
      - Strategy Loan Number
      - Investor Number
      - Collateral ID
      - Property Sequence #
      - Determination Date
      - Officer Code
  - Exclude for submission of reports
    - Fields are not part of the CREFC definition

## Settings

Day-End

On-Demand

Include Usability Fields

Exclude Usability Fields

# IRP Settings

- **By Determination Date**
  - All investors with the Determination Date will be included on the report(s) selected
  - Separate spreadsheet per report
- **By Investor**
  - Only the investor selected will be included
  - Separate spreadsheet per report
- **By Investor List**
  - Select multiple investors to be included on the report(s)
  - Separate spreadsheet per investor per report

By Determination Date (selected)

By Investor

Investor List

Determination Date: 12/09/2019

[630] IR BANK 2018-IR630

[750] IRP Master Serviced

[77016] IRP Deal 16077CMW

By Determination Date

By Investor (selected)

Investor List

Investor: [76027] IRP Deal SR47501

Determination Date: [630] IR BANK 2018-IR630

Beginning of Determination Month: [631] IR 2018-IR631

End of Determination Month: [750] IRP Master Serviced

Prior Determination Date +1 Day: [76027] IRP Deal SR47501

[77016] IRP Deal 16077CMW

[78501] Freddie K deal (CME) 1/CREFC

[79505] Freddie K deal (CME) 1/CREFC

[79506] Freddie K deal (CME) 1/CREFC

By Determination Date

By Investor

Investor List (selected)

Determination Date: [Calendar icon]

Beginning of Determination Month: [Calendar icon]

End of Determination Month: [Calendar icon]

Prior Determination Date +1 Day: [Calendar icon]

[630] IR BANK 2018-IR630

[631] IR 2018-IR631

[750] IRP Master Serviced

[76027] IRP Deal SR47501

[77016] IRP Deal 16077CMW

[78501] Freddie K deal (CME) 1/CREFC

[79505] Freddie K deal (CME) 1/CREFC

# IRP Settings

- Create Spreadsheet

- Creates a zip file of the selected report(s) to open, review and adjust as needed

- Create and Send CSV without Adjustment

- Saves the files in Notes for historical purposes
- Creates an email
  - Enter recipient's email address
  - Attach zip file to send to recipient

- Upload Report with Adjustment

- If you make adjustments to the report, use this option to upload the file and save in Notes for historical purposes

- Complete reporting history available in Notes



The screenshot displays a web interface titled "LOAN NOTES". At the top, there is a "Find/Filter" button and a filter set to "\*ALL" (Showing All Notes, Loan: 750027505, Old Note Type: \*ALL). The page size is set to 15. Below the filter, there is a "New note..." button and a list of notes. Each note entry includes a pencil icon for editing, a text description, a date, and a speech bubble icon for comments.

Attachment(s)	Date	Action
Attachment(s)	09/30/2021	Comment
Attachment(s)	09/30/2021	Comment
P&I is delinquent; 2 payment(s) overdue	03/31/2021	Comment
Cedar Hall Lodge failure to submit financial statements, due on 06/30/2014 for CREFC Lodging	09/03/2020	Comment
Cedar Hall Lodge Financial statement is past due, due on 12/31/2014 for CREFC Lodging	09/03/2020	Comment
Cedar Hall Lodge Financial statement is past due, due on 09/30/2014 for CREFC Lodging	09/03/2020	Comment
New Management company in place	08/20/2020	Comment

PROTECTED VIEW Be careful—files from the Internet can contain viruses. Unless you need to edit, it's safer to stay in Protected View. Enable Editing

	A	B	C	D	E	F	G	H	I	J	K	L	M	
1	Transaction ID	Group Number	Loan ID	Prospectus Loan ID	Distribution Date	Beginning Scheduled Balance	Ending Scheduled Balance	Paid Through Date	Index Rate	Current Note Rate	Maturity Date	Servicer Trustee Rate	Fee Rate/Strip Rate 1	Fee
2	TRA79506	79506	750079110ABC	75679110	20191217	64143182.38	63080379.69	20190901	0	0.0500000000000000	20340501	0.0027065000000000		0
3	TRA79506	79506	115	75679115	20191217	40396530.84	40220495.00	20191101	0	0.0375000000000000	20340501	0.0027065000000000		0
4	TRA79506	79505	855	75679855	20191217	4085574.09	4068270.58	20191101	0	0.0412500000000000	20340501	0.0027065000000000		0
5	TRA79506	79506	910	75679910	20191217	44181573.70	43986097.87	20190801	0	0.0355000000000000	20340501	0.0027065000000000		0
6	TRA79506	79506	917	75679917	20191217	18634706.21	18555783.20	20190801	0	0.0412500000000000	20340501	0.0027065000000000		0
7	TRA79506	79506	962	75679962	20191217	12383650.81	12336620.30	20191101	0	0.0552500000000000	20340501	0.0027065000000000		0
8	TRA79506	79505	780	79679780	20191217	15013676.06	14950089.10	20191101	0	0.0412500000000000	20340501	0.0027065000000000		0
9	TRA79506	79505	805	79679805	20191217	4128760.93	4111274.51	20191101	0	0.0412500000000000	20340501	0.0027065000000000		0
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# CREFC IRP Documentation

- Configuration Tips
  - Report Layouts
- Watchlist Setup
  - Details of Rules
- Release 20 CREFC IRP Report Additions
- Layouts of -Loan Setup Report, Special Servicer Loan File, remittance report 7 and minor changes to the other files
- 20A – in process

# Questions customers have asked

## Question

- Should the Next Cutoff Date stay in sync with the Determination Date?
- Does the Date Calc Parameters screen calculate the dates on Investor Remittance screen?
- Do Next Cutoff and Next Base Cutoff need to match the Determination date?
- How does the Date Calc Screen use the calendar?
- When is the best time to Transfer a Loan to a new Investor?

## Response

- Yes
- Yes
- Yes
- Strategy will calculate the date based on the inputs, and then apply the business calendar and weekend logic.
- Before the payment that belongs to the new investor is posted.

# Questions customers have asked

## Questions

- What if the payment is posted to the old investor?
- How does the system know the F1 fees (your service Fee) in the investor module?
- What if I don't have Group numbers (in future release R20A)?

## Responses

- You will need to reverse it off and reapply it to the new investor
- The 'Remit to' should be blank for any fee you want Strategy to move to corporate Cash create a GL entry
- Mark Group Reporting = N, Strategy requires you to enter a group number when Y.

# Questions customer have asked

## Questions

- In the inspection module is Major Item used in CREFC?
- Important to Strategy (PIMST) and OSAR
- Important to CREFC PIREM

## Response

- It is an available field for the user to use as they see fit

Major Deferred (Y/N)	Major Item (Y/N)
YES	
YES	

- Last Reported

	Last Report	Previous Report
Principal Balance:	8,736.30	-4,368.15

- Beginning and Ending Scheduled Balance

Scheduled Balances	
Beginning:	1,696,282.87
Ending:	1,691,900.34

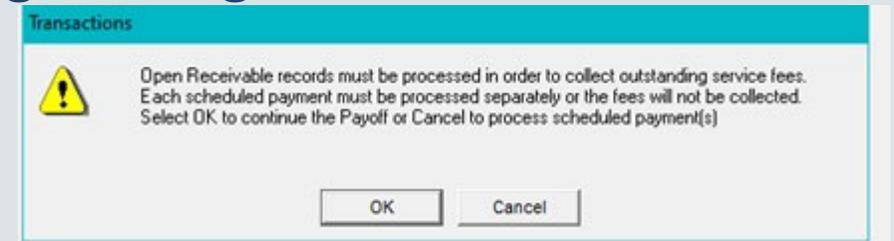
# Questions Customer have asked

## Questions

- Processing a payoff for program id F1
  - tips:
    - First post open receivables for each scheduled payment separately so that service fees are collected
    - Post the payoff

## Response

- Warning message



- Make sure the Ending schedule balance of the remittance record is zero. Other wise the LPU will calculate the outage
- The payment status code will be wrong because it thinks that payment is delinquent.

# Questions customers have asked

## Questions

- What is the detailed logic for LPU Field 32 Liquidation/Prepayment Code?

## Response

- Select Liquidation /Prepayment code (PTRANS.CHLIQPPAY) where Loan# (PTRANS.CHL#) is equal to the loan being processed and
  - Transaction Code (PTRANS.CHTC ) is equal to '04' or 'W2' and
  - CHLIQPPAY is not blank
- The order selected is Loan#, Transaction Date (PTRANS.CHCENT,CHYYMM,CHDAY).....so most recent. Only the first record is selected.
- Transaction code descriptions are '04'- Loan Payoff & 'W2'- Debt Forgiveness

# Questions customers have asked

## Questions

- Why is my second lien debt service not showing up in financial statement?

## Response

- Verify that you have set up the related loan MCA feature on the both loans.

# Why isn't my report running?

## C – Comparative Financial Status

- Ending Scheduled Balance (PIREM.IRESB) and multiplies it by Property Allocation Percentage ((PCCOLLCRE. PQALP)/100). So, if Property Allocation Percentage is zero, even if Ending Scheduled Balance is NOT zero, it will end up as zero.
- Financial Statement Data

## R – REO Status

- Need to have property allocation
- REO Date (PCCOLLCRE.REODATE)
- Property Status(PPROP.PQPROPSTAT) = 2 (REO)
- T – Total Loan
- MCA related loan
- Split loan widget
- *Split Loan ID (PMASTR5.CMSPLITLN)*



Fees

# Fees

- Fees can be setup at the Investor Vendor level
  - F1 Investors Only
- Fees will “trickle down” to the Investor Master level, where they can be overridden if needed
- Payable to Investor or a 3<sup>rd</sup> Party
- Fees can be entered and marked inactive (example work out fee)
- CREFC Report field (designates what field it goes in on the CREFC report)

# Investor Vendor Fee Setup

Investor Reporting - Investor Rollup

Fee Description	Accrue On	Rate	Interest Basis Code	Compounding	Flat Fee \$	Greater of Two	Remit to	Advance	IOA	Index	Margin
MAST SRV (M	SCHD BAL	0000000000	360/ACT LY (B6	N/A (N)	0	NO (N)		(N)NO	NO (N)		0
SPCIAL SRV (	SCHD BAL	0000000000	360/ACT LY (B6	N/A (N)	0	NO (N)	3RD PARTY	(Y)YES	YES (Y)		0
TRUST (TRS)	SCHD BAL	.1100000000	360/ACT LY (B6	N/A (N)	0	NO (N)	INVESTOR	(Y)YES	YES (Y)		0
WORK OUT (V	PRIN INT (PI	0000000000		N/A (N)	0	NO (N)	INVESTOR	(N)NO	NO (N)		0

Fee Description: SPCIAL SRV (SPC)      Accrue On: SCHD BAL (SCHB)      Margin: .00000000000000  
Source: STRIP OUT (2)      Interest Basis Code: 360/ACT LY (B66)      Advance: YES (Y)  
Flat Fee \$: .00      Compounding: N/A (N)      IOA: YES (Y)  
Rate: .2500000000000000      Index:      Active: NO (N)  
Greater of Two: NO (N)      Remit To: 3RD PARTY      CREFC Report: (2)REPORTED IN FEE RATE/S

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OK    Cancel    Apply    Help

Ready

Note: If the Remit To field is left blank, Strategy will generate a GL entry and move the money to corporate cash.  
If 3<sup>RD</sup> PARTY or INVESTOR is selected, Strategy will move the money to the custodial account.

# CREFC Report field ( determines what field it goes in on the CREFC report)

Investor Reporting - Investor Rollup

Fee Description	Accrue On	Rate	Interest Basis Code	Compounding	Flat Fee \$	Greater of Two	Remit to	Advance	IOA	Index	M
LIQUIDATN (LIMPRIN INT (PI	0000000000	360/ACT NL (B	N/A (N)		550.00	YES (Y)	3RD PARTY				
PRMY S FEE (S	SCHD BAL	5400000000	360/ACT LY (B	N/A (N)	0	NO (N)		(N)NO	NO (N)		
SPECIAL SRV (S	SCHD BAL	0000000000	360/ACT LY (B	N/A (N)	0	NO (N)	3RD PARTY	(Y)YES	YES (Y)		
SUB SRV FE (S	SCHD BAL	7854000000	360/ACT LY (B	N/A (N)	0	NO (N)	3RD PARTY				
TRUST (TRS) S	SCHD BAL	2750000000	360/ACT LY (B	N/A (N)	0	NO (N)	INVESTOR	(Y)YES	YES (Y)		
WORK OUT (V	PRIN INT (PI	0000000000		N/A (N)	0	NO (N)	3RD PARTY				

Fee Description: TRUST (TRS)    Accrue On: SCHD BAL (SCHB)    Margin: .00000000000000  
Source: STRIP OUT (2)    Interest Basis Code: 360/ACT LY (B66)    Advance: YES (Y)  
Flat Fee \$: .00    Compounding: N/A (N)    IOA: YES (Y)  
Rate: .00227500000000    Index:    Active: YES (Y)  
Greater of Two: NO (N)    Remit To: INVESTOR    CREFC Report: (S)REPORTED IN SRVCE/TRU

# Investor Master Fee Setup

Investor Number	Investor Name	Program ID	Investor Loan Number	Participation %	Current Balance	Net Yield %	Service Fee %
76027	IRP DEAL SR47501	CREFC-CMBS	7602727505	100.000000000000	8,043,565.94	4.250000000000	.000000000000

Next Payment Due Date: 08/01/2019    Principal Balance: 8,043,565.94    Interest Rate %: 4.250000000000

**Investor Master**

Investor Remittance

- [-] Investor Master
- [-] Dates
- [-] Report/Balances
- [-] Contra
- [-] Remit/Processing
- [-] Investor DBNR
- [-] Valuation Analysis
- [-] Advancing Information
- [-] IOA Information
- [-] ARA/ASER Information
- [-] ARA/Aser Amounts
- [-] Fee**
- [-] Balances

Fee Description	Source	Flat Fee \$	Rate	Greater of the Two	Accrue On	Interest Basis	Compounding
MAST SRV (MST)	STRIP OUT (2)	.00	.05500000000000	NO (N)	SCHD BAL (SCHB)	360/ACT LY (B66)	N/A (N)
SPECIAL SRV (SPC)	STRIP OUT (2)	.00	.25000000000000	NO (N)	SCHD BAL (SCHB)	360/ACT LY (B66)	N/A (N)
TRUST (TRS)	STRIP OUT (2)	.00	.00511000000000	NO (N)	SCHD BAL (SCHB)	360/ACT LY (B66)	N/A (N)
WORK OUT (WFC)	STRIP OUT (2)	.00	.25000000000000	NO (N)	PRIN INT (PIPI)		N/A (N)

Fee Description:     Accrue On:     Margin:

Source:     Interest Basis:     Advance:

Flat Fee \$:     Compounding:     IOA:

Rate:     Index:     Active:

Greater of the Two:     Remit To:     CREFC Report:

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Note: If you select 3<sup>rd</sup> Party from the Remit To dropdown, the party you are remitting to appears in the bottom right of the screen

# Investor Remittance (IREM) Fee information

Tips:  
Interest Rate % should be the Gross Interest Rate  
Interest due should be the gross interest

**Remittance Information**

Investor: 76027 IRP DEAL S      Program ID: F1 CREFC-CMBS      Investor Group Number: 76027  
 Billing Date: 11/01/2019      Trans. Type: 02 PMT REC'D      Trans. Sequence: 1  
 Sub-Trans Type:  
 Cash Trans. Date: 00/00/0000      Reversal/Rtn Type:      Reversal/Rtn Date: 00/00/0000

Remittance Amounts		Scheduled Balances	
	Amount Due	Amount Credited	
Principal:	32,796.47	.00	Beginning: 8,044,948.98
Interest:	29,442.28	.00	Ending: 7,912,152.51
Escrow 1:	2,633.87	.00	
Escrow 2:	8,239.38	.00	
Escrow 3:	.00	.00	
Escrow 4:	.00	.00	
Escrow 5:	.00	.00	
Tiered Service Fee:	.00	.00	
Late Charge:	.00	.00	

Payment Status:       Date Prin. Remit: 00/00/0000      Service Fee Rate %: .00000000000000  
 Payment Due Date: 00/00/0000      Date Interest Remit: 00/00/0000      Service Fee Amt: .00  
 Prin. Bal After Tran: 8,012,152.51      Interest From Date: 10/01/2019      S/F Override Amt: .00  
 Misc Amt Type: NONE (000)      Interest To Date: 10/31/2019      Sub Servicer Fee: .00  
 Misc Amount: .00      Net Interest Remit: .00      Ground Rent S/F: .00  
 Interest Rate %: 4.25000000000000      Inv Net Yield %: 4.25000000000000      Servicer Late Chg: .00  
 Interest Adj (+ or -): .00      Excess Yield Amt: .00  
 Inv Daily Accrual: YES (Y)      Loan Level E/Y Calc: YES (Y)  
 End of Period Adj.: .00      Loan Level E/Y Remit:  
 Manual Interest Adj.: .00      Inv for Excess Yield: 0

OK    Cancel    Apply    Help

**Investor Reporting - Fees & Other Amounts Effecting Net Interest**

Transaction Code	Record Seq#	Transaction ID	Fee Code	Fee Sequence#	Other Code	Other Code Sequence#	Amount	To Be Collected (Y/N)	Amount Collected
02	1	SR47501	MAST SRV (M)	1		0	381.02	YES (Y)	0
02	1	SR47501	SUB SRV FE	1		0	1024.90	NO (N)	0
02	1	SR47501	TRUST (TRS)	1		0	35.40	YES (Y)	0

Transaction Code: 02      Fee code: SUB SRV FE (SUB)      Amount: 1024.90  
 Record Seq#: 1      Fee Sequence#: 1      To Be Collected (Y/N): NO (N)  
 Transaction ID: SR47501      Other Code:      Amount Collected: 0  
 Other Code Sequence#: 0      Remitted (Y/N):

OK    Help

# Investor Master – Rate Type Field

- Two options now available for F1 Investor

- 1 - Net Yield

- Existing method

- Calculates Interest, Service Fee & Guarantee Fee

- 2 - Investor's Interest

- New method

- Must have Allow Excess Yield = Y in Investor Vendor
      - Investor Daily Accrual = Y in Investor Master
      - Multiple Fees can be created using different balances and interest basis codes
      - Fee Amounts are calculated and then subtracted from Investor's Interest(which will need to be Gross Interest in the IREM and Investor Gross rate) to get Net Interest

# Investor Servicing Fee with Subservice Fee

For the subservice fee you set up in Loan Administration, when the payment is posted it will put the subservice fee in the investor remittance (IREM) record.

Tip : if the sub fee is a cut of your fee you will need to reduce your fee, or you will strip the subservice fee out twice.

The screenshot shows the 'Investor Reporting - Fees & Other Amounts Effecting Net Interest' window in the STRATEGY CS software. The window title is 'STRATEGY CS - [Investors => 750027505 [USD] - Langston & Fr]'. The window contains a table with the following data:

Transaction Code	Record Seq#	Transaction ID	Fee Code	Fee Sequence#	Other Code	Other Code Sequence#	Amount	To Be Collected (Y/N)	Amount Collected
02	1	SR47501	MAST SRV (MST)	1		0	385.69	YES (Y)	385.69
02	1	SR47501	SUB SRV FE	1		0	1037.47	NO (N)	0
02	1	SR47501	TRUST (TRS)	1		0	35.83	YES (Y)	35.83

Below the table, there is a detailed view of the selected transaction (Transaction Code: 02, Record Seq#: 1, Transaction ID: SR47501, Fee Code: MAST SRV (MST), Fee Sequence#: 1, Amount: 385.69, To Be Collected (Y/N): YES (Y), Amount Collected: 385.69, Remitted (Y/N): ).

The window also displays a 'Ready' status bar at the bottom. The background shows a list of billing dates from 11/01/2019 to 02/01/2019, with 08/01/2019 selected.

# Remittance for late payments

Scenario: Borrower regularly pays late every month – ex. the 12<sup>th</sup> of each month.  
In this example Determination date is on the 10<sup>th</sup>.

The screenshot shows the 'Investor Reporting Package' interface. It is divided into two main sections: 'Select Reports' and 'Settings'.

**Select Reports:**

- Comparative Financial Status
- Remittance Servicer Format 1
- Remittance Servicer Format 2
- Remittance Servicer Format 3
- Remittance Servicer Format 4
- Remittance Servicer Format 5
- Remittance Servicer Format 6
- Auto Detect Remittance Format
- Financial
- Historical Loan Modification
- Delinquent Loan Status

**Settings:**

- Day-End
- On-Demand
- Include Usability Fields
- Exclude Usability Fields
- By Determination Date
- By Investor
- Investor List

**Investor:** [Dropdown menu]

**Determination Date:** 11/12/2021 [Calendar icon]

**Beginning of Determination Month:** 10/01/2021 [Calendar icon]

**End of Determination Month:** 10/31/2021 [Calendar icon]

**Prior Determination Date +1 Day:** 09/13/2021 [Calendar icon]

You can run your CREFC remittance report as follows:

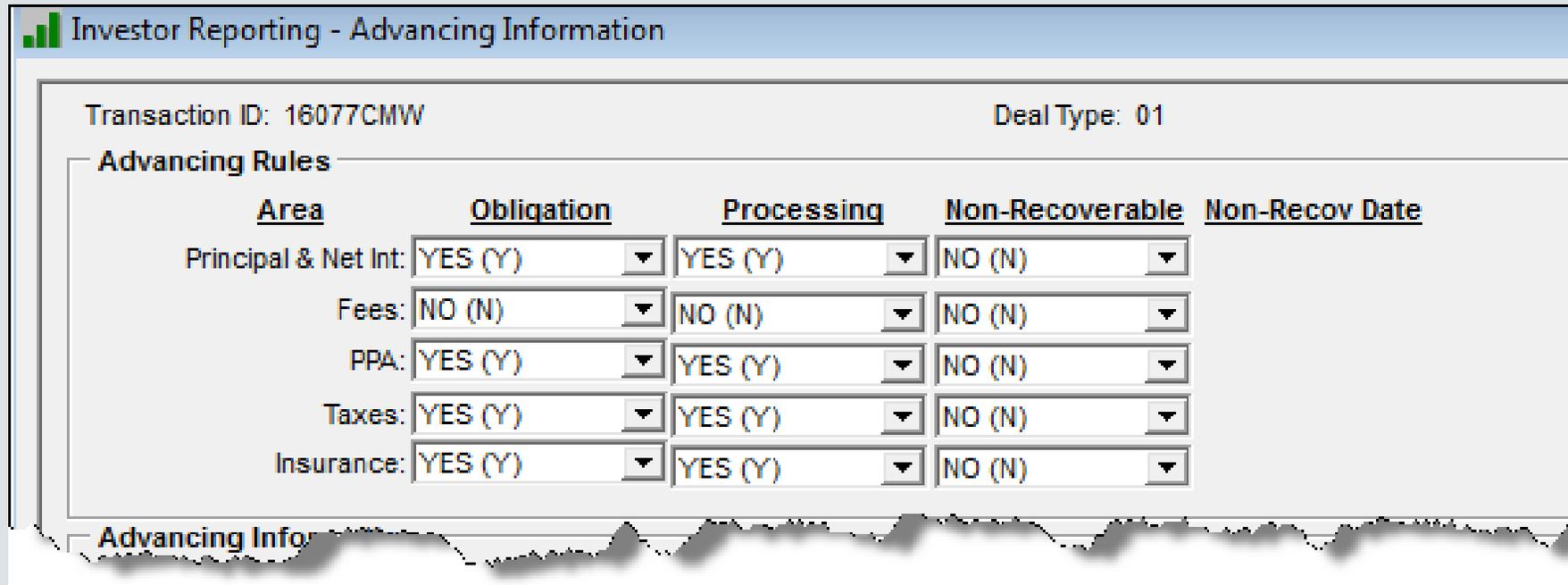
- 1) Run on Demand, by investor
- 2) Select the investor by typing the investor number and then enter,
- 3) It will prefill the last dates for this investor.
- 4) Change the 'Determination Date' to the day the cash came in or current day. I made this be 11/12/2021
- 5) Change the 'Beginning of Determination Month' to be the scheduled Payment Begin date. I made this 10/01
- 6) Change the 'End of Determination Month' to be the end of Determination Month. I made this be 10/31
- 7) Change the Prior Determination Date plus 1 I changed this to 9/13
- 8) The late payment will appear on the report now. I believe column Y tells you the date it was posted.



Advancing

# Investor Vendor Advancing Information

- Information will trickle down to Investor Master Level
  - Can be overridden at Investor Master level

The image shows a screenshot of a software window titled "Investor Reporting - Advancing Information". The window contains a form with the following fields: Transaction ID: 16077CMW, Deal Type: 01, and a section for Advancing Rules. The Advancing Rules section is a table with columns for Area, Obligation, Processing, Non-Recoverable, and Non-Recov Date. The rows represent different areas: Principal & Net Int, Fees, PPA, Taxes, and Insurance. Each cell in the table contains a dropdown menu with "YES (Y)" or "NO (N)" options.

Area	Obligation	Processing	Non-Recoverable	Non-Recov Date
Principal & Net Int:	YES (Y)	YES (Y)	NO (N)	
Fees:	NO (N)	NO (N)	NO (N)	
PPA:	YES (Y)	YES (Y)	NO (N)	
Taxes:	YES (Y)	YES (Y)	NO (N)	
Insurance:	YES (Y)	YES (Y)	NO (N)	

# Advancing Rules

- Obligation – What your contract says your obligation is (Informational to the system)
- Processing \_ Making these fields = Yes will cause the system to process and advance as needed
- Non-Recoverable- at Investor / Trust level

Investor Master

Investor Rep

Transaction ID: 16077CMW

**Advancing Rules**

Area	Obligation	Processing	Non-Recoverable	Non-Recov Date
Principal & Net Int:	YES (Y)	YES (Y)	NO (N)	
Fees:	NO (N)	NO (N)	NO (N)	
PPA:	YES (Y)	YES (Y)	NO (N)	
Taxes:	YES (Y)	YES (Y)	NO (N)	
Insurance:	YES (Y)	YES (Y)	NO (N)	

Navigation Tree:

- Investor Master
- Dates
- Report/Balances
- Contra
- Valuation Analysis
- Advancing Information
- IOA Information
- ARA/ASER Information
- ARA/Aser Amounts
- Fee
- Balances

# Advance Types:

## Principal and Net Interest

- If the scheduled payment has not been made by the Report date a **permanent** advance record will be created with the Advance Type of PNI (P). The amount of the advance may not equal the total Principal and net interest due. This amount will be remitted to the trust.

## Fees

- If a scheduled Fee was created with the option to advance the fee and the fee was not paid by the Report date an advance record will be created with the Advance Type of FEE (F) for the amount that is still outstanding. The fee will be remitted. Fees are further defined in the Deal Level Fees Stripped From Interest module.

## Property Protection Advances (referred to throughout this document as PPA)

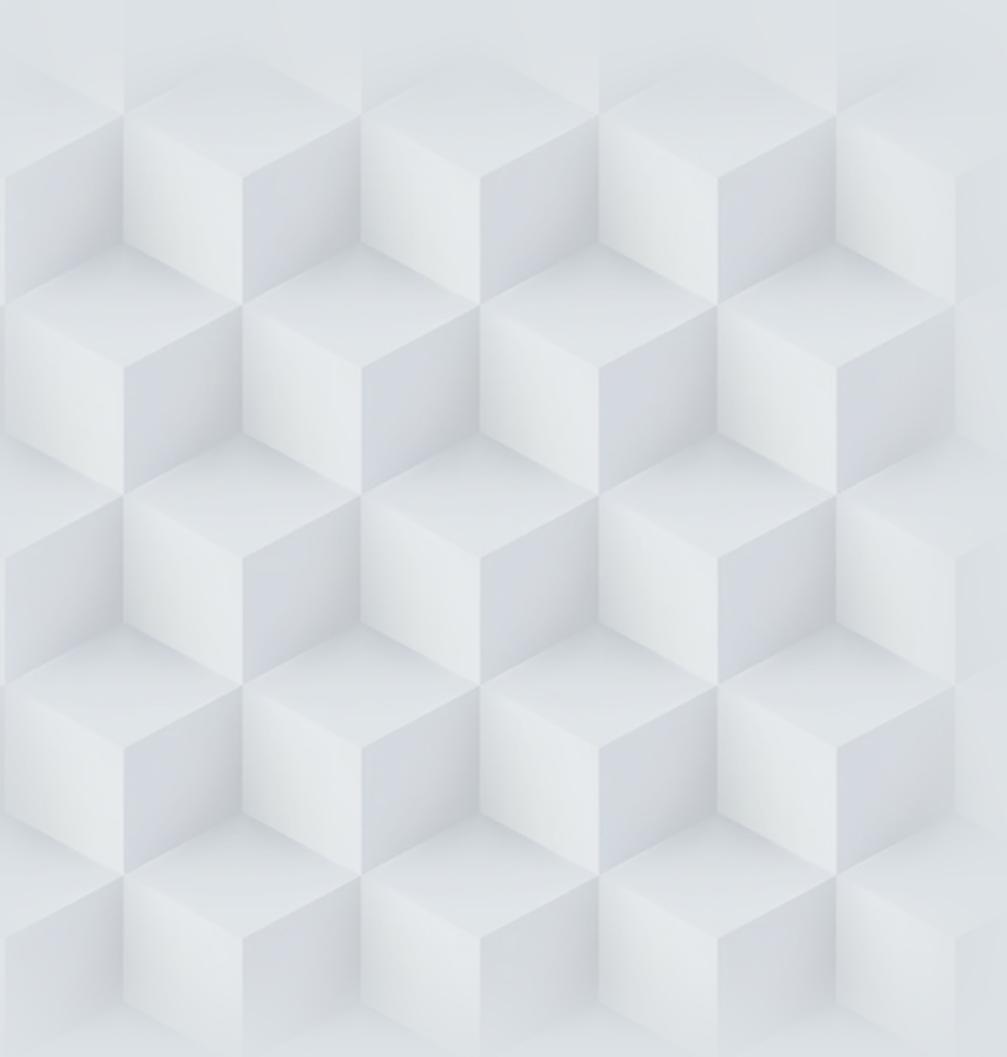
- When an expense is paid through the Miscellaneous Amounts tab, it can be labeled as a PPA and the borrower will be billed for the amount. At this point an advance record is created with the Advance Type of PPA (A). The servicer has advanced the money to pay this expense and this record is used to calculate interest on the advance and track when the borrower has repaid the amount.

## Taxes

- An Advance record for taxes, Advance Type of TAXES (T) is created when the tax balance goes negative. This could be due to a tax transaction such as but not limited to:
  - Tax disbursement
  - Returned payment
  - Tax Debit transaction
- This record is used to calculate interest on the advance and track when the borrower has repaid the amount.

## Insurance

- Similar to Taxes, an Advance record for insurance, Advance Type of INSUR (I) is created when the insurance balance goes negative. This could be due to an insurance transaction such as but not limited to:
  - Insurance disbursement
  - Returned payment
  - Insurance Debit transaction
- This record is used to calculate interest on the advance and track when the borrower has repaid the amount.



# Property Protection Advance

# Property Protection Advance – Misc. Expense module:

- A Property Protection Advance (PPA) is set up as a Misc. Expense record, and then tagged as PPA “Y” (Yes).
- If the Processing Flag in Advancing Information is “Y” and Bill Customer is “N”, a PPA Advance record is created immediately upon paying the expense.
- If the Processing flag in Advancing Information is “Y” and Bill Customer is “Y”, a PPA advance record will not be created unless you designate the PPA advance record as Non-Recoverable “Y” and enter the non-recoverable date on the Investor Master record.

Expense Tracking #: 816201900001	Submitted By: <input type="text"/>	Print Check:
Expense Type: PPA/ENV (502) PPA	Amount Approved: 1,000.00	Entered By:
Vendor ID: TRICITY CO (X20001)	Approved By: LVI	Check #:
Vendor Type: MISC VEND (X2)	Bill Customer: YES	Check Date:
Vendor Company #: DEMO LOANS (15)	Amount Paid: 1,000.00	Disbursement Bank:
Invoice #: <input type="text"/>	Amount Remaining: .00	Disbursement DDA#:
Invoice Description: <input type="text"/>	G/L Account #: 990300000000001	
Invoice Amount Due: 1,000.00	Date Paid: 00/00/0000	
Invoice Due Date: 08/05/2019	Capitalize Expense to Principal: NO (N)	

Investor Master		Investor Rep		
Transaction ID: T001GRANT				
Advancing Rules				
Area	Obligation	Processing	Non-Recoverable	Non-Recov Date
Principal & Net Int:	YES (Y)	YES (Y)	NO (N)	
Fees:	YES (Y)	YES (Y)	NO (N)	
PPA:	YES (Y)	YES (Y)	YES (Y)	00/00/0000
Taxes:	YES (Y)	YES (Y)	NO (N)	
Insurance:	YES (Y)	YES (Y)	NO (N)	
Advancing Information				

# Investor Vendor - Interest On Advance Information

- As with Advancing Information, IOA Information is entered at the investor vendor level and will default down to new Investor Master records where it can be overridden.

# Investor Vendor IOA Information

**Investor Reporting - IOA Information**

Investor Number: 77016 Trans ID: 16077CMW

IOA Rules Area	Calculate	Base Date Code
Principal & Net Int:	YES (Y)	GREATER OF THE 2 OPTIONS (3)
Fees:	YES (Y)	ADVANCE DATE (1)
PPA:	YES (Y)	PAYMENT + GRACE DAYS (2)
Taxes:	YES (Y)	
Insurance:	YES (Y)	

**IOA Information**

Index:	PRIME (PR)	IOA \$ Offset by Default Interest:	NO (N)
Margin:	00.11500000000000	IOA \$ Offset by Late Charge:	NO (N)
Interest Basis Code:	360/ACT LY (B66)	IOA From:	BORROWER (1)
Compound Frequency:	N/A (N)	IOA Offset Instructions:	OFFSET/WAIVED (4)
Last Used IOA Rate:	03.36500000000000		REALIZED LOSS (3)
Post Accrual to G/L:	CALC ONLY (2)		TRUST (2)
IOA Receivable [asset]:	991500000000001		
IOA Income [revenue]:	991600000000001		

# Investor Master IOA Information

Investor Master		Investor Remittance	
<b>IOA Rules</b>			
<u>Area</u>	<u>Calculate</u>	<u>Base Date Code</u>	
Principal & Net Int:	YES (Y) ▼	> OF THE 2 (3) ▼	
Fees:	YES (Y) ▼	> OF THE 2 (3) ▼	
PPA:	YES (Y) ▼		
Taxes:	YES (Y) ▼		
Insurance:	YES (Y) ▼		
<b>IOA Information</b>			
Index:	PRIME (PR) ▼	IOA \$ Offset By Default Int:	NO (N) ▼
Margin:	00.11500000000000	IOA \$ Offset By L/C :	NO (N) ▼
Interest Basis Code:	360/ACT LY (B66) ▼	IOA from:	BORROWER (1) ▼
Compound Freq:	N/A (N) ▼	IOA offset instructions:	
Last Used IOA Rate:	03.36500000000000		
Post Accrual to G/L:	CALC ONLY (2) ▼		
IOA Receivable (asset):	991500000000001 ▼ ...		
IOA Income (revenue):	991600000000001 ▼ ...		

# Balances – Summary Screen

## Snapshot of Advances and Interest on Advances balances

Screen at the Investor Master record rolls up balances for the loan.

Screen at the Investor Vendor rolls up balances for the investor.

**Investor Master**

- Investor Master
- Dates
- Report/Balances
- Contra
- Remit/Processing
- Valuation Analysis
- Advancing Information
- IOA Information
- ARA/ASER Information
- ARA/Aser Amounts
- Fee
- Balances

**Investor Remittance**

	Advances Reported	Advances Outstanding	IOA Outstanding
Principal:		3,375.00	
Interest:		.00	
P&I:	14,822.00	.00	.00
Taxes:	.00	.00	.00
Insurance:	.00	.00	.00
Fees:	.00	.00	.00
PPA:	.00	.00	.00
Total:	14,822.00	.00	.00
Advances Remitted:	.00		
		Borrower Recoveries:	14,850.00
		Clawbacks:	.00
Total Non-Recover Advances:	.00	Clawbacks Returned:	.00
Current Non-Recover Interest:	.00	Current Period Clawback:	.00
Cumulative Non-Rcvr Interest:	.00	Reimbursement Amount Remaining:	.00
Cumulative ASER:	.00	RIOA Due:	.00
Interest Reserve Amount:	.00	RIOA Waived Amount:	.00
Unpaid Service Fees:	.00	RIOA Posted to G/L:	.00
Total Current Appraisals:	.00	RIOA -Offset:	1.32
Loan's UPB:	.00	RIOA -Trust:	.00
		RIOA/Borrower:	.00
		RIOA/R/Loss:	.00
		Projected RIOA Due:	1.32

**Investor Reporting - Investor Rollup**

Transaction ID:

Investor Number:

	Advances Reported	Advances Outstanding	Calculated IOA
Principal:		20,700.70	
Interest:		118,259.86	
P&I:	138,960.56	138,960.56	38.07
Taxes:	.00	.00	.00
Insurance:	.00	.00	.00
Fees:	.00	.00	.00
PPA:	.00	.00	.00
TOTAL:	138,960.56	138,960.56	38.07
Advances Remitted:	138,960.56	Clawbacks:	.00
Borrower Recoveries:	.00	Clawbacks Returned:	.00
Total Current Apprais:	.00	Current Period Clawback:	.00
Total Non-Recover Adv:	.00	Reimbursement \$ Rem:	.00
Current Non-Recover Int:	.00	Projected RIOA Due:	.00
Cumulative Non-Rcvr Int:	.00	Total UPB:	27,158,198.31
Cumulative Aser:	.00		
Interest Reserve Amt:	.00		
Unpaid Service Fees:	.00		
		IOA\$ In GL:	.00
		IOA\$ -Offset:	.00
		IOA Due:	38.07
		IOA Waived Amount:	.00
		IOA\$ -Trust:	.00
		IOA\$/Borrower:	.00
		IOA\$/R/Loss:	.00

# Reviewing Advance Records

STRATEGY CS - [Investors => 150020570 [USD]]

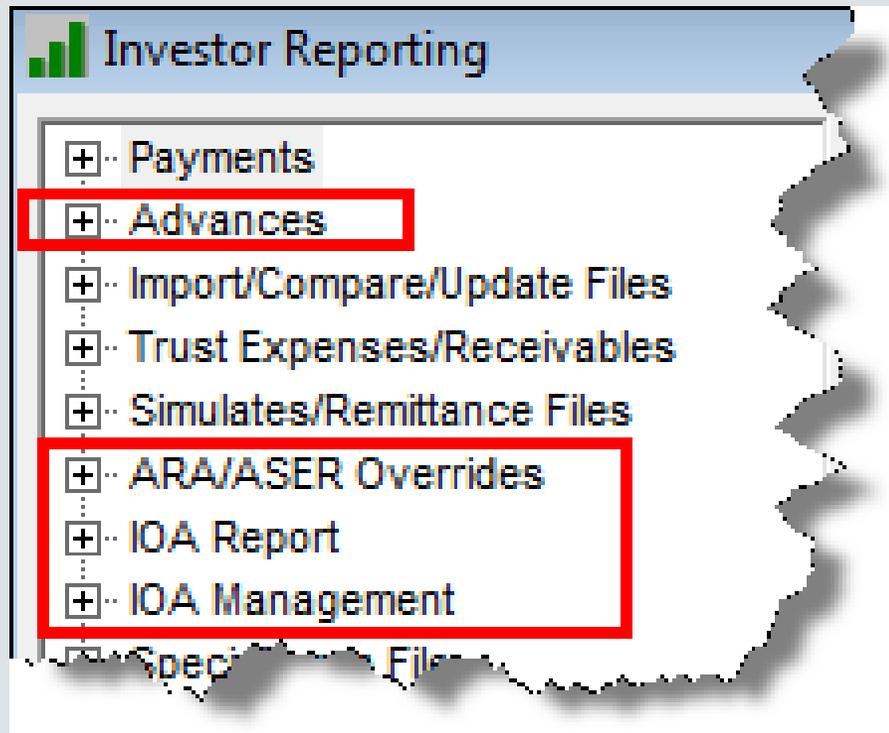
File Edit Tools Additional Window Help

Investor Num	Investor Name	Program ID	Investor Loan Number	Participati...
702	ABENRE	COMMERCIAL	20570702702	100.0000

Next Payment Due Date: 10/01/2007 Principal Balance:

Investor Reporting – Available from Investor Processing Module specific toolbar, Agency Reporting Icon

# IR Information



# Filtering and Viewing Advancing Data

The screenshot displays the 'Investor Reporting' window. On the left is a tree view with expandable nodes. The main area contains a 'Filter Options' section with the following fields:

- Trans ID: [Dropdown]
- Investor Number: [Dropdown]
- Account #: [Text]
- Due Date: [00/00/0000] To [00/00/0000]

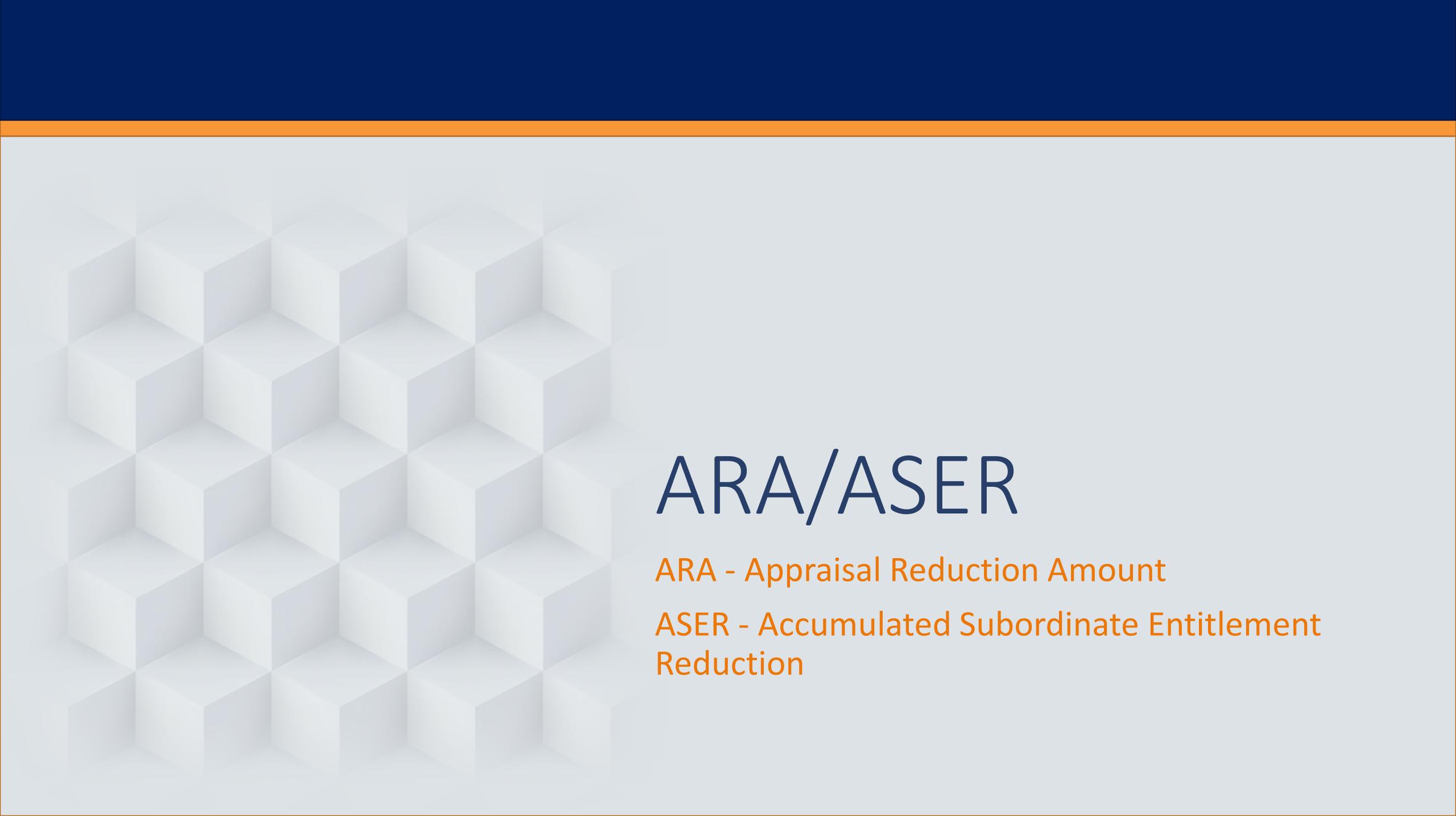
Below the filters is a table with the following columns:

Investor Number	Transaction Id	Loan Number	Sequence Number	Due Date	Type Of Advance	Fee Code	Fee Seq#	Report Date	Reported Advances	Advance Date	Actual Advance	Advance Outstanding	Principal Advances	Interest Advances	Tax Advances	Insuran Advanc
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A 'Right Mouse Options' context menu is overlaid on the table, showing the following options:

- Filter...
- Find...
- Export...

Investor Processing Module>Tools>Agency Reporting>Investor Reporting>Advances



# ARA/ASER

ARA - Appraisal Reduction Amount

ASER - Accumulated Subordinate Entitlement  
Reduction

# ARA/ASER Information

- Rules pertaining to the calculation of ARA and ASER can now be entered at vendor level and will default down to new Investor Master records.
- The parameters can be changed at the Investor Master Level.
- The results of the calculation can be overridden at the Investor Master Level.

# Investor Vendor

Investor Reporting - ARA/ASER Information

Investor: 77016 Transaction: 16077CMW

**ARA**

ARA Preparation Responsibility: MASTER (1)  
Frequency of ARA Calculation (in months): 12

Instructions for Appraisal Trigger Exceptions:  
TBD-generic values entered at setup

**(a)**

Stated Principal Balance to use for ARA Calculation: CUR UPB (C)  
All Accrued & Unpaid Interest: YES (Y)  
All Accrued & Unpaid Fees\_Interest thereon: YES (Y)  
Trust Fund Expenses: YES (Y)  
All unreimbursed advances and interest thereon: YES (Y)  
All currently due and unpaid real estate taxes, assessments insurance premiums, and if applicable, ground rents: YES (Y)  
Other: YES (Y)

Instruction For Other:

**(b)**

**Balances to Include in ARA Calculation**

Taxes & Ins: YES (Y)  
Reserves: YES (Y)  
Letter of Credit: YES (Y)  
Suspense: YES (Y)  
% of Appraisal used in ASER Calculation: 90.00000000000000  
Prior Liens Reduce the Appraisal: NO (N)  
Other: NO (N)

Instruction For Other:

**Penalty ARA**

# of Days after Trigger Event:   
Balance to use for ARA Calculation:   
% of Balance used in ARA Calculation: .00000000000000

**ASER Information**

Method to calculate ASER: CREF C (1)  
Pass Thru Rate set by: TRUST (2)  
# Of Months Delinquent before using ASER: 4

Calculate ASER Using: INTEREST (1)  
Pass Thru Rate: .00000000000000

OK Cancel Apply Help

# Investor Master

Investor Master	Investor Remittance		
<ul style="list-style-type: none"><li>Investor Master</li><li>Dates</li><li>Report/Balances</li><li>Contra</li><li>Valuation Analysis</li><li>Advancing Information</li><li>IOA Information</li><li>ARA/ASER Information</li><li>ARA/Aser Amounts</li><li>Fee</li><li>Balances</li></ul>	<p><b>ARA</b></p> <p>ARA Preparation Responsibility: MASTER (1)</p> <p>Frequency of ARA Calculation (in months): 12</p> <p># of Days after Trigger Event: </p> <p>Instructions for Appraisal Trigger Exceptions : TBD-generic values entered at setup</p>		
	<table border="0"><tr><td data-bbox="708 625 1472 1082"><p><b>(a)</b></p><p>Stated Balance to use for ARA Calculation: CUR UPB (C)</p><p>All Accrued &amp; Unpaid Interest: YES (Y)</p><p>All Accrued &amp; Unpaid Fees &amp; Interest thereon: YES (Y)</p><p>Trust Fund Expenses: YES (Y)</p><p>All unreimbursed advances and interest thereon: YES (Y)</p><p>All currently due and unpaid real estate taxes, assessments insurance premiums, and if applicable, ground rents: YES (Y)</p><p>Other: YES (Y)</p></td><td data-bbox="1498 625 2175 1082"><p><b>(b)</b></p><p><b>Balances to Include in ARA Calculation</b></p><p>Taxes &amp; Ins: YES (Y)</p><p>Reserves: YES (Y)</p><p>Letter of Credit: YES (Y)</p><p>Suspense: YES (Y)</p><p>% of Appraisal used in ASER Calculation: 90.00000000000000</p><p>Prior Liens Reduce the Appraisal: NO (N)</p><p><b>Penalty ARA</b></p><p>Balance to use for ARA Calculation: </p><p>% of Balance used in ARA Calculation: 00.00000000000000</p></td></tr></table>	<p><b>(a)</b></p> <p>Stated Balance to use for ARA Calculation: CUR UPB (C)</p> <p>All Accrued &amp; Unpaid Interest: YES (Y)</p> <p>All Accrued &amp; Unpaid Fees &amp; Interest thereon: YES (Y)</p> <p>Trust Fund Expenses: YES (Y)</p> <p>All unreimbursed advances and interest thereon: YES (Y)</p> <p>All currently due and unpaid real estate taxes, assessments insurance premiums, and if applicable, ground rents: YES (Y)</p> <p>Other: YES (Y)</p>	<p><b>(b)</b></p> <p><b>Balances to Include in ARA Calculation</b></p> <p>Taxes &amp; Ins: YES (Y)</p> <p>Reserves: YES (Y)</p> <p>Letter of Credit: YES (Y)</p> <p>Suspense: YES (Y)</p> <p>% of Appraisal used in ASER Calculation: 90.00000000000000</p> <p>Prior Liens Reduce the Appraisal: NO (N)</p> <p><b>Penalty ARA</b></p> <p>Balance to use for ARA Calculation: </p> <p>% of Balance used in ARA Calculation: 00.00000000000000</p>
	<p><b>(a)</b></p> <p>Stated Balance to use for ARA Calculation: CUR UPB (C)</p> <p>All Accrued &amp; Unpaid Interest: YES (Y)</p> <p>All Accrued &amp; Unpaid Fees &amp; Interest thereon: YES (Y)</p> <p>Trust Fund Expenses: YES (Y)</p> <p>All unreimbursed advances and interest thereon: YES (Y)</p> <p>All currently due and unpaid real estate taxes, assessments insurance premiums, and if applicable, ground rents: YES (Y)</p> <p>Other: YES (Y)</p>	<p><b>(b)</b></p> <p><b>Balances to Include in ARA Calculation</b></p> <p>Taxes &amp; Ins: YES (Y)</p> <p>Reserves: YES (Y)</p> <p>Letter of Credit: YES (Y)</p> <p>Suspense: YES (Y)</p> <p>% of Appraisal used in ASER Calculation: 90.00000000000000</p> <p>Prior Liens Reduce the Appraisal: NO (N)</p> <p><b>Penalty ARA</b></p> <p>Balance to use for ARA Calculation: </p> <p>% of Balance used in ARA Calculation: 00.00000000000000</p>	
<p><b>ASER Information</b></p> <p>Method to calculate ASER: CREF C (1)</p> <p>Pass Thru Rate set by: TRUST (2)</p> <p># Of Months Delinquent before using ASER: 4</p> <p>Calculate ASER Using: INTEREST (1)</p> <p>Pass Thru Rate: 00.00000000000000</p>			

# Investor Master Override

 Investor Master  Investor R

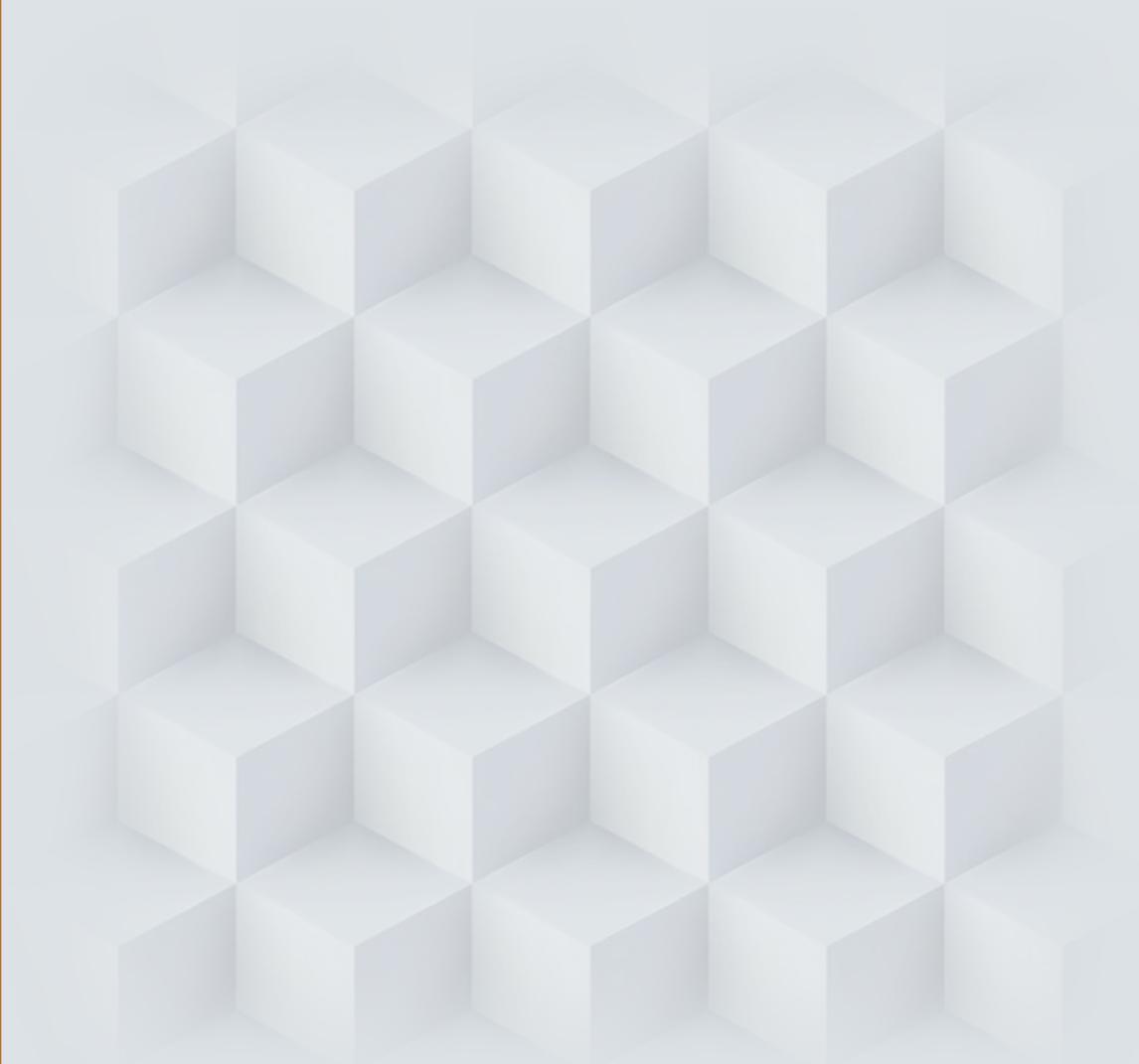
- + Investor Master
- + Dates
- + Report/Balances
- + Contra
- + Valuation Analysis
- + Advancing Information
- + IOA Information
- + ARA/ASER Information
- + **ARA/Aser Amounts**
- + Fee
- + Balances

**ARA Amounts**

Date ARA Calculated:	<input type="text" value="00/00/0000"/>	ARA Calculated:	<input type="text" value=".00"/>
Date ARA Special Servicer:	<input type="text"/>	ARA Special Servicer:	<input type="text" value=".00"/>
Date ARA Override:	<input type="text" value="00/00/0000"/>	ARA Override:	<input type="text" value=".00"/>
ARA to Use:		<input type="text" value=".00"/>	

**ASER Amounts**

ASER Calculated:	<input type="text" value=".00"/>
ASER Override:	<input type="text" value=".00"/>
ASER to Use:	<input type="text" value=".00"/>



# Remittance Information- Critical Dates

# Critical Dates

- Determination Date
  - Prior Determination Date
- Reporting Date
- Remittance Date
- Distribution Date
- P&I Advance Date
- IRP Supplemental Reporting Date
- User Date 1
- User Date 2
- Next Cutoff Date
- Recalculation Date
- Prior Recalculation Date

# Set Investor Vendor Dates in the Future for an F1 Program ID

**Disable** the standard Advance Date and Remittance dates in the Investor Vendor by setting the dates far into the future.

## Cutoff Information Section:

- Advance Date-(not P&I Advance Date)

## Remittance Instructions Section:

- Next Remittance Base Date
- Last Remittance Base Date the system will update the Next Remittance Date and the Last Remittance Date to be the future Date

Vendor Remittance Information

Investor: 00750 IRP Master Serviced Program ID: F1 RESIDENTIA (F1)

**Business Calendars** Use Business Calendar for Cutoff and Remit dates:  Business Calendar Code:  Business Calendar Option:

**Cutoff Information**

Next Cutoff Base Date:  Next Cutoff Date:  Consider Unpd Sched Pmt Delq:

Last Cutoff Base Date:  Last Cutoff Date:  Hold Posting:

Cutoff Freq Method:  Advance Date:  Distribution Date:

Cutoff Frequency:  Start Collection Period:  End Collection Period:

Balance Due Last Cutoff:

**Critical Dates**

Recalculation Date:  Reporting Date:  IRP Supplemental Report Date:

Prior Recalculation Date:  Remittance Date:  User Date 1:

Determination Date:  Distribution Date:  User Date 2:

Prior Determination Date:  P&I Advance Date:  Date Calc Parameters:

**Remittance Instructions**

Next Remittance Base Date:  Dep Gross Cust:  Suspense Escrow:

Next Remittance Date:  Remit Gross P&I:  Late Charge:

Last Remittance Base Date:  Remit Net P&I:  Gross Gr Rent:

Last Remittance Date:  Contingent Int:  Net Ground Rent:

Remit Freq Method:  Escrow 1:  Print Check:

Remit Freq:  Escrow 2:  Escrow 3:  Allow Excess Yld:

Weekly Remittance Day:  Escrow 4:  Escrow 5:  Guaran or Non-Guaran:

Minimum \$ to Remit:  P&I Test #:

Payoff Formula:

Int Basis for Loan Adv:  Remittance File Type:

Remittance Instruction:

**Late Charge Information**

Percent Due Servicer:  Max Amt Due Servicer:

Initial Amount to Servicer:  Amt Tied to Prin Bal:

OK Cancel Apply Help

# Critical Dates

- Option to setup dates using parameters
- Dates can be keyed into fields without setting up parameters
  - Dates without any parameters will just roll to the next month
- Mapping Tool can also be used to upload dates without setting up calculation parameters
- When answering the question on the critical date screen Strategy will automatically calculate based on the date calc parameters, and then apply business day calendar logic (calendar and weekends).

# Critical Date tips

- Determination and Next Cut-Off Date-
  - must have the same Critical Date formula, or you need to manually update the date.
- Remittance(in the Critical Date section)/P&I Advance Date-
  - must have the same Critical Date formula, or you need to manually update the date.

# Investor Vendor Remittance Information using the Date Calc Parameters functionality

**Vendor Remittance Information** [Close]

Investor: 76027 IRP Deal SR47501      Program ID: F1 RESIDENTIA (F1)

**Business Calendars**  
Use Business Calendar for Cutoff and Remit dates:  [v]  
Business Calendar Code:  [v]      Business Calendar Option:  [v]

**Cutoff Information**

Next Cutoff Base Date: <input type="text" value="08/12/2019"/>	Consider Unpd Sched Pmt Delq: <input type="text" value="NO (N)"/> [v]
Next Cutoff Date: <input type="text" value="08/12/2019"/>	Hold Posting: <input type="text" value="YES (Y)"/> [v]
Last Cutoff Base Date: <input type="text" value="07/11/2019"/>	Advance Date: <input type="text" value="08/27/2019"/>
Last Cutoff Date: <input type="text" value="07/11/2019"/>	1st Distribution Date: <input type="text" value="00/00/0000"/>
Cutoff Freq Method: <input type="text" value="MONTHLY (M)"/> [v]	Start Collection Period: <input type="text" value="00/00/0000"/>
Cutoff Frequency: <input type="text" value="0001"/>	End Collection Period: <input type="text" value="00/00/0000"/>
Balance Due Last Cutoff: <input type="text" value="123,760.41"/>	

**Critical Dates**

Recalculation Date: <input type="text" value="08/26/2019"/>	Reporting Date: <input type="text" value="08/16/2019"/>	IRP Supplemental Report Date: <input type="text" value="00/00/0000"/>
Prior Recalculation Date: <input type="text" value="07/25/2019"/>	Remittance Date: <input type="text" value="08/26/2019"/>	User Date 1: <input type="text" value="00/00/0000"/>
Determination Date: <input type="text" value="08/12/2019"/>	Distribution Date: <input type="text" value="08/26/2019"/>	User Date 2: <input type="text" value="00/00/0000"/>
Prior Determination Date: <input type="text" value="07/11/2019"/>	P&I Advance Date: <input type="text" value="08/26/2019"/>	Date Calc Parameters: <input type="text" value="..."/>

**Remittance Instructions**

Recommended order of set up:  
First click on the ellipse button 'Date Calc Parameters'

Create the formula for the first date in the month, example Determination Date

Once you close the Date Calc Screen it will Populate the Critical Dates Section Below.

You can not set up a formula that is based on a date that has not been already defined.

# Critical Date Calculation Parameters

- Used in the Calculation of single calculation:
  - Based on Date #1, Date for Date # 1, Move Forward or Backward, # of Business Days to Move
  - In this example It will calc the 25<sup>th</sup> then check the business calendar for the next business day.

The screenshot shows a dialog box titled "Critical Date Calculation Parameters" with the following fields and controls:

- Date Name:** DSTRBUTION (DSTB) (dropdown)
- Calculation Type:** SINGLE CALCULATION (? (dropdown)
- Date #1 Section:**
  - Based on Date #1:** (empty dropdown)
  - Date for Date #1:** (C25) CALENDAR DATE 25 (dropdown) with an ellipsis button (...)
  - Move Forward or Backward #1:** FORWARD(F) (dropdown)
  - # of Business Days to Move #1:** (empty text box)
- Date #2 Section:**
  - Date to Use:** (empty dropdown)
  - Based on Date #2:** (empty dropdown)
  - Date for Date #2:** (empty dropdown) with an ellipsis button (...)
  - Move Forward or Backward #2:** (empty dropdown)
  - # of Business Days to Move #2:** (empty text box)
- Buttons:** OK, Cancel, Apply, Help
- Status Bar:** Ready

# Critical Dates – Recalculation Date

- Recalculation Date cannot be earlier than any other Critical Date
- On the Recalculation Date
  - Dates will move (examples)
    - Current Determination Date is moved to the Prior Determination Date
    - Current Recalculation Date is moved to the Prior Recalculation Date
  - Dates will be recalculated for the next month according to parameters provided. Note:
    - If no parameters, dates roll to the next month
  - Dates will 'trickle down' to the Investor Master level
  - Note: When you use date calc parameter and apply or save, it recalculates dates in the current month.



# Critical Date Processing - Advances

- On the Determination/Cutoff date
  - A preliminary advance record is created.
  - Each day following the determination date up to and including the report date, the preliminary advance record is deleted and re-created.
  - The preliminary advance record contains a 'reported advance amount' and the 'report date'.
- On the Reporting date
  - The permanent advance record is created and the 'reported advance amount' and the 'report date' fields are permanently populated.
  - The actual advance and actual advance date is NOT populated. The actual advance has not happened yet.
- On Remittance/P&I Advance Date
  - The permanent advance record is updated with the actual advance amount and the actual advance date.
  - The advance money is moved from Corporate cash into the Investors disbursement account.
  - Payments collected against actual advances are reflected as recoveries.
- There is no processing associated with
  - IRP Supplemental Report Date
  - Distribution Date

# More about remittances . . .

Here is how investor vendors with hold posting 'N' monthly cut off and remittance works:

- On the Cutoff Date,
  - Remittance is calculated
  - Cash entry put into PICD.
  - Remittance reports are created.
- Remittance entries will not be shown on the MB330 Corporate Cash report or the MB432C report until the next day.
  - Allows for review and updating of custodial entries if necessary.

Example: Cutoff Date is February 28<sup>th</sup>

February 28<sup>th</sup>:

During day end:

Remittance reports created

Remittance entries added to PICD

March 1<sup>st</sup>

Customer reviews reports and cash entries, makes any changes

During day end:

Remittance PICD entries moved to PICH historical file

Remittance shown on the MB330 and MB432 reports, hitting the custodial account balances.

# Example

Critical dates may be defined by a servicing agreement.

## Example reporting Critical Dates

Determination/Cutoff Date – 10/11/2012

Report Date – 10/15/2012

Advance / Remit Date – 10/17/2012

Distribution Date – 10/18/2012

- On Deals **Determination/Cutoff Date** (during day end the night of Determination Date) a **preliminary** P&I (P) advance record is created for any loan within the applicable Investor(s) for the associated payment/reporting month that is delinquent or not yet due.
  - For example the Determination Date is 10/11/2012 so all loans that have not had their **October 2012** payment satisfied for **P&I** should be reflected with a preliminary advance record on the Advance Screen, this would include loans with a payment due date of 10/15/2012 which are technically not yet due, but potentially will be advanced if payment is not received.
- For the loans meeting the criteria above relating to the October 2012 P&I payments that have not yet been received and the preliminary advance record has been created, all columns should be populated with the exception of the Actual Advance amounts and dates.
  - Note: future payment due dates (i.e. November 2012) payment due dates for P&I should not be reflected with preliminary records because we have not yet gotten to that reporting period.
- Each day end from Determination Date through and including the Report Date should update the applicable preliminary “Reported Advances” amounts. On day end of the Reporting Date the Reported advances are *finalized* based on most recent information (including and ARA/ASER updates) on the actual Report Date.
  - For example Determination of 10/11/2012, Report Date of 10/15/2012, Reported Advances are initially populated on the day end of 10/11/2012, updated again after day end on 10/12/2012 through 10/14/2012, and *finalized* for October reporting using the “as of” information from the day end that ran on 10/15/2012. These figures would be the same / and remain unchanged until the next Determination Date of 11/13/2012.
- On the Determination/Cutoff date the Reported Advance Amounts should be populated with the applicable P&I advance amount for the October 2012 payments that were still delinquent and/or October 2012 payments not yet due as of that date.
  - Using the same example Determination 10/11/2012, Report Date of 10/15/2012, Advance / Remit Date of 10/17/2012, every day end between the Determination and Reporting dates the system will update the Reported Advance amounts. On the P&I Advance/Remittance Date, the Reported Advance Amounts and Dates become Actual Advance Amounts and Dates.
  - Note in many instances there can be loans that contain a “Reported Advance” for P&I for October 2012, but because the payment came in before the P&I Advance/Remittance Date there would not be a corresponding “Actual Advance”.
- Reported Advances should stay populated/static from the “Reporting Date” day end (unless recovered) until the next months Determination Date at which time they are “overridden” with that months Reported Advance amounts. So for the example above the same values would be reflected in the Reported Advances fields from 10/15/2012 until 11/13/2012. Then these values (Reported Advances) would potentially change from 11/13/2012 (November Determination Date), 11/14/2012, and finalized after day end on 11/15/2012 which is the November Report Date.
- Actual Advance Amounts are updated daily throughout the month based on advances and recovery information through the including the prior day end so the Actual Advances and Reported Advances in most instances will contain very different amounts.
- Note the items above also factor in the applicable ASER information which are also being finalized during the same time period and are discussed in greater detail below.

# Critical Date Calculation Parameters

- Calculation Types

- Single Calculation

- Parameters can only be setup for Date #1

- Compound Calculation

- Parameters are setup for both Date #1 and Date #2 to be compared
    - Date to Use field indicates whether to use the 'Earlier' or 'Later' Date

The screenshot shows a dialog box titled "Critical Date Calculation Parameters". At the top left, there are two dropdown menus: "Date Name:" and "Calculation Type:". Below these, the dialog is split into two columns for "Date #1" and "Date #2". The "Date #1" column has a label "Date #1" (highlighted with an orange box), followed by "Based on Date #1:" (dropdown), "Date for Date #1:" (dropdown with a "..." button), "Move Forward or Backward #1:" (dropdown), and "# of Business Days to Move #1:" (text input). The "Date #2" column has a label "Date #2", followed by "Date to Use:" (dropdown), "Based on Date #2:" (dropdown), "Date for Date #2:" (dropdown with a "..." button, highlighted with an orange box), "Move Forward or Backward #2:" (dropdown), and "# of Business Days to Move #2:" (text input). At the bottom right, there are four buttons: "OK", "Cancel", "Apply", and "Help".

# Critical Date Calculation Parameters

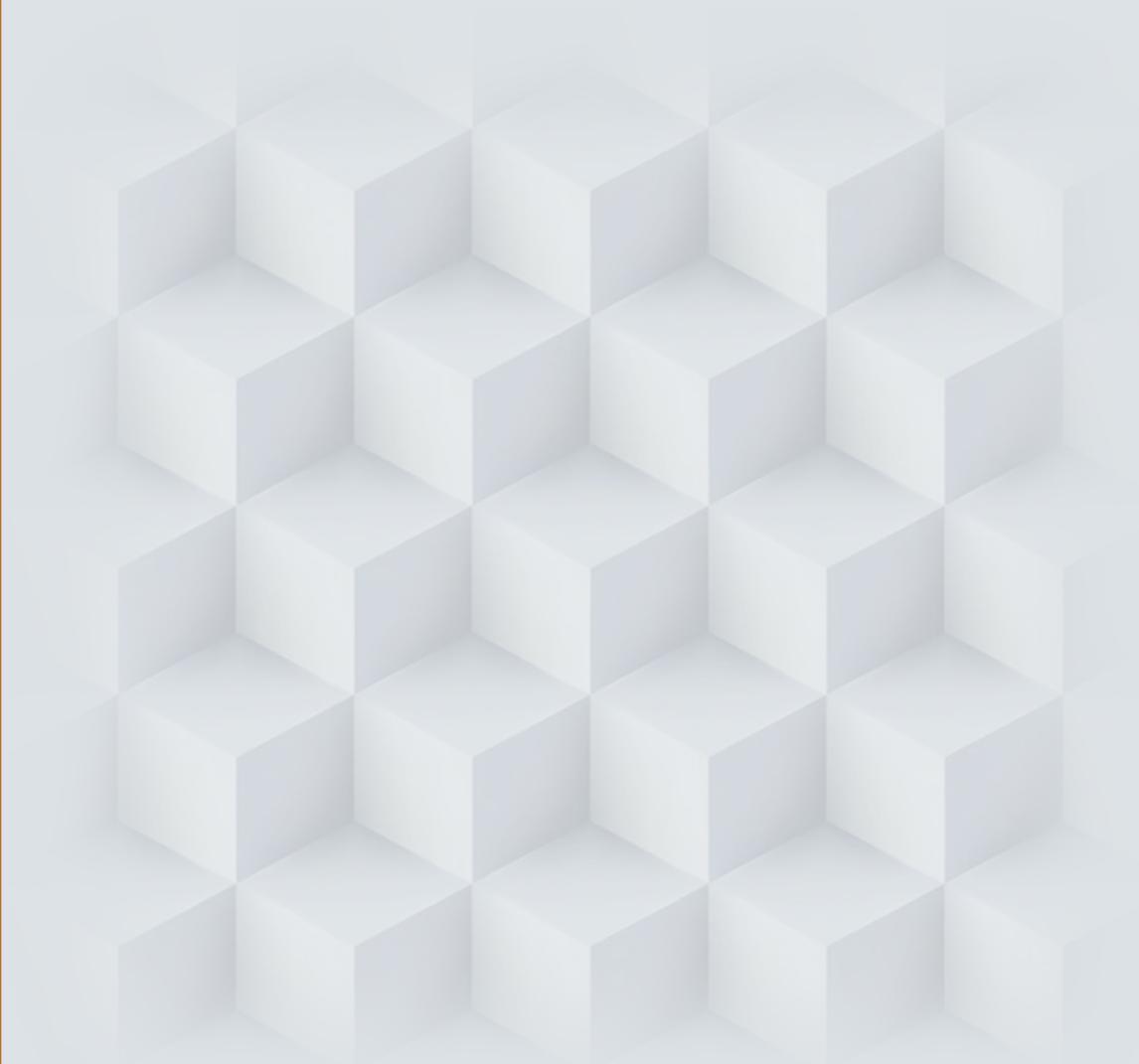
- Date for Date #1
  - Available if Based on Date #1 is not being used
  - User can select the type of date that is needed.
    - Specific day of the week (1<sup>st</sup> Monday of the Month)
    - Specific business day (5<sup>th</sup> Business day of the Month)
    - Calendar Date (11th)

**Date for Date #1:**   

- (1MD) 1ST MONDAY OF THE MONTH 
- (1TD) 1ST TUESDAY OF THE MONTH
- (1WD) 1ST WEDNESDAY OF THE MONTH
- (1HD) 1ST THURSDAY OF THE MONTH
- (1FD) 1ST FRIDAY OF THE MONTH 

# Coming Soon (Rel 20A).....

- Reports
  - A – Advance Recovery
  - R – REO Status
  - T – Total Loan
- File
  - A – Schedule AL
- Updates for CREFC 8.2
  - ARM Index Information to support SOFR
    - Change to Loan Periodic Update File
    - ARM Index Translation Table Additions



Files

# Dancing Partners



– files at both Investor Vendor and Investor Master levels

	Investor Vendor level:	Investor Vendor File Name:	Investor Master level:	Investor Master File Name:
Advancing information	✓	PPSADIV	✓	PPSAIM
IOA information	✓	PPSADIV	✓	PPSAIM
ARA/ASER	✓	PPSADIV	✓	PPSAIM
Fees	✓	PINVIOSTRP	✓	PIOSTRP
Interest Reserves	✓	PPSADIV	✓	PPSAIM
PPIE/PPIS setting	✓	PPSADIV & PPSADIN	N/A	N/A

- Defaults set at Investor Vendor flow through to the Investor Master record, where they may be overridden.
- Keep in mind, after initial setup if you update the Investor Vendor for a deal, you must also update the Investor Master records. Consider using MaTi.

# Files used for CREFC Reporting

<b>File</b>	<b>Description</b>	<b>File</b>	<b>Description</b>
PINIM	Fees & Other Amts Effecting Net Int	PPSAADIN	Deal/Investor Associated Names
PINVIOSTRP	IO Strip Fee – Investor	PPSADIV	Deal/Investor Vendor
PIOAHHA	Holds “as of” IOA-Temporary File	PPSAFBI	Fees – Borrower/Investor
PIOSTRP	IO Strip Fee File	PPSAFMTR	Advances Tracking
PIRROFPREM	Simulated Remittance – ROF	PPSAHST	Change Tracking for Obligation & Proc
PMASTR4	Loan Master Additional Info	PPSAIM	Investor Master
PMCA2	Additional MCA info	PPSAIRRPT	Simulated Remittance File
PMCAIMST	MCA Investor Master Info	PPSAPROP	Property – Annex A
PMCAIRPTYP	MCA Loan Type	PPSAPRTFRD	Portfolio Registration Dates
PMISCARMT	Misc. Receivables ‘remit to’ info	PPSAPRTFRH	Portfolio Registration Dates History
PPSAADV	Advances and Int on Adv	PPSARES	Reserves – Sub Servicer Reserve
PPSAALR	Advances Limits Reached	PPSASPS	Special Servicer
PPSADBNR	Balance and Rates Investors		

# Files used for CREFC Reporting

<b>File</b>	<b>Description</b>	<b>File</b>	<b>Description</b>
PPSASPSC1	Special Servicer Compare	P3RDWIRE	Third-party Wiring Instructions
PPSASUS1	Sub Servicer 1	PASERHIST	ASER History
PPSASUS2	Sub Servicer 2	PMCAOBAL	MCA OSAR Info
PPSATFER	Transfer To/From Special Servicing	PPSASU1C1	Sub Servicer Compare File
PROLE3RD	Roles for the Third-party Names	PPSASU2C1	Sub Servicer Compare File
PSUBSRV	Sub Servicer Work file	PPSARESH	Sub Servicer Reserve History
PSUBSRVE	Sub Servicer East Work file	PPSASPSH	Special Servicer History File
PARAHST	Sub Servicer West Work file	PPSASPSCH	Special Servicer Compare History File
PNAMCOMCON	Company Contacts	PPSASU1CH	Sub Servicer Compare History
PNAMWIRE	Company Name Wiring Instructions	PPSASUS1H	Sub Servicer 1 Remit History
PPSAANXA	Annex A – Import File	PPSASUS2H	Sub Servicer 2 West History File
PPSAANXAH	Annex A – History File		
P3RDCOMCON	Company Contacts by Deal		

Questions?

# Gross Interest available for distribution

# Gross Interest available for distribution

- Ability to divide the Gross Interest Rate paid by the borrower to a specific Investor/ 3rd party or to pay fees (example service fee).
  - Ability to control the amount distributed
  - Can be distributed to multiple investors
  - Can control the period that the Yield Distribution applies

# Excess Yield Today

• Coupon Rate		<b>7.00%</b>
• Less Investor Net Yield	<b>-5.00%</b>	
• Less Guarantee Fee	<b>-0.00%</b>	
• Less Service Fee	<b>-0.25%</b>	

\*\*Excess Yield can be Positive or Negative



# Yield Distribution - Proposed Enhancements

Loan Coupon Rate (7.00%)

Less Investor Net Yield (5.00%)

Less Guarantee Fee (0%)

Less Service Fee (.25%)

+ or – Yield Distribution (1.75%) – New Ability to Enter Value

= Zero or Excess Yield

\* Unlike Excess Yield, Yield Distribution can be designated as a value to be calculated to Borrower's Gross Interest

# Yield Distribution – Proposed Enhancements

- Coupon Rate
- Less Investor Net Yield
- Less Guarantee Fee
- Less Service Fee
- + or – Yield Distribution (1.75%)

**7.00%**

**-5.00%**

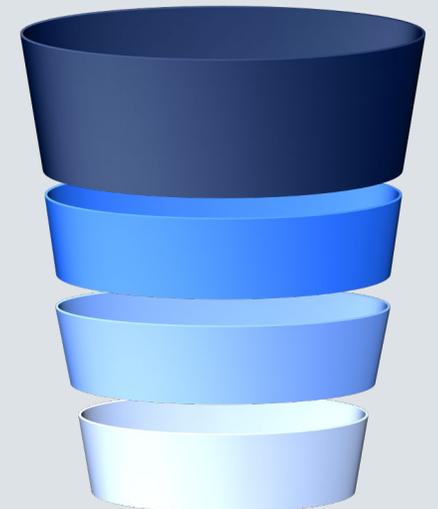
**-0.00%**

**-0.25%**

Yield Distribution

**1.75%**

Unlike Excess Yield, Yield Distribution can be designated as a value to be calculated to Borrower's Gross Interest

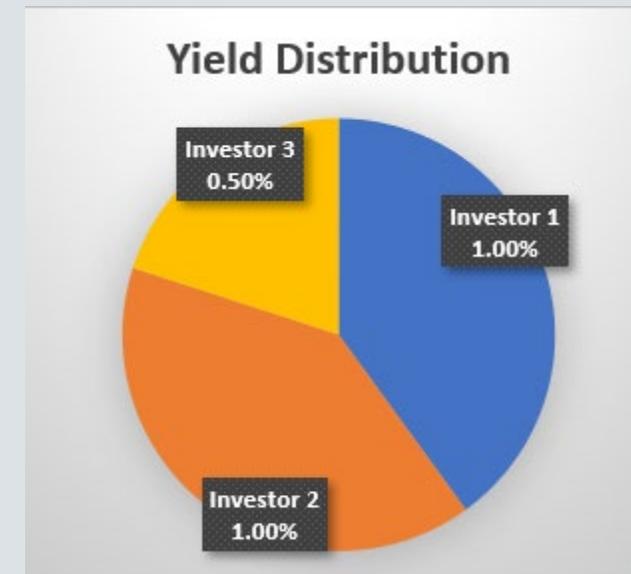


# Enhanced complexity to manage return

- Coupon Rate **7.00%**
- Less Investor 1 Net Yield (50%) **-5.00%**
- Less Investor 2 Net Yield (50%) **-4.00%**
- Less Investor 3 Net Yield (0%)

## Yield Distribution

Investor 1	1.00%
Investor 2	1.00%
Investor 3	0.50%



# An Example

- \$1,000,000 loan at 7% coupon closes on the first of the month
  - The originating lender sells 100 % of the loan to the servicer on the first
  - The Investor/Servicer receives Net Yield at 5.00%
  - Broker Fee of .125% is paid to the Investor/Servicer
- 50% of the loan is sold to Investor B as of the 16<sup>th</sup> of the month
  - Investor B receives a Net Yield of 4.00%
  - Investor B also receives a 1.50% Yield Distribution
  - Broker Fee – Fixed Rate of \$50.00 is paid to the Originating Investor
  - The Originating Investor reduces his Yield Distribution to .50%

# What that month looks like

Loan, 1,000,000 7%, Actual /360		Originating Lender 0%, YD of 2.00 % YD to .50% on 16th		Investor/Servicer Owns 100% at 5% Sells 50% on 16th		Investor B Buys 50% on 16 <sup>th</sup> at 4% plus YD of 1.5%		
1-15th	16-31st	1-15th	16-31st	1-15th	16-31st	1-15th	16-31st	
\$2,916.67	\$3,111.11	0.00	0.00	\$2,083.33	\$1,111.11	0.00	888.89	Interest
		(104.17)		104.17				Broker Fee
			50.00		(50.00)			Fixed Rate Fee
		833.33	222.22	0.00	0.00	0.00	666.67	Yield Differential
\$6,027.78		\$1,001.38		\$3,248.61		\$1,555.56		\$5,805.55 Remitted

Questions?