



**Real Estate Assessment Center (REAC)**

**Lender Assessment Subsystem (LASS)  
Release 2.0**

**FINANCIAL DATA TEMPLATE  
LINE DEFINITIONS  
GUIDE**

**August 28, 2001**

## TABLE OF CONTENTS

<a href="#"><u>EXECUTIVE SUMMARY</u></a> .....	1
<a href="#"><u>INTRODUCTION</u></a> .....	2
<a href="#"><u>GETTING STARTED</u></a> .....	3
<a href="#"><u>ACCOUNTING AND REPORTING STANDARDS</u></a> .....	5
<a href="#"><u>FDT DEFINITIONS: USING THIS GUIDE</u></a> .....	6
<a href="#"><u>BALANCE SHEET</u></a> .....	7
<a href="#"><u>ASSETS</u></a> .....	7
<a href="#"><u>LIABILITIES</u></a> .....	13
<a href="#"><u>EQUITY</u></a> .....	15
<a href="#"><u>TRUST FUNDS – MEMO ACCOUNTS</u></a> .....	16
<a href="#"><u>STATEMENT OF OPERATIONS AND RETAINED EARNINGS</u></a> .....	17
<a href="#"><u>REVENUE</u></a> .....	17
<a href="#"><u>EXPENSES</u></a> .....	20
<a href="#"><u>STATEMENT OF RETAINED EARNINGS</u></a> .....	24
<a href="#"><u>STATEMENT OF CASH FLOWS</u></a> .....	25
<a href="#"><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></a> .....	25
<a href="#"><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></a> .....	28
<a href="#"><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></a> .....	29
<a href="#"><u>COMPUTATION OF ADJUSTED NET WORTH AND MINIMUM NET WORTH</u></a>	
<a href="#"><u>REQUIREMENTS</u></a> .....	32
<a href="#"><u>TITLE II NONSUPERVISED MORTGAGEES OTHER THAN LOAN CORRESPONDENTS</u></a> .....	32
<a href="#"><u>TITLE I NONSUPERVISED MORTGAGEES</u></a> .....	35
<a href="#"><u>TITLE I AND II LOAN CORRESPONDENTS</u></a> .....	36
<a href="#"><u>TITLE I AND TITLE II NONSUPERVISED MORTGAGEES</u></a> .....	38
<a href="#"><u>COMPUTATION OF LIQUID ASSETS AND LIQUIDITY REQUIREMENTS</u></a> .....	41
<a href="#"><u>TITLE II NONSUPERVISED MORTGAGEES AND LOAN CORRESPONDENTS</u></a> .....	42
<a href="#"><u>DATA COLLECTION FORM</u></a> .....	44
<a href="#"><u>APPENDIX A. – FDT LINES REQUIRED BY LASS</u></a> .....	50

## **EXECUTIVE SUMMARY**

This guide was prepared by the U.S. Department of Housing and Urban Development's (HUD), Real Estate Assessment Center (REAC) with assistance from KPMG Consulting. This guide should be used in conjunction with the HUD LASS User Guide, also issued by REAC.

The purpose of this guide is to:

- Define the Financial Data Template (FDT) lines
- Provide a general definition of each line on the required Data Collection Form (DCF)
- Provide a list of required inputs, by line number, on the Financial Data Template as required by LASS
- Provide the templates for Financial Data Template and Data Collection Form.

## INTRODUCTION

The Financial Data Template (FDT) was created in order to standardize the financial information reported by FHA approved loan correspondents and non-supervised lenders and mortgagees to the Department of Housing and Urban Development (HUD), Real Estate Assessment Center (REAC). HUD currently requires FHA approved lenders to report their audited financial information in paper format. REAC will collect this audited financial information in an electronic format via the Financial Data Template (FDT) to analyze the audited financial data, in conjunction with other compliance factors, to help automate and standardize the FHA lender recertification process.

This guide is to provide assistance with the preparation of the FDT. This guide is arranged based on the FDT line numbers and includes the following:

- a description or definition of line item
- a summary of the accounts which should be reported on line (by cross reference to the suggested accounts per Consolidated Audit Guide for Audits of HUD Programs 2000.4, REV-1)

## GETTING STARTED

According to the Proposed Rule, all lenders are required to electronically submit their annual audited financial data to HUD, REAC, once the Rule is in effect. In order to facilitate the electronic submission of financial data, the lender should gather and prepare certain information in advance of completing the FDT.

### **Necessary information:**

Before beginning the process of inputting data into the FDT, the PHA should accumulate the following information:

- Annual audit report
- FDT line item definitions as documented in the Posting Guide
- Chart of account definitions used by the lender
- An electronic version of the FDT

Please refer to Appendix B for a copy of the FDT. A copy of the FDT is also included in the User Guide (available on HUD's website at [www.hud.gov/REAC](http://www.hud.gov/REAC)). Questions related to the accounting standards should be discussed with the lender's independent accountant or auditor to ensure appropriate consideration and treatment of individual lender conditions and circumstances. The independent accountant or auditor should be relied upon when determining and posting necessary line entries.

### **Completing the Financial Data Template (FDT):**

In order to complete the FDT, the lender may follow the guidance below to get started:

- Review this document and the information to be reported on each line of the FDT.
- Review the FDT to become familiar with the program and line information to be input.
- Record your financial data in the FDT by taking each year-end account balance and posting it to the appropriate FDT line.

### **Completing the Data Collection Form (DCF):**

In order to complete the Data Collection Form (DCF) the lender may follow the guidance below to get started:

- Review the prior years audited financial statements to determine types of opinion, reportable conditions, material weaknesses, and other necessary information
- Review the management letter provided by the auditor and assess whether areas discussed should be reported on the DCF
- Complete the DCF for the audited submission using actual information from the auditor and audited financial statements

**FDT Electronic submission:**

The lender must electronically submit the FDT in accordance with the submission requirements posted in the Federal Register. HUD will maintain a secure Internet connection site allowing the lender to log in via FHA Connection to:

- Transmit financial data
- Review the submission status of transmissions

HUD will provide software at the connection to facilitate the timely submission of accurate financial data. The software will automatically download each time it is utilized; assuring the most recent version of the FDT is available. This software is named the Lender Assessment Subsystem (LASS).

## ACCOUNTING AND REPORTING STANDARDS

This guide was created based on information gathered from various generally accepted accounting principles (GAAP) references. The accounting and reporting standards summarized in the posting guide and appendix are based on the following pronouncements:

1. Consolidated Audit Guide for Audits of HUD Programs, 2000.04, REV-2
2. The accounting information regarding Financial Accounting Standards Board listed as follows:
  - FAS No.65 – Accounting for Certain Mortgage Banking Activities (Issue date 9/82)
  - FAS No.91 – Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases—an amendment of FASB Statements No. 13, 60, and 65 and a rescission of FASB Statement No. 17 (Issue date 12/86)
  - FAS No.95 – requires a statement of cash flows as part of a full set of financial statements for all business enterprises in place of a statement of changes in financial position. (Issue date 11/87)
  - FAS No.115 – Accounting for Certain Investments in Debt and Equity Securities (Issue date 5/93)
  - FAS No.125 – Accounting for Transfers and Servicing of Financial Assets and Extinguishing Liabilities (Issue date 6/96)
  - FAS No.130 – Reporting Comprehensive Income (Issue date 6/97)
  - FAS No.133 – Accounting for Derivative Instruments and Hedging Activities (Issue date 6/98)
  - FAS No.134 – Accounting for Mortgage-Backed Securities Retained after the Securitization of Mortgage Loans Held for Sale by a Mortgage Banking Enterprise—an amendment of FASB Statement No. 65 (Issue date 10/98)
  - FAS No.140 – supercedes FAS No.125 for entities with fiscal years beginning after December 15, 2000 (Issue date 9/00)

## **FDT DEFINITIONS: USING THIS GUIDE**

The following line definitions summarize the information to be reported on each line of the FDT and provide general guidance on determining the source of the information. The definitions are arranged in the order they appear on the FDT as they will appear in the HUD Real Estate Assessment Center (REAC) Lender Assessment Subsystem (LASS).

### **IMPORTANT:**

**The following definition of each FDT line should be used to properly identify the information to be reported.**

## BALANCE SHEET

### ASSETS

#### CURRENT ASSETS

Current assets are resources that are reasonably expected, based on the plans and intentions of the lender, to be converted into cash or its equivalent during the current business cycle.

#### **111 Cash and Cash Equivalents**

*Definition:* This FDT line represents cash and cash equivalents as defined in Paragraphs 7 and 8 of FAS 95. Includes only unrestricted funds. Does not include escrow funds for payment of mortgagors' taxes, insurance, and related items, or other fiduciary funds.

Consistent with common usage, cash includes not only currency on hand but demand deposits with banks or other financial institutions. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at charges and credits to those accounts are cash receipts or payments to both the entities owning the account and the bank holding it. For example, a bank's granting of a loan by crediting the proceeds to a customer's demand deposit account is a cash payment by the bank and a cash receipt of the customer when the entry is made.

For purposes of this Statement, cash equivalents are short-term, highly liquid investments that are both:

- a) Readily convertible to known amount of cash
- b) So near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Generally, only investments with original maturities of three months or less qualify under that definition. Original maturity means original maturity to the entity holding the investment. For example, both a three-month U.S. Treasury bill and a three-year Treasury note purchased three months from maturity qualify as cash equivalents. However, a Treasury note purchased three years ago does not become a cash equivalent when its remaining maturity is three months.

#### **121 Accounts Receivable, net of allowance of doubtful accounts**

*Definition:* This FDT line item represents non-mortgage notes, interest, accounts, and advance receivables that are not due from related parties and that are considered collectible in a normal business cycle. Includes mortgage loan interest receivable. Total Accounts Receivable less Allowance for Doubtful Accounts equals Net Accounts Receivable.

### **131 Securities Held-to-Maturity**

*Definition:* This FDT line item represents the securities that the lender has the positive intent and ability to hold to maturity. These securities are reported at amortized cost (per FAS 115). Includes both short- and long-term held-to-maturity investments.

### **132 Securities Available for Sale**

*Definition:* This FDT line item represents the securities that the lender does NOT have the positive intent and ability to hold to maturity, yet does NOT intend to actively trade. Must be reported at after-tax fair market value (per FAS 115 and FAS 134) with changes in values captured in the equity section via comprehensive income (FAS 130).

### **133 Trading Account Securities**

*Definition:* Securities that are routinely traded and sold as a course of normal business operations. Includes MBS intended for immediate or near-term sale, including MBS held in conjunction with mortgage banking activities. These securities are actively traded. Must be reported at after-tax fair market value (per FAS 134) with changes in value captured directly in the income statement.

### **134 Loans Held for Sale, at lower of cost or market**

*Definition:* This FDT line includes unpaid principal balance (UPB) of loans held for sale, including undisbursed funds, net of any discounts, deferred fees and costs on loans per FAS Statement 91 and net of unrealized losses. Does not include mortgage loans held for investment and loans on which interest is not being accrued.

### **135 Other Current Assets**

*Definition:* This FDT line represents current assets, other than those identified above, that are reasonably expected to be realized in cash, sold, or consumed during normal business cycle. Other current assets has a 'Details' link that leads into a screen, where the lender can enter the description of any other current assets and the corresponding dollar amount. LASS automatically performs the summation of other current assets from this details screen and populates line 135.

### **150 Total Current Assets**

*Definition:* This FDT line represents total cash and other current assets reasonably expected to be realized in cash, sold or consumed in a normal business cycle. It is the sum of FDT lines 111 through 135. LASS automatically performs the summation of lines 111 through 135 and populates line 150.

## **NON-CURRENT ASSETS**

Non-current assets are resources that are not expected to be converted into cash or its equivalent during the current business cycle.

### **165 Property, Equipment and Leasehold Improvements, Net of Accumulated Depreciation**

*Definition:* This FDT line item represents buildings, land, improvements, equipment, vehicles, furniture, and other owned tangible property booked at historical cost less accumulated depreciation on such assets.

### **171 Net Mortgage Servicing Rights**

*Definition:* Per FAS 125, this FDT line item represents the unamortized cost of both originated and purchased mortgage-servicing rights, net of unrealized losses (valuation allowance).

### **172 Other Allowances for Losses**

*Definition:* This FDT line represents the allowance for losses not reported specifically in line item 171.

### **173 Real Estate Owned, at net realizable value**

*Definition:* This FDT line represents the investment in real estate acquired through foreclosure, deed-in-lieu, or similar means, at lower of cost or market (net realizable value).

### **174 Loans Held for Investment**

*Definition:* This FDT line represents unpaid principal balance (UPB) of loans held for investment.

### **175 FAS 133 Derivatives**

*Definition:* This FDT line represents any derivative investments/instruments utilized by your company that are required to be captured on the balance sheet as assets according to the provisions of FAS 133.

### **176 Other Non-Current Assets**

*Definition:* Non-current assets, other than current assets identified above or unacceptable assets identified below that are not expected to be realized in cash, sold or consumed during a normal business cycle. Other non-current assets are resources that are not expected to be converted into cash or its equivalent during the current operating cycle, and are not depreciated. Other non-current assets are recorded at their fair market value or at the amount that is expected to be realized upon their conversion

into cash or its equivalent. Other non-current assets has a 'Details' link that leads into a screen, where the lender can enter the description of any other non-current assets and the corresponding dollar amount. LASS automatically performs the summation of other non-current assets from this details screen and populates line 176.

**170 Total Non-Current Assets**

*Definition:* This FDT line item includes the total of net fixed assets and all non-current assets. It is the sum of FDT lines 165 through 176. LASS automatically performs the summation of lines 165 through 176 and populates line 170.

**UNACCEPTABLE ASSETS****181 Pledged Assets**

*Definition:* This FDT line represents any asset, or portion thereof, pledged to secure obligations of another entity or person.

**182 Due from an Officer, Stockholder, or Related entity**

*Definition:* This FDT line represents any asset due from an officer, stockholder of the mortgagee, or from a related entity, except for those items identified as acceptable in HUD Handbook 2000.4, Rev-2, such as:

- a) A construction loan receivable, secured by a first mortgage, from a related entity.
- b) A mortgage loan receivable established in the normal course of business in an arm's length transaction and secured by a first mortgage on the related property.
- c) A receivable from a related party where the affected parties have executed a cross-default agreement or corporate guarantee agreement with Ginnie Mae.

**183 Personal Interest Investment**

*Definition:* This FDT line represents an investment in a related entity in which any officer or stockholder has a "personal interest" unrelated to that person's position as an officer or stockholder of the mortgagee. "Personal interest" as used here indicated a relationship between the mortgagee and a person or entity in which that specified person (e.g., spouse, parent, grandparent, child, brother, sister, aunt, uncle, or in-law) has a financial interest in or is employed in a management position by the mortgagee.

**184 Intangible Assets, net of amortization**

*Definition:* This FDT line represents any intangible asset, such as goodwill, covenants not to compete, franchise fees, organization costs, value placed on insurance renewals and value placed on property management contract renewals less amortization on such assets.

**185 Assets not Readily Marketable**

*Definition:* This FDT line represents any asset not readily marketable and for which appraised values are very subjective. Examples include, but are not limited to antiques, artwork, and gemstones.

**186 Investment in Related Entity, greater than equity as adjusted**

*Definition:* This FDT line represents that portion of an investment in joint venture, subsidiary, affiliate and/or other related entity, which is greater than equity, as adjusted. "Equity as adjusted" means the book value on the books of the related entity reduced by the amount of unacceptable assets carried by the related entity.

**187 Value of Servicing Contract not in accordance with FAS 65 and FAS 125**

*Definition:* This FDT line represents the value of any servicing contract not determined in accordance with FAS Statement 65 or FAS Statement 125, or subsequent revisions thereto.

**188 Assets used for Personal Enjoyment**

*Definition:* This FDT line represents any asset principally used for the personal enjoyment of an officer, director or stockholder and not for normal business purposes. This includes automobiles and personal residences.

**189 Other Unacceptable Assets**

*Definition:* This FDT line represents other assets unless these assets are identified in Other Current Assets Details or Other Non-Current Assets Details. This includes other assets unless the financial statements are accompanied by a schedule prepared by the independent auditor or schedule prepared by the issuer/mortgagee and signed by an officer of the issuer/mortgagee. Other unacceptable assets has a 'Details' link that leads into a screen, where the lender can enter the description of any other non-current assets and the corresponding dollar amount. LASS automatically performs the summation of other unacceptable assets from this details screen and populates line 189.

**180 Total Unacceptable Assets**

This FDT line represents the total of all unacceptable assets reported on FDT lines 181 through 189. LASS automatically performs the summation of lines 181 through 189.

**200 TOTAL ASSETS**

This FDT line represents the total of all current, non-current assets and unacceptable assets as summarized on FDT lines 150, 170 and 180 should reflect all assets. LASS automatically performs the summation of lines 150, 170 and 180.

## ***LIABILITIES***

### **CURRENT LIABILITIES**

Current liabilities are current debts that are owed by the lender and due in the current period. It is expected that current liabilities will consume current financial resources of the lender to satisfy the debt.

#### **311 Accounts Payable and Accrued Expenses**

*Definition:* This FDT line represents short-term payables and accrued liabilities (including accrued payroll), which are maturing within a normal business cycle. Does not include interest payable.

#### **312 Warehouse Line of Credit, UPB**

*Definition:* This FDT line represents outstanding balance of warehouse lines of credit used primarily to fund mortgages held for sale.

#### **313 Interest Payable**

*Definition:* This FDT line represents liabilities arising from interest obligations that are expected to mature in a normal business cycle.

#### **314 Estimated Future Loss Liabilities**

*Definition:* This FDT line represents total allowance for losses on off-balance sheet items, such as recourse obligations, guarantees and litigation.

#### **315 Other Current Liabilities**

*Definition:* This FDT line represents liabilities, other than those identified above, that are reasonably expected to mature during a normal business cycle, including unearned revenue, current tax liabilities, deferred non-loan fees and undisbursed principal on mortgages. Other current liabilities has a 'Details' link that leads into a screen, where the lender can enter the description of any other current liabilities and the corresponding dollar amount. LASS automatically performs the summation of other current liabilities from this details screen and populates line 315.

#### **310 Total Current Liabilities**

*Definition:* This FDT line represents total liabilities reasonably expected to mature in a normal business cycle. This FDT line represents the total of all current liabilities reported on FDT lines 311 through 315. LASS automatically performs the summation of lines 311 through 315.

### **NON-CURRENT LIABILITIES**

The credit balances in these accounts reflect debts that are owed by the lender but not due in the current period. It is not expected that these liabilities will consume current financial resources of the lender to repay the debt.

#### **321 FAS 133 Derivatives**

*Definition:* This FDT line represents any derivative investments/instruments utilized by your company that are required to be captured on the balance sheet as liabilities according to the provisions of FAS 133.

#### **322 Other Non-Current Liabilities**

*Definition:* This FDT line represents all other non-current liabilities not included above. Other non-current liabilities has a 'Details' link that leads into a screen, where the lender can enter the description of any other non-current liabilities and the corresponding dollar amount. LASS automatically performs the summation of other non-current liabilities from this details screen and populates line 322.

#### **320 Total Non-Current Liabilities**

*Definition:* This FDT line represents the total of FAS 133 Derivatives and other non-current liabilities. This FDT line represents the total of all non-current liabilities reported on FDT lines 321 and 322. LASS automatically performs the summation of lines 321 and 322.

#### **300 TOTAL LIABILITIES**

*Definition:* This FDT line represents the total of total current liabilities and total non-current liabilities reported on FDT lines 310 and 320. LASS automatically performs the summation of lines 310 and 320.

## ***EQUITY***

### **501 Minority Interest**

*Definition:* This FDT line represents book value of minority interest in consolidated subsidiaries.

### **502 Common Stock**

*Definition:* This FDT line represents total par value of all common stock issued and outstanding. Includes stock set aside for distribution in employee stock option plans (ESOPs).

### **503 Preferred Stock**

*Definition:* This FDT line represents total par value of all preferred stock issued and outstanding, redeemable and non-redeemable, including preferred treasury stock that has not been retired.

### **504 Additional Paid-in Capital**

*Definition:* This FDT line represents total paid-in capital in excess of par from preferred and common stock and capital contributions.

### **505 Treasury Stock**

*Definition:* This FDT line represents non-preferred treasury stock that has not been retired.

### **506 Retained Earnings**

*Definition:* This FDT line represents total retained earnings less the par value of stock set aside for distribution in ESOPs.

### **507 Net Unrealized Gain (Loss) on Securities Available for Sale**

*Definition:* This FDT line represents an after-tax unrealized gain or loss on securities classified as available for sale, per FAS 115.

### **508 Accumulated Other Comprehensive Income – FAS 130**

*Definition:* This FDT line represents changes in equity due to non-owner sources such as after-tax

unrealized gains or losses on securities, foreign currency translations, etc., per FAS 130. This is a total of other comprehensive income for a period that is transferred as a component of equity that is displayed separately from retained earnings and additional paid-in capital at the end of an accounting period.

**509 Partnership, Sole Proprietorship Capital and LLC**

*Definition:* This FDT line represents total capital of general partners, limited partners, sole proprietor, or members if company is not incorporated and does not have partners.

**500 TOTAL EQUITY**

*Definition:* This FDT line represents the summation of all equity items for a given business structure as reported on FDT lines 501 through 509. LASS automatically performs the summation of lines 501 through 509.

**600 TOTAL LIABILITIES AND EQUITY**

*Definition:* This FDT line represents the summation of Total Liabilities and Total Equity reported on FDT lines 300 and 500. LASS automatically performs the summation of lines 300 and 500.

***TRUST FUNDS – MEMO ACCOUNTS***

**1101 Escrow Funds**

*Definition:* This FDT line represents funds that are held in trust for payment of principal and interest monies held, mortgagors' taxes, insurance and related items, or other fiduciary funds. Includes cash and buydown escrow accounts.

**1102 Liability for Escrow Funds**

*Definition:* This FDT line represents liability for funds held in trust for payment of taxes, insurance and related items, or other fiduciary funds.

## STATEMENT OF OPERATIONS AND RETAINED EARNINGS

### ***REVENUE***

#### **701 Net Loan Administration Income**

*Definition:* This FDT line represents income earned in connection with servicing loans, such as servicing income received by the lender for processing the monthly principal, interest and escrow payments associated with a loan.

#### **702 Gross Interest Income**

*Definition:* This FDT line represents the interest earned on loans held for sale, participation interests in loans, loans held for investment, and from other sources. The recognition of yield adjustment refers to fees collected during prior periods and recognized as income during the subject period.

#### **703 Net Marketing Gain (Loss) on Loans and MBS sold with servicing retained**

*Definition:* This FDT line represents the difference between the sales price and the carrying value of sales of mortgage backed securities classified as trading securities sold with servicing retained and mortgages sold with servicing retained. Exclude any premium to buy option ("option premium").

#### **704 Net Marketing Gain (Loss) on Loans and MBS sold with servicing released including the Servicing Release Premium**

*Definition:* This FDT line represents the difference between the sales price and the carrying value of mortgages sold with servicing released. Exclude any premium to buy option ("option premium").

#### **705 Net Gain (Loss) on Sales of Servicing Rights**

*Definition:* This FDT line represents the net gain (loss) on sale of servicing rights sold in bulk. Servicing released premiums are to be reported on 704.

#### **706 Net Gain (Loss) from Servicing Valuations**

*Definition:* This FDT line represents the net gain (loss) associated with adjustment in the carrying value of the servicing portfolio. Includes impairment adjustments per FAS 125 (FASB Statement No. 140 supercedes FASB Statement No. 125 for entities with fiscal years beginning after December 15, 2000). Also includes gains from hedging.



### **707 Net Gain (Loss) on Sale of Securities**

*Definition:* This FDT line represents the net realized and unrealized gain (loss) on sale of debt and equity securities, including held-to-maturity, available-for-sale, and trading securities, but excluding MBS held in conjunction with mortgage banking activities.

### **708 Net Gain (Loss) on Sale of REO**

*Definition:* This FDT line represents the net gain (loss) on the sale of real estate owned.

### **709 Retail Origination Fees**

*Definition:* This FDT line represents the origination fee income earned from retail loan production, including "points" and other borrower loan charges as defined by FAS 91. For example, origination fees consist of:

- a. Fees that are being charged to the borrower as "prepaid" interest or to reduce the loan's nominal interest rate, such as interest "buy-downs" (explicit yield adjustments).
- b. Fees to reimburse the lender for origination activities, such as:
  - evaluating the prospective borrower's financial condition;
  - evaluating and recording guarantees, collateral, and other security arrangements;
  - negotiating loan terms;
  - preparing and processing loan documents; and
  - closing the transaction.
- c. Other fees charged to the borrower that relate directly to making the loan (for example, fees that are paid to the lender as compensation for granting a complex loan or agreeing to lend quickly).
- d. Fees that are not conditional on a loan being granted by the lender that receives the fee but are, in substance, implicit yield adjustments because a loan is granted at rates or terms that would have otherwise been considered absent the fee (for example, certain syndication fees).

### **710 Other Retail Origination Income**

*Definition:* This FDT line represents other retail loan origination income not included above, such as fees collected from borrowers for credit reports, appraisals or special requirements such as photographs. Offsetting expenses should be reported in line item 935.

### **711 Correspondent and Broker Fee Income**

*Definition:* This FDT line represents the origination fee income earned on loans acquired through correspondent and broker networks (if any).

**712 FAS 133 Income (Loss)**

*Definition:* This FDT line represents all gains and losses incurred on the valuation of any derivative instruments recognized according to the provision of FAS 133.

**713 Other Income (Loss) Related To Lending Activities**

*Definition:* This FDT line represents the total of all other lending activity related income not included above, including loan commitment fee income from expired, and unexercised commitments. Nonrecurring, extraordinary income items are included in line item 982. This line DOES NOT represent any income from mortgage banking activities. Mortgage banking activities primarily consist of two separate but interrelated activities:

- (a) the origination or acquisition of mortgage loans and the sale of the loans to permanent investors (an enterprise that invest in mortgage loans for its own account); and
- (b) the subsequent long-term servicing of the loans.

Any income derived from the above-mentioned activities, as per FAS No. 65, is income from mortgage banking activities. Hence, any income from mortgage banking activities must not be included in this “Other Income (Loss) Related to Lending Activities” line. This line item has a ‘Details’ link that leads into a screen, where the lender can enter the description of any other lending activity related income and the corresponding dollar amount. LASS automatically performs the summation of other income from this details screen and populates line 713.

**714 Other Income (Loss) Not Related To Lending Activities**

**Definition:** This FDT line represents the total of all other income not related to lending activities. This line item has a ‘Details’ link that leads into a screen, where the lender can enter the description of any other income not related to lending activities and the corresponding dollar amount. LASS automatically performs the summation of other income from this details screen and populates line 714.

**700 TOTAL REVENUE**

*Definition:* This FDT line represents the summation of all revenue items as reported on FDT lines 701 through 714. LASS automatically performs the summation of lines 701 through 714.

## ***EXPENSES***

### **Personnel Expenses**

#### **901 Personnel Expenses - Direct**

*Definition:* This FDT line represents the compensation for all personnel involved in - (1) the origination and servicing of income property loans, (2) retail single-family loan origination, wholesale loan production, warehousing, marketing, and selling, and (3) insurance sales, property management, real estate sales, and other employees such as the CEO, President, Treasurer or Comptroller.

#### **902 Personnel Expenses - Indirect**

*Definition:* This FDT line represents all other personnel expenses not included in FDT line 901. For example, this includes profit-sharing plan contributions, pension program, group health and life insurance, and payroll taxes.

#### **910 Total Personnel Expenses**

*Definition:* This FDT line represents the summation of all personnel expenses reported on FDT lines 901 and 902. LASS automatically performs the summation of lines 901 and 902.

### **Interest Expense**

#### **911 Interest Expense - Warehouse**

*Definition:* This FDT line represents the Interest Expense incurred on borrowings to finance one-to-four-unit residential mortgage loans.

#### **912 Interest Expense - Other**

*Definition:* This FDT line represents all other interest expenses not included above. For example, this includes the interest expense incurred on borrowings to finance income property loans.

#### **920 Total Interest Expense**

*Definition:* This FDT line represents the summation of all interest expenses reported on FDT lines 911 and 912. LASS automatically performs the summation of lines 911 and 912.

---

## **Operating Expenses**

### **931 Occupancy Expense**

*Definition:* This FDT line represents the total occupancy expenses, such as rent, utilities and hazard insurance, not including depreciation.

### **932 EDP Service Charges, Rentals and Depreciation**

*Definition:* This FDT line represents total EDP expense, such as EDP service charges, EDP rentals and EDP depreciation.

### **933 Depreciation Expense**

*Definition:* This FDT line represents all depreciation expenses except that for EDP (Electronic Data Processing) equipment.

### **934 Loan Administration Processing Expenses**

*Definition:* This FDT line represents servicing processing expenses only. Fees collected from borrowers for these expenses should be included in line item 935.

### **935 Retail Loan Origination Processing Expenses**

*Definition:* This FDT line includes management, loan processors, and all other employees (including clerical) involved in retail single-family loan origination. Does NOT include loan production officers, warehousing and marketing employees, or employees whose principal functions are in purchased or wholesale production (e.g., correspondent or broker production, see line item 936.).

### **936 Correspondent and Broker Loan Acquisition Expenses**

*Definition:* This FDT line represents gross fees and related expenses incurred by your company for the acquisition of loan origination through correspondent and broker networks. Includes servicing release premiums paid by your company to acquire correspondent and brokered loans. Excludes personnel costs, premiums paid by your company to acquire correspondent and brokered loans.

### **937 Provision for Loan Losses**

*Definition:* This FDT line represents the provision for losses on REO.

### **938 Servicing Expenses for Foreclosure and REO**

*Definition:* This FDT line represents unreimbursable expenses incurred during the foreclosure process or in connection with holding REO (such as maintenance fees, taxes, insurance, etc.) that were not reported in a provision for loss account.

### **950 Total Operating Expenses**

*Definition:* This FDT line represents the summation of all operating expenses reported on FDT lines 931 through 938. LASS automatically performs the summation of lines 931 through 938.

## **Professional Fees**

### **961 Audit Fees**

*Definition:* This FDT line represents the fees to the auditor for auditing the financial statements and compliance standards of the company.

### **962 Legal Fees**

*Definition:* This FDT line represents the fees to the legal entity/advocate for resolution of legal issues.

### **963 Other Professional Fees**

*Definition:* This FDT line represents all other professional fees not included in FDT lines 961 and 962.

### **964 Total Professional Fees**

*Definition:* This FDT line represents the summation of all professional fees reported on FDT lines 961 through 963. LASS automatically performs the summation of lines 961 through 963.

### **965 Other Expenses**

*Definition:* This FDT line represents the total expenses not included above and not included in line 982 (non-recurring items). Brokered loan fees paid should be included in 936. Other expenses has a 'Details' link that leads into a screen, where the lender can enter the description of any other expenses and the corresponding dollar amount. LASS automatically performs the summation of other expenses from this details screen and populates line 965.

**900 TOTAL EXPENSES**

*Definition:* This FDT line represents the summation of all expenses reported on FDT lines 910, 920, 950, 964 and 965. LASS automatically performs the summation of lines 910, 920, 950, 964 and 965.

**970 Income Before Taxes, Non-recurring Items and Minority Interest**

*Definition:* This FDT line represents the difference of Total Revenue and Total Expenses reported on FDT lines 700 and 900 respectively. LASS automatically performs the calculation of lines 700 and 900 and populates line 970 with the difference.

**981 Income Taxes**

*Definition:* This FDT line represents the tax expense (benefit) on income.

**982 Non-recurring Items**

*Definition:* This FDT line represents the after-tax gain (loss) on nonrecurring items such as extraordinary items or discontinued operations.

**983 Minority Interest**

*Definition:* This FDT line represents the after tax income (loss) attributed to minority interests.

**1000 NET INCOME (LOSS)**

*Definition:* This FDT line represents the difference between (Income Before Taxes, Non-recurring Items and Minority Interest) and Income Taxes, Non-recurring Items and Minority Interest reported on FDT lines 970, 981, 982 and 983. LASS automatically performs the calculation by subtracting 981, 982, and 983 from 970, and populates line 1000.

## **STATEMENT OF RETAINED EARNINGS**

### **991 Balance at Beginning of the Year, as Reported**

*Definition:* This FDT line represents the total equity at beginning of the year.

### **992 Prior Period Adjustments**

*Definition:* This FDT line represents the prior period adjustments of the retained earnings.

### **993 Balance at Beginning of the Year, Restated**

*Definition:* This FDT line represents the total equity at the beginning of the year restated with prior period adjustments.

### **994 Net Income**

*Definition:* This FDT line represents the after-tax gain (loss) on nonrecurring items such as extraordinary items or discontinued operations.

### **995 Dividend / Distribution**

*Definition:* This FDT line represents any dividends paid to stockholders/owners or distributions made to partners during the period.

### **990 ENDING BALANCE**

*Definition:* This FDT line represents the summation of Balance of beginning of year restated, Net Income (Loss), and all other contributions and adjustments.

## STATEMENT OF CASH FLOWS

### *CASH FLOWS FROM OPERATING ACTIVITIES*

#### **401 Net Income (Loss)**

*Definition:* This FDT line represents the difference between (Income Before Taxes, Non-recurring Items and Minority Interest) and Income Taxes, Non-recurring Items and Minority Interest. This line is auto-populated from line 1000.

#### **Adjustments to Reconcile Net Income (Loss) to Cash Flows Provided by (Used in) Operating Activities**

#### **402 Depreciation and Amortization**

*Definition:* This FDT line represents adjustments to all depreciation expenses (except that for EDP equipment) and the amount of MSR that were amortized during the period.

#### **403 Loss/(Gain)**

*Definition:* This FDT line represents the total loss (gain) on the operating activities. Loss/(Gain) has a 'Details' link that leads into a screen, where the lender can enter the description of any loss/(gain) on the operating activities and the corresponding dollar amount. LASS automatically performs the summation of these loss/(gain) on the operating activities from this details screen and populates line 403.

#### **404 Undistributed Loss (Earnings)**

*Definition:* This FDT line represents total undistributed earnings (loss) from business transactions of the operating activities. Undistributed loss (earnings) has a 'Details' link that leads into a screen, where the lender can enter the description of any undistributed loss (earnings) and the corresponding dollar amount. LASS automatically performs the summation of the undistributed loss (earnings) from this details screen and populates line 404.

#### **405 Deferred Income Tax Provision (Benefit)**

*Definition:* This FDT line represents provision for deferred income tax. Deferred taxes under GAAP- If there is a provision for deferred tax, this value will be positive. If it is a deferred income tax benefit, this value will be negative.

**406 Provision for Losses**

*Definition:* This FDT line represents the provision for losses on assets, such as REO, marketable securities, loans held for sale, and off-balance sheet items.

**407 Non-recurring Items**

*Definition:* This FDT line represents the after-tax gain (loss) on nonrecurring items such as extraordinary items or discontinued operations.

**(Increase) Decrease:**

**411 Accounts Receivable**

*Definition:* This FDT line represents the (increase) decrease in the accounts receivable.

**412 Other Current Assets**

*Definition:* This FDT line represents the (increase) decrease in other current assets. Other current assets has a 'Details' link that leads into a screen, where the lender can enter the description of any (increase) decrease in other current assets and the corresponding dollar amount. LASS automatically performs the summation of these (increase) decrease in other current assets from this details screen and populates line 412.

**413 Mortgage Servicing Rights**

*Definition:* This FDT line represents the (increase) decrease in mortgage servicing rights.

**414 Other Non-current Assets**

*Definition:* This FDT line represents the (increase) decrease in other non-current assets. Other non-current assets has a 'Details' link that leads into a screen, where the lender can enter the description of any (increase) decrease in other non-current assets and the corresponding dollar amount. LASS automatically performs the summation of these (increase) decrease in other non-current assets from this details screen and populates line 414.

**415 Value of Servicing not in Accordance with FAS 65 and FAS 125**

*Definition:* This FDT line represents the (increase) decrease in the value of servicing not in accordance with FAS 65 and FAS 125.

**Increase (Decrease):****421 Accounts Payable and Accrued Expenses**

*Definition:* This FDT line represents the increase (decrease) in accounts payable and accrued expenses.

**422 Interest Payable**

*Definition:* This FDT line represents the increase (decrease) in interest payable.

**423 Income Taxes Payable**

*Definition:* This FDT line represents the increase (decrease) in income taxes payable.

**424 Other Current Liabilities**

*Definition:* This FDT line represents the increase (decrease) in other current liabilities. Other current liabilities has a 'Details' link that leads into a screen, where the lender can enter the description of any (increase) decrease in other current liabilities and the corresponding dollar amount. LASS automatically performs the summation of these (increase) decrease in other current liabilities from this details screen and populates line 424.

**425 Other Non-current Liabilities**

*Definition:* This FDT line represents the increase (decrease) in other non-current liabilities. Other non-current liabilities has a 'Details' link that leads into a screen, where the lender can enter the description of any (increase) decrease in other non-current liabilities and the corresponding dollar amount. LASS automatically performs the summation of these (increase) decrease in other non-current liabilities from this details screen and populates line 425.

**426 Total Adjustments**

*Definition:* This FDT line represents the sum of all the adjustments made to reconcile the net income (loss) to cash flows provided by (used in) operating activities as reported on FDT lines 402 through 407, 411 through 415 and 421 through 425. LASS automatically performs the summation of lines 402 through 407, 411 through 415 and 421 through 425, and populates line 426.

**430 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES**

*Definition:* This FDT line represents the total cash provided by or used in operating activities or

---

consumed in a normal business cycle. This line represents the sum of Net Income and Total Adjustments reported on lines 401 and 426. LASS automatically performs the summation of lines 401 and 426.

**CASH FLOWS FROM INVESTING ACTIVITIES****441 Purchase of Securities**

*Definition:* This FDT line represents the investment involved in the purchase of securities. Purchase of securities has a 'Details' link that leads into a screen, where the lender can enter the description of any purchase of securities and the corresponding dollar amount. LASS automatically performs the summation of these purchases of securities from this details screen and populates line 441.

**442 Sale of Securities**

*Definition:* This FDT line represents the gain (loss) on sale of debt and equity securities, including held-to-maturity, available-for-sale, and trading securities, but excluding MBS held in conjunction with mortgage banking activities. Sale of securities has a 'Details' link that leads into a screen, where the lender can enter the description of any sale of securities and the corresponding dollar amount. LASS automatically performs the summation of these sales of securities from this details screen and populates line 442.

**443 Disposition of PPE**

*Definition:* This FDT line represents the proceeds from sale of plant, property and equipment.

**444 Acquisition of PPE**

*Definition:* This FDT line represents the investment in purchase of plant, property and equipment

**445 Other Investing Activities**

*Definition:* This FDT line represents the investing activities other than those identified above that are reasonable expected to be realized during the normal business cycle. Other investing activities has a 'Details' link that leads into a screen, where the lender can enter the description of any other investing activities and the corresponding dollar amount. LASS automatically performs the summation of other investing activities from this details screen and populates line 445.

**440 NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES**

*Definition:* This FDT line represents the total cash provided by or used in investing activities or consumed in a normal business cycle. This line represents the sum of all the investing activities reported on lines 441 through 445. LASS automatically performs the summation of lines 441 through 445.

**CASH FLOWS FROM FINANCING ACTIVITIES****451 Net Borrowing under Line-of-Credit Agreement**

*Definition:* This FDT line represents the borrowing under line-of-credit agreement, net of other adjustments made for debt, deduction and expenses

**452 Net Repayments under Line-of-Credit**

*Definition:* This FDT line represents the payments of on a capital lease obligation under line-of-credit, net of other adjustments made.

**453 Proceeds from Issuance of Debt**

*Definition:* This FDT line represents the money received from issuance of debt, after any commissions and fees are deducted.

**454 Repayment of Debt**

*Definition:* This FDT line represents the payment of debt. This includes principal and interest payments

**455 Proceeds from Issuance of Stock**

*Definition:* This FDT line represents the money received from issuance of stock, after any commissions and fees are deducted. Proceeds from issuance of stock has a 'Details' link that leads into a screen, where the lender can enter the description of any proceeds from issuance of stock and the corresponding dollar amount. LASS automatically performs the summation of these proceeds of issuance of stock from this details screen and populates line 455.

**456 Repurchase of Stock**

*Definition:* This FDT line represents the money involved in repurchase of stock during the period. Repurchase of stock has a 'Details' link that leads into a screen, where the lender can enter the description of any repurchase of stock and the corresponding dollar amount. LASS automatically performs the summation of these repurchases of stock from this details screen and populates line 456.

**457 Capital Contributions**

*Definition:* This FDT line represents any contributions of capital received during the period (received from parent, stockholders, partners, etc.).

---

**458 Dividends Paid**

*Definition:* This FDT line represents any dividends paid to stockholders/owners during the period. This line is auto-populated from line 995 and is negative or equal to zero.

**459 Other Financing Activities**

*Definition:* This FDT line represents financing activities other than those identified above that are reasonable expected to be realized during the normal business cycle. Other financing activities has a 'Details' link that leads into a screen, where the lender can enter the description of any other financing activities and the corresponding dollar amount. LASS automatically performs the summation of other financing activities from this details screen and populates line 459.

**450 NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES**

*Definition:* This FDT line represents the total cash provided by or used in financing activities or consumed in a normal business cycle. This line represents the sum of all the financing activities reported on lines 451 through 459. LASS automatically performs the summation of lines 451 through 459.

**461 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

*Definition:* This FDT line represents the total cash provided or consumed by activities performed in a normal business cycle. This line represents the summation of net cash provided by (used in) operating activities, investing activities and financing activities as reported by the FDT lines 430, 440 and 450. LASS automatically performs the summation of lines 430, 440 and 450.

**462 Cash and Cash Equivalents, Beginning of the Year**

*Definition:* This FDT line represents the total cash or cash equivalents at the beginning of the year.

**463 CASH AND CASH EQUIVALENTS, END OF YEAR**

*Definition:* This FDT line represents total cash or cash equivalents available at the end of the year. This line represents the summation of net increase (decrease) in cash and cash equivalents, and cash and cash equivalents at the beginning of the year, as reported by FDT lines 461 and 462. LASS automatically performs the summation of lines 461 and 462.

## **Supplemental Disclosure of Cash Flow Information**

### **471 Cash Paid for Interest**

*Definition:* This FDT line represents the total cash paid for interest payments.

### **472 Cash Paid for Taxes**

*Definition:* This FDT line represents the total cash paid for taxes.

### **473 Other Supplemental Disclosures**

*Definition:* This FDT line represents other non-cash items. Other supplemental disclosures has a 'Details' link that leads into a screen, where the lender can enter the description of any other supplemental disclosures and the corresponding dollar amount. LASS automatically performs the summation of other supplemental disclosures from this details screen and populates line 473.

## COMPUTATION OF ADJUSTED NET WORTH AND MINIMUM NET WORTH REQUIREMENTS

### *TITLE II NONSUPERVISED MORTGAGEES OTHER THAN LOAN CORRESPONDENTS*

#### **1201 FHA Servicing Portfolio**

*Definition:* This FDT line represents the dollar amount (UPB) of the Title II FHA-insured servicing portfolio at the end of the year under audit. This amount includes all FHA-insured mortgages originated and/or purchased by the FHA-approved entity and maintained in your servicing portfolio at the year-end under audit. This amount also includes FHA-insured loans for which you own the mortgage servicing rights.

#### **Add FHA Originations and FHA Purchases**

#### **1202 FHA Originations**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan originations retained at the end of the year under audit. This amount includes FHA originations that closed in your name and:

- (1) were subsequently sold to the secondary market during the fiscal year under audit, or
- (2) retained for investment by your company as of the balance sheet date.

#### **1203 FHA Purchases**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan correspondent purchases during your fiscal year under audit. This amount includes FHA-insured mortgages that were originated by loan correspondents, purchased by your company during the fiscal year under audit and:

- (1) subsequently sold to the secondary market during the fiscal year under audit, or
- (2) held for investment by your company as of the balance sheet date.

This does not include purchases from mortgage brokers during the fiscal year under audit, as mortgage brokers typically close the loan in the name of the lender. These amounts would already be captured in FHA Originations (line item 1202).

**1205 Subtotal 1**

*Definition:* This FDT line represents the summation of originations and purchases in the fiscal year as reported on FDT lines 1202 and 1203. LASS automatically performs the summation of lines 1202 and 1203.

**Subtract FHA Servicing Retained****1221 FHA Originations Retained**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan originations retained at the fiscal year end under audit. These FHA-insured mortgage loan origination amounts include loans that were retained for investment by your company as of the balance sheet date. This amount is 'backed out' as this activity is already captured in your FHA Servicing Portfolio amount at the fiscal year end under audit (line item 1201).

**1222 FHA Purchases Retained**

*Definition:* This FDT line represents dollar amount of FHA-insured Title II mortgage loan correspondent purchases retained during your fiscal year under audit. These FHA-insured mortgage loan purchased amounts include loans that were originated by loan correspondents (not brokers, as brokers close the loan in the name of lender), purchased by your company and held for investment by your company. This amount is 'backed out' as this activity is already captured in your FHA Servicing Portfolio at fiscal year end under audit (line item 1201).

**1225 Subtotal 2**

*Definition:* This FDT line represents the summation of servicing retained in the fiscal year.

**1231 TOTAL**

*Definition:* This FDT line the servicing portfolio plus additions made in the fiscal year minus servicing retained in the fiscal year as reported by the FDT lines 1201, 1205 and 1225. LASS automatically performs the summation of 1201 and 1205 and deduct 1225.

**1232 1% of Total**

*Definition:* This FDT line represents the one percent of the total servicing portfolio that is reported in FDT line 1231. LASS automatically performs the multiplication of 1% (.01) and line 1231.

**1235 Minimum Net Worth Required**

*Definition:* This FDT line represents the minimum net worth required for the program based on the total mortgage volume. This line represents a value that is the greater of \$250,000 or 1% of the total servicing portfolio that is reported by FDT line 1232. LASS automatically performs the calculation and populates the value.

**1240 Net Worth Required**

*Definition:* This FDT line represents the net worth required for the particular Title II Nonsupervised mortgage. This line represents a value that is lesser of \$1,000,000 or minimum net worth required that is reported by FDT line 1235. LASS automatically performs the calculation and populates the value lesser of \$1,000,000 or line 1235.

**500 Stockholder's Equity**

*Definition:* This FDT line represents the total stockholder's equity. LASS auto-populates this line from FDT line 500 on the Balance Sheet.

**180 Unacceptable Assets**

*Definition:* This FDT line represents total unacceptable assets. LASS auto-populates this line from FDT line 180 on the Balance Sheet.

**1270 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the stockholder equity less unacceptable assets as reported on FDT lines 500 and 180. LASS automatically performs the subtraction of line 180 from line 500.

**1280 Adjusted Net Worth ABOVE Amount Required**

*Definition:* This FDT line represents the adjusted net worth above the net worth required for Title II nonsupervised mortgages. LASS auto-populates this field if line 1270 is greater than line 1240.

**1290 Adjusted Net Worth BELOW Amount Required**

*Definition:* This FDT line represents the adjusted net worth below the net worth required for Title II nonsupervised mortgages. LASS auto-populates this field if line 1270 is less than line 1240.

## ***TITLE I NONSUPERVISED MORTGAGEES***

### **1240 Net Worth Required**

*Definition:* This FDT line represents the net worth required for the particular Title I Nonsupervised mortgagee. This line represents a value equal to \$250,000. LASS automatically populates the value of \$250,000 in line 1240.

### **500 Stockholder's Equity**

*Definition:* This FDT line represents the total stockholder's equity. LASS auto-populates this line from FDT line 500 on the Balance Sheet.

### **180 Unacceptable Assets**

*Definition:* This FDT line represents total unacceptable assets. LASS auto-populates this line from FDT line 180 on the Balance Sheet.

### **1270 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the stockholder equity less unacceptable assets as reported on FDT lines 500 and line 180 on the Balance Sheet. LASS automatically performs the subtraction of line 180 from 500.

### **1280 Adjusted Net Worth ABOVE Amount Required**

*Definition:* This FDT line represents the adjusted net worth above the net worth required for Title I nonsupervised mortgagees. LASS auto-populates this field if line 1270 is greater than line 1240.

### **1290 Adjusted Net Worth BELOW Amount Required**

*Definition:* This FDT line represents the adjusted net worth below the net worth required for Title I nonsupervised mortgagees. LASS auto-populates this field if line 1270 is less than line 1240.

## ***TITLE I AND II LOAN CORRESPONDENTS***

### **1210 Home Office**

*Definition:* This FDT line represents a value of \$50,000 for home office. LASS auto-populates line 1210 with a value of \$50,000.

### **1211 Number of Branch Offices**

*Definition:* This FDT line represents the number of operating branches at fiscal year end excluding the Home Office. LASS auto-populates this line from IMF database, where the lender enters lender profile information.

### **1212 Branch Office**

*Definition:* This FDT line represents a value of \$25,000 per branch office. LASS auto-populates line 1212 with a value of \$25,000.

### **1220 Branch Office Subtotal**

*Definition:* This FDT line represents the product of branch office and the number of branch offices as reported on FDT lines 1211 and 1212. LASS automatically performs the multiplication of lines 1211 and 1212.

### **1230 TOTAL**

*Definition:* This FDT line represents the summation of the product of branch office and the number of branch offices and the home office as reported in FDT lines 1220 and 1210. LASS automatically will calculate the summation of lines 1210 and 1220.

### **1240 Net Worth Required**

*Definition:* This FDT line represents the net worth required for the particular Title I and/or Title II Loan Correspondent. This line represents a value that is lesser of \$250,000 or the amount from total branch office operations, which is reported on FDT line 1230. LASS automatically performs calculation of the value lesser of \$250,000 and line 1230.

**500 Stockholder's Equity**

*Definition:* This FDT line represents the total stockholder's equity. LASS auto-populates this line from FDT line 500 on the Balance Sheet.

**180 Unacceptable Assets**

*Definition:* This FDT line represents total unacceptable assets. LASS auto-populates this line from FDT line 180 on the Balance Sheet.

**1270 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the stockholder equity less unacceptable assets as reported on FDT lines 500 and line 180 on the Balance Sheet. LASS automatically performs the subtraction of line 180 from 500.

**1280 Adjusted Net Worth ABOVE Amount Required**

*Definition:* This FDT line represents the adjusted net worth above the net worth required for Title I and/or Title II Loan Correspondents. LASS auto-populates this field if line 1270 is greater than line 1240.

**1290 Adjusted Net Worth BELOW Amount Required**

*Definition:* This FDT line represents the adjusted net worth below the net worth required for Title I and/or Title II Loan Correspondents. LASS auto-populates this field if line 1270 is less than line 1240.

***TITLE I AND TITLE II NONSUPERVISED MORTGAGEES*****TITLE II NONSUPERVISED MORTGAGEES****1201 FHA Servicing Portfolio**

*Definition:* This FDT line represents the dollar amount (UPB) of the Title II FHA-insured servicing portfolio at the end of the year under audit. This amount includes all FHA-insured mortgages originated and/or purchased by the FHA-approved entity and maintained in your servicing portfolio at the year-end under audit. This amount also includes FHA-insured loans for which you own the mortgage servicing rights.

**Add FHA Originations and FHA Purchases****1202 FHA Originations**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan originations retained at the end of the year under audit. This amount includes FHA originations that closed in your name and:

- (2) were subsequently sold to the secondary market during the fiscal year under audit, or
- (2) retained for investment by your company as of the balance sheet date.

**1203 FHA Purchases**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan correspondent purchases during your fiscal year under audit. This amount includes FHA-insured mortgages that were originated by loan correspondents, purchased by your company during the fiscal year under audit and:

- (2) subsequently sold to the secondary market during the fiscal year under audit, or
- (2) held for investment by your company as of the balance sheet date.

This does not include purchases from mortgage brokers during the fiscal year under audit, as mortgage brokers typically close the loan in the name of the lender. These amounts would already be captured in FHA Originations (line item 1202).

**1205 Subtotal 1**

*Definition:* This FDT line represents the summation of originations and purchases in the fiscal year as reported on FDT lines 1202 and 1203. LASS automatically performs the summation of lines 1202 and

---

1203.

### **Subtract FHA Servicing Retained**

#### **1221 FHA Originations Retained**

*Definition:* This FDT line represents the dollar amount of FHA-insured Title II mortgage loan originations retained at the fiscal year end under audit. These FHA-insured mortgage loan origination amounts include loans that were retained for investment by your company as of the balance sheet date. This amount is 'backed out' as this activity is already captured in your FHA Servicing Portfolio amount at the fiscal year end under audit (line item 1201).

#### **1222 FHA Purchases Retained**

*Definition:* This FDT line represents dollar amount of FHA-insured Title II mortgage loan correspondent purchases retained during your fiscal year under audit. These FHA-insured mortgage loan purchased amounts include loans that were originated by loan correspondents (not brokers, as brokers close the loan in the name of lender), purchased by your company and held for investment by your company. This amount is 'backed out' as this activity is already captured in your FHA Servicing Portfolio at fiscal year end under audit (line item 1201).

#### **1225 Subtotal 2**

*Definition:* This FDT line represents the summation of servicing retained in the fiscal year.

#### **1231 TOTAL**

*Definition:* This FDT line the servicing portfolio plus additions made in the fiscal year minus servicing retained in the fiscal year as reported by the FDT lines 1201, 1205 and 1225. LASS automatically performs the summation of 1201 and 1205 and deduct 1225.

#### **1232 1% of Total**

*Definition:* This FDT line represents the one percent of the total servicing portfolio that is reported in FDT line 1231. LASS automatically performs the multiplication of 1% (.01) and line 1231.

#### **1235 Minimum Net Worth Required**

*Definition:* This FDT line represents the minimum net worth required for the program based on the total mortgage volume. This line represents a value that is the greater of \$250,000 or 1% of the total servicing

portfolio that is reported by FDT line 1232. LASS automatically performs the calculation and populates the value.

**1240 Net Worth Required**

*Definition:* This FDT line represents the net worth required for the particular Title II Nonsupervised mortgagee. This line represents a value that is lesser of \$1,000,000 or minimum net worth required that is reported by FDT line 1235. LASS automatically performs the calculation and populates the value lesser of \$1,000,000 or line 1235.

**500 Stockholder's Equity**

*Definition:* This FDT line represents the total stockholder's equity. LASS auto-populates this line from FDT line 500 on the Balance Sheet.

**180 Unacceptable Assets**

*Definition:* This FDT line represents total unacceptable assets. LASS auto-populates this line from FDT line 180 on the Balance Sheet.

**1270 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the stockholder equity less unacceptable assets as reported on FDT lines 500 and 180. LASS automatically performs the subtraction of line 180 from line 500.

**1280 Adjusted Net Worth ABOVE Amount Required**

*Definition:* This FDT line represents the adjusted net worth above the net worth required for Title II nonsupervised mortgagees. LASS auto-populates this field if line 1270 is greater than line 1240.

**1290 Adjusted Net Worth BELOW Amount Required**

*Definition:* This FDT line represents the adjusted net worth below the net worth required for Title II nonsupervised mortgagees. LASS auto-populates this field if line 1270 is less than line 1240.

## **TITLE I NONSUPERVISED MORTGAGEES**

### **1340 Net Worth Required**

*Definition:* This FDT line represents the net worth required for the particular Title I Nonsupervised mortgagee. This line represents a value equal to \$250,000. LASS automatically populates the value of \$250,000 in line 1340.

### **1350 Stockholder's Equity**

*Definition:* This FDT line represents the total stockholder's equity. LASS auto-populates this line from FDT line 500.

### **1360 Unacceptable Assets**

*Definition:* This FDT line represents total unacceptable assets. LASS auto-populates this line from FDT line 180.

### **1370 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the stockholder equity less unacceptable assets as reported on FDT lines 1350 and 1360. LASS automatically performs the subtraction of line 1360 from 1350.

### **1380 Adjusted Net Worth ABOVE Amount Required**

*Definition:* This FDT line represents the adjusted net worth above the net worth required for Title I nonsupervised mortgagees. LASS auto-populates this field if line 1370 is greater than line 1340.

### **1390 Adjusted Net Worth BELOW Amount Required**

*Definition:* This FDT line represents the adjusted net worth below the net worth required for Title I nonsupervised mortgagee. LASS auto-populates this field if line 1370 is less than line 1340.

---

## **COMPUTATION OF LIQUID ASSETS AND LIQUIDITY**

---

## REQUIREMENTS

### ***TITLE II NONSUPERVISED MORTGAGEES AND LOAN CORRESPONDENTS***

#### **111 Cash and Cash Equivalents**

*Definition:* This FDT line represents cash and cash equivalents. LASS auto-populates this field from FDT line 111 on the Balance Sheet.

#### **132 Securities available for Sale**

*Definition:* This FDT line represents securities that the lender has the positive intent and ability to hold to maturity. LASS auto-populates this field from FDT line 132 on the Balance Sheet.

#### **133 Trading Account Securities**

*Definition:* This FDT line represents securities that the lender does NOT have the positive intent and ability to hold to maturity yet does NOT intend to actively trade. LASS auto-populates this field from FDT line 133 on the Balance Sheet.

#### **1410 Total Liquid Assets**

*Definition:* This FDT line represents the sum of all liquid assets. LASS auto-populates this field with the summation of FDT line 111, 132, and 133.

#### **1270 ADJUSTED NET WORTH**

*Definition:* This FDT line represents the adjusted net worth as calculated on FDT line 1270 on the Net Worth Schedule. LASS auto-populates this field with FDT line 1270.

#### **1420 Liquidity Required**

*Definition:* This FDT line represents the liquidity requirement for Title II participants. The requirement is 20% of the participant's adjusted net worth up to a maximum of \$100,000. LASS auto-populates this field with the lesser of 20% of FDT line 1270 or \$100,000.

**1430 Liquidity Above Amount Required**

*Definition:* This FDT line represents how much the participant's total liquidity, as reported on FDT line 1410 exceeds the required liquidity, as reported on FDT line 1430. This field appears only if FDT line 1410 exceeds FDT line 1430. LASS auto-populates this field with the absolute value of the difference between line 1410 and line 1430.

**1440 Liquidity Below Amount Required**

*Definition:* This FDT line represents how much the participant's total liquidity, as reported on FDT line 1410 is less than the required liquidity, as reported on FDT line 1430. This field appears only if FDT line 1410 is less than FDT line 1430. LASS auto-populates this field with the absolute value of the difference between line 1410 and line 1430.

## DATA COLLECTION FORM

This chart provides the user with a list of line numbers, descriptions, and definitions of the items that are contained on the Data Collection Form.

Line #	Description	Definition
<b>General Information</b>		
G9000-010	Fiscal Year Ending Date	This line represents the value of the lender's fiscal year end that is a date in the form of mm/yyyy. This value is auto-populated via IMF database.
G2000-020	Audit Period Covered	This line represents the audit period covered in the form annual or biennial or other.
G2000-030	Audit Period Covered – Months	This line represents the audit period covered in the form of number of months for the period of audit.
G9100-010	Lender Name	Name of the lender. This field will be auto-populated via IMF database
G9100-020	Lender Street Address 1	Auto-populated via IMF database
G9100-030	Lender City	Auto-populated via IMF database
G9100-040	Lender State	Auto-populated via IMF database
G9100-050	Lender Zip Code	Auto-populated via IMF database
G2100-010	Lender Owner / Comptroller First Name	First name of the lender contact who will submit the data for the lender.
G2100-020	Lender Owner / Comptroller Middle Initial	Middle Initial of the lender contact who will submit the data for the lender.
G2100-030	Lender Owner / Comptroller Last Name	Last name of the lender contact who will submit the data for the lender.
G2100-040	Lender Owner / Comptroller Title	Title of the lender contact who will submit the data for the lender.
G2100-050	Lender Owner / Comptroller Telephone Number	Phone number of the lender contact.
G2100-060	Lender Owner / Comptroller Extension	Phone extension, if any, of the lender contact.
G2100-070	Lender Owner / Comptroller Fax Number	Fax number of the lender contact.
G2100-080	Lender Owner / Comptroller Email	Email address of the lender contact.
G2200-009	UII Number	The 5 digit UII number of the audit firm that will perform attestation on the lender submission.
G2200-010	Audit Firm Name	Auto-populated from UII Number.
G2200-020	Audit Firm Street Address Line 1	Auto-populated from UII Number.
G2200-030	Audit Firm Street Address Line 2	Auto-populated from UII Number.
G2200-040	Audit Firm City	Auto-populated from UII Number.
G2200-050	Audit Firm State	Auto-populated from UII Number.
G2200-060	Audit Firm Zip Code	Auto-populated from UII Number.

Line #	Description	Definition
G2200-070	Audit Firm Contact First Name	First name of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-080	Audit Firm Contact Middle Initial	Middle Initial of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-090	Audit Firm Contact Last Name	Last name of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-100	Audit Firm Contact Title	Title of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-110	Audit Firm Contact Telephone Number	Phone number of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-120	Audit Firm Contact Extension	Phone extension, if any, of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-130	Audit Firm Contact Fax Number	Fax number of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2200-140	Audit Firm Contact Email	Email address of the CPA/IPA who will perform the electronic attestation on the lender submission.
G2300-010	Is the HUD approved lender a subsidiary of a parent entity?	This line is a drop down list of “Yes” or “No.”
G2300-020	Did the HUD approved lender issue financial statements independent of the parent entity?	This line is a drop down list of “Yes” or “No.”
<b>Financial Statement Information</b>		
G3000-005	Financial Statements Using Basis Other than GAAP	This line is a drop down list of “Yes” or “No.”
G3000-006	Financial Statement Audit was conducted in accordance with: - GAGAS - GAAS - Other	This line represents the type of auditing standards that were conducted for the lender. This is a drop down list from which one answer needs to be selected.
<b>Type of Audit Opinion Issued</b>		
G3000-011	Type of Audit Opinion Issued: - Unqualified Opinion - Qualified Opinion - Adverse Opinion - Disclaimer of Opinion	This line represents the type of audit opinion that was issued for the lender in their audit report. This is a drop down list from which one answer needs to be selected.  If the opinion is qualified, detailed screens will be enabled (G3200-010 through G3400-020) to document the basis for the qualification. Detailed screen contents are listed below for reference. These are check boxes and at least one check box needs to be checked, when ‘Qualified Opinion’ is selected.
<b>Qualified Opinion Details:</b>		
G3200-010	GAAS – Scope Limitations – Imposed by Management	If the opinion is qualified, at least one check box needs to be checked.

Line #	Description	Definition
G3200-020	GAAS – Scope Limitations – Imposed by Circumstance	If the opinion is qualified, at least one check box needs to be checked.
G3300-010	GAAP – Change in Accounting Principle	If the opinion is qualified, at least one check box needs to be checked.
G3300-020	GAAP – Change in Accounting Estimate	If the opinion is qualified, at least one check box needs to be checked.
G3300-030	GAAP – Change in Accounting Method	If the opinion is qualified, at least one check box needs to be checked.
G3300-040	Departure from GAAP – Exclusion of alternative accounting for an account or group of accounts	If the opinion is qualified, at least one check box needs to be checked.
G3300-050	Departure from GAAP – Inconsistently Applied GAAP	If the opinion is qualified, at least one check box needs to be checked.
G3300-060	Departure from GAAP – Omissions / Inadequate Disclosure	If the opinion is qualified, at least one check box needs to be checked.
G3400-010	Qualified – Indicator – Accounting Principles used Caused the Financial Statements to be Materially Misstated	If the opinion is qualified, at least one check box needs to be checked.
G3400-020	Qualified – Inadequate Records Indicator	If the opinion is qualified, at least one check box needs to be checked.
<b>Type of SAS 29 Opinion on FDT</b>		
G3000-012	Type of SAS 29 Opinion on FDT: - Unqualified Opinion - Qualified Opinion - Omitted	This line represents the type of SAS 29 opinion that was issued for the lender on their FDT. This is a drop down list from which one answer needs to be selected.
<b>Going Concern Indicator</b>		
G3000-020	“Going Concern” Indicator	This line represents a drop down menu with “Yes” and “No” selections. If “Yes” is selected, then comments or a management resolution regarding the going concern indicator must be attached as a RFT file on the Going Concern Indicator Details page.
<b>Going Concern Indicator Details:</b>		
G3000-021	“Going Concern” –Explanatory Paragraph Details	Comments or a management resolution regarding the going concern indicator must be attached here as a RTF file.
<b>Explanatory Paragraph other than “Going Concern”</b>		
G3000-030	Explanatory paragraph other than “Going Concern”	This line represents a drop down menu with “Yes” and “No” selections. If “Yes” is selected, then comments or a management resolution regarding the explanatory paragraph must be attached as a RFT file on the Explanatory Paragraph other than “Going Concern” Details page.
<b>Explanatory Paragraph other than “Going Concern” Details:</b>		

Line #	Description	Definition
G3000-031	Explanatory paragraph other than going concern Details	Comments or a management resolution regarding the explanatory paragraph must be attached here as a RTF file.
<b>Reportable Condition / Material Weakness Indicator</b>		
G3000-040	Reportable Condition Indicator and / or Material Weakness Indicator	Reportable Conditions or Material Weaknesses may be discussed as part of the auditor’s opinion on the financial statements or the auditor’s opinions on Internal Controls.  If user selects “Yes”, either Reportable Condition or Material Weakness must be selected for at least one of lines on the “Reportable Condition Indicator and/or Material Weakness Indicator Details” page.
<b>Reportable Conditions Indicator and/or Material Weakness Indicator Details:</b>		
G3000-041	Inadequate overall internal control design	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-042	Absence of appropriate segregation of duties consistent with appropriate control objectives	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-043	Absence of appropriate reviews and approvals of transactions, accounting entries, or system output	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-044	Inadequate procedures for appropriately assessing and applying accounting principles	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-045	Inadequate provisions for the safeguarding of assets	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-046	Absence of other controls considered appropriate for the type and level of transaction activity	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-047	Evidence that a system fails to provide complete and accurate output that is consistent with objectives and current needs because of design flaws	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-050	Evidence of failure of identified controls in preventing or detecting misstatement of accounting information	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.

Line #	Description	Definition
G3000-051	Evidence that a system fails to provide complete and accurate output consistent with the entity’s control objectives because of the misapplication of controls	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-052	Evidence of failure to safeguard assets from loss, damage or misappropriation	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-053	Evidence of intentional override of internal control by those in authority to the detriment of the overall objectives of the system	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-054	Evidence of failure to perform tasks that are part of internal control, such as reconciliations not prepared or not timely prepared	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-055	Evidence of willful wrongdoing by employees or management	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-056	Evidence of manipulation, falsification, or alteration of accounting records or supporting documents	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-057	Evidence of international misapplication of accounting principles	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-058	Evidence of misrepresentation by client personnel to the auditor	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-059	Evidence that employees or management lack the qualifications and training to fulfill their assigned functions	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
G3000-060	Blank Text Box for Reportable Condition or Material Weaknesses not described above.	If “Reportable Condition” or “Material Weakness” is selected, Audit Findings and Action Plan must be attached under the respective tabs in Notes and Findings section.
<b>Material Noncompliance Indicator</b>		
G3000-050	Material Noncompliance Indicator	Material noncompliances may be included in either the auditor’s opinion on the financial statements or the auditor’s opinion on compliance. Detailed screens will document the type of the material noncompliance.  If user selects “Yes”, at least one of lines from “Material Noncompliance Indicator Details” page must be checked.
<b>Material Noncompliance Indicator Details:</b>		
G3000-071	Branch Office Operations	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-072	Loan Origination	If checked, the following must be attached: Audit Findings, and Action Plan.

<b>Line #</b>	<b>Description</b>	<b>Definition</b>
G3000-073	Loan Disbursement	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-074	Loan Servicing	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-075	Eligible Fees and Charges	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-076	Federal Financial Reports	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-077	Financial Approval Requirements	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-078	Quality Control Plan	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-079	Escrow Accounts	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-080	Section 235 Assistance Payments	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-081	Federal Financial & Activity Reports	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-082	Kickbacks	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-083	Mortgagee Approval Requirements	If checked, the following must be attached: Audit Findings, and Action Plan.
G3000-084	Blank Account Description	If checked, the following must be attached: Audit Findings, and Action Plan.
<b>Attachments – Lender Info and Notes &amp; Findings</b>		
<b>Lender Info:</b>		
	Lender Number	Auto-populated from IMF.
	Lender Name	Auto-populated from IMF.
	Lender Street Address 1	Auto-populated from IMF.
	City	Auto-populated from IMF.
	State	Auto-populated from IMF.
	Zip Code	Auto-populated from IMF.
	Fiscal Year End	Auto-populated from IMF.
	Lender Type	Auto-populated from IMF.
	Program Type	Auto-populated from IMF.
	Number of Branches	Auto-populated from IMF.
	Tax ID number	Auto-populated from IMF.
<b>Notes &amp; Findings:</b>		
G5000-010	Footnotes	Attach the Footnotes as a RTF (Rich Text Format) file.
G5200-010	Audit Findings (Current & Prior Findings)	Attach the Audit Findings as a RTF (Rich Text Format) file.
G5200-020	Action Plan (Current & Prior Findings)	Attach the Action Plan as a RTF (Rich Text Format) file.

## APPENDIX A. - FDT LINES REQUIRED BY LASS

This chart summarizes the FDT lines requiring an entry in LASS. A shaded area indicates there is no required Entry. For a definition of line numbers, refer to the Definitions (beginning on page 6) of this document.

Line Number	Required
<b>Balance Sheet</b>	
<b>ASSETS</b>	
<b>Current Assets</b>	
111	Mandatory.
121	
131	
132	
133	
134	Mandatory
135 <Details Link>	Auto-populated from Details Page
150	Automatically calculated
<b>Non-Current Assets</b>	
165	
171	
172	
173	Mandatory
174	
175	
176 <Details Link>	Auto-populated from Details Page
170	Automatically calculated
<b>Unacceptable Assets</b>	
181	
182	Mandatory
183	
184	
185	
186	
187	
188	
189 <Details Link>	Auto-populated from Details Page
180	Automatically calculated
200	Automatically calculated
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
311	Mandatory
312	Mandatory

Line Number	Required
313	Mandatory
314	
315 <Details Link>	Auto-populated from Details Page
310	Automatically calculated
<b>Non-Current Liabilities</b>	
321	
322 <Details Link>	Auto-populated from Details Page
320	Automatically calculated
300	Automatically calculated
<b>EQUITY</b>	
501	
502	Mandatory
503	
504	Mandatory
505	
506	Mandatory
507	
508	
509	
500	Automatically calculated
600	Automatically calculated
<b>TRUST FUNDS: MEMO ACCOUNTS</b>	
1101	
1102	
<b>DETAILS PAGE</b>	
135-010	
135-020	
135-030	
135-040	
135-050	
135	Automatically calculated
176-010	
176-020	
176-030	
176-040	
176-050	
176	Automatically calculated
189-010	
189-020	
189-030	
189-040	
189-050	
189	Automatically calculated

Line Number	Required
315-010	
315-020	
315-030	
315-040	
315-050	
315	Automatically calculated
322-010	
322-020	
322-030	
322-040	
322-050	
322	Automatically Calculated
713-010	
713-020	
713-030	
713-040	
713-050	

Line Number	Required
<b>Statement of Operations and Changes in Retained Earnings</b>	
<b>REVENUE</b>	
701	Mandatory
702	Mandatory
703	
704	
705	
706	
707	
708	
709	Mandatory
710	Mandatory
711	Mandatory
712	
713 <Details Link>	Auto-populated from Details Page
714 <Details Link>	Auto-populated from Details Page
700	Automatically calculated
<b>EXPENSES</b>	
<b>Personnel Expenses</b>	
901	
902	
910	Automatically calculated
<b>Interest Expense</b>	
911	
912	Mandatory
920	Automatically calculated
<b>Operating Expense</b>	
931	
932	
933	
934	Mandatory
935	Mandatory
936	
937	Mandatory
938	Mandatory
950	Automatically calculated
<b>Professional Fees</b>	
961	Mandatory
962	Mandatory
963	
964	Automatically calculated
965 <Details Link>	Auto-populated from Details Page
900	Automatically calculated

<b>Line Number</b>	<b>Required</b>
970	Automatically calculated
981	
982	
983	
1000	Automatically calculated
<b><i>STATEMENT OF RETAINED EARNINGS</i></b>	
991	Mandatory in the first year. In subsequent years this will be auto-populated from line 990 of the prior year.
992	
993	Automatically calculated
994	Auto-populated from line 1000
995	
990	Automatically calculated
<b>DETAILS PAGE</b>	
713-010	
713-020	
713-030	
713-040	
713-050	
713	Automatically calculated
714-010	
714-020	
714-030	
714-040	
714-050	
714	Automatically calculated
965-010	
965-020	
965-030	
965-040	
965-050	
965	Automatically calculated

Line Number	Required
<b>Statement of Cash Flows</b>	
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES</i></b>	
401	Auto-populated from line 1000
<b><i>Adjustment to reconcile net income (loss) to cash flows provided by (used in) operating activities</i></b>	
402	
403 <Details Link>	Auto-populated from Details Page
403-010	
403-020	
403-030	
403-040	Automatically calculated
404 <Details Link>	Auto-populated from Details Page
405	
406	
407	
<b><i>(Increase) Decrease</i></b>	
411	
412	
413	
414 <Details Link>	Auto-populated from Details Page
415	
<b><i>Increase (Decrease)</i></b>	
421	
422	
423	
424 <Details Link>	Auto-populated from Details Page
425 <Details Link>	Auto-populated from Details Page
426	Automatically calculated
430	Automatically calculated
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES</i></b>	
441	
442	
443	
444	
445 <Details Link>	Auto-populated from Details Page
440	Automatically calculated
<b><i>CASH FLOWS FROM FINANCING ACTIVITIES</i></b>	
451	Mandatory
452	Mandatory
453	
454	
455 <Details Link>	Auto-populated from line Details Page
456 <Details Link>	Auto-populated from line Details Page

<b>Line Number</b>	<b>Required</b>
457	Mandatory
458	
459 <Details Link>	Auto-populated from line Details Page
450	Automatically calculated
461	Automatically calculated
462	Mandatory in the first year. In subsequent years this will be auto-populated from line 463 of the prior year.
463	Automatically calculated
<b><i>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</i></b>	
471	
472	
473 <Details Link>	Auto-populated from Details Page
<b>DETAILS PAGE</b>	
403-010	
403-020	
403-030	
403	Automatically calculated
404-010	
404-020	
404-030	
404	Automatically calculated
414-010	
414-020	
414-030	
414	Automatically calculated
424-010	
424-020	
424-030	
424	Automatically calculated
425-010	
425-020	
425-030	
425	Automatically calculated
445-010	
445-020	
445-030	
445	Automatically calculated
455-010	
455-020	
455-030	
455	Automatically calculated
456-010	
456-020	

<b>Line Number</b>	<b>Required</b>
456-030	
456	Automatically calculated
459-010	
459-020	
459-030	
459	Automatically calculated
473-010	
473-020	
473-030	
473	Automatically calculated

Line Number	Required
<b>Computation of Adjusted Net Worth and Minimum Net Worth Requirements</b>	
<b><i>TITLE II NONSUPERVISED MORTGAGEES OTHER THAN LOAN CORRESPONDENTS</i></b>	
1201	Mandatory
1202	Mandatory
1203	Mandatory
1205	Automatically calculated
1221	Mandatory
1222	Mandatory
1225	Automatically calculated
1231	Automatically calculated
1232	Automatically calculated
1235	Automatically calculated
1240	Automatically calculated
500	Auto-populated from line 500 on the Balance Sheet
180	Auto-populated from line 180 on the Balance Sheet
1270	Automatically calculated
1280	Automatically calculated
1290	Automatically calculated
<b><i>TITLE I NONSUPERVISED MORTGAGEES</i></b>	
1240	Automatically calculated
500	Auto-populated from line 500 on the Balance Sheet
180	Auto-populated from line 180 on the Balance Sheet
1270	Automatically calculated
1280	Automatically calculated
1290	Automatically calculated
<b><i>TITLE I AND/OR TITLE II LOAN CORRESPONDENTS</i></b>	
1210	Automatically calculated
1211	Auto-populated from IMF
1212	Automatically calculated
1220	Automatically calculated
1230	Automatically calculated
1240	Automatically calculated
500	Auto-populated from line 500 on the Balance Sheet
180	Auto-populated from line 180 on the Balance Sheet
1270	Automatically calculated
1280	Automatically calculated
1290	Automatically calculated

Line Number	Required
<b><i>TITLE I AND TITLE II NONSUPERVISED MORTGAGEES</i></b>	
<b><i>TITLE II NONSUPERVISED MORTGAGEES</i></b>	
1201	Mandatory
1202	Mandatory
1203	Mandatory
1205	Automatically calculated
1221	Mandatory
1222	Mandatory
1225	Automatically calculated
1231	Automatically calculated
1232	Automatically calculated
1235	Automatically calculated
1240	Automatically calculated
500	Auto-populated from line 500 on the Balance Sheet
180	Auto-populated from line 180 on the Balance Sheet
1270	Automatically calculated
1280	Automatically calculated
1290	Automatically calculated
<b><i>TITLE I NONSUPERVISED MORTGAGEES</i></b>	
1340	Automatically calculated
1350	Auto-populated from line 500 on the Balance Sheet
1360	Auto-populated from line 180 on the Balance Sheet
1370	Automatically calculated
1380	Automatically calculated
1390	Automatically calculated

<b>Line Number</b>	<b>Required</b>
<b>Computation of Liquid Assets and Liquidity Requirements</b>	
<b><i>TITLE II NONSUPERVISED MORTGAGEES AND LOAN CORRESPONDENTS</i></b>	
111	Auto-populated from line 111 on the Balance Sheet
132	Auto-populated from line 132 on the Balance Sheet
133	Auto-populated from line 133 on the Balance Sheet
1410	Automatically calculated
1270	Auto-populated from line 1270 on the Net Worth Schedule.
1430	Automatically calculated
1440	Automatically calculated
1450	Automatically calculated