

Chapter 5: Financing

Table of Contents

Chapter 5: Financing	5-1
5.1 Financing List	5-2
5.2 Financing Detail	5-3
5.2.1 Source System Status	5-4
5.2.2 Multifamily Accounting Report and Servicing (MARS)	5-5
5.2.3 Development Application Processing System (DAP)	5-6
5.2.4 Multifamily Insurance System (FHASL)	5-7
5.2.5 Loan Accounting System (LAS/NLS)	5-10
5.2.6 PAS	5-11
5.3 Status History	5-12

List of Figures

Figure 5-1. Financing List page	5-2
Figure 5-2. Financing Detail page	5-4
Figure 5-3. Financing Detail	5-5
Figure 5-4. MARS page	5-5
Figure 5-5. DAP page	5-7
Figure 5-6. FHASL page	5-8
Figure 5-7. Project Information	5-9
Figure 5-8. Excess Income	5-10
Figure 5-9. LAS/NLS page	5-11
Figure 5-10. PAS page	5-12
Figure 5-11. Status History	5-12

5

Financing

The **Financing** option displays financing information for specific properties, displayed on the following tabs: *Financing List*, *Financing Detail* and *Status History*. **iREMS** interfaces with DAP and FHA-SL (PO13) for insured loans, LAS/NLS for HUD uninsured loans, and PAS for HUD grants. The FHA numbers listed on the **Financing List** page function as links. Selecting an FHA number accesses the **Financing Detail** page. This page which displays specific information for a single FHA number associated with the property, including project, loan, grant, and status information. The **Financing Detail** page has multiple views based on the source system. The current financial data from the current source, displays in the *Current Status* section of the **Financing Detail** page. However, if the financing was once stored in another system, links for the other systems display in the *Select to view data from:* section. You can view information from **DAP**, **FHASL**, **LAS/NLS**, **PAS** or **MARS** related to the selected FHA number, via these links.

Objectives:

By the end of this chapter, you will be able to:

- Access the Financing page
- Navigate through financing information for a property using the tabs
- View FHA financing history
- Enter Excess Income information
- View project detail information

5.1 Financing List

When *Financing* is selected in the **iREMS** sidebar, the **Financing List** page displays. The **Financing List** tab displays view-only financing information in a table format. This allows the user to get a quick view of the financing associated with the property. The fields in the table are: *FHA Number*, *SOA Description/Group Type*, *Field Office Status*, *Active*, *Business Phase*, *Under Management*, *Pipeline*, *Primary Financing Instrument*, and *In Delinquency or Default*. When multiple financing records are associated with a property, the records are displayed with the primary financing record listed first. When additional FHA numbers are associated to the property, the most current FHA is designated as the primary loan, and all other primary FHA numbers are designated as *N/A* on the **Financing List** tab. In the case of supplemental loans associated with a property (any loan not designated as primary), these FHA numbers are designated using numbers 2 through 4.

New Green Retrofit loans and grants are being added to iREMS from PAS each night. They have either 'GG' (Green Grant) or 'GL' (Green Loan) in the FHA number. These are loans and grants that are associated with energy savings (Green Retrofit) initiatives. The Green Retrofit loans and grants do not go through DAP. Therefore, the M2M Final Closing Date has been added (view only format) within both the "From PAS" and "From NLS" screens within Financing Detail.

Accessing the Financing Page:

To access the **Financing** page you must first select a specific property. Once you have selected a property, the **Property Attributes** page displays. From the **Property Attributes** page you can select the *Financing* link from the **iREMS** sidebar.

Note: Once you have selected the property, the Property Header located at the top of the page, displays the Property ID, Name, Contract/FHA#, Active Status, Watch List, Troubled Status and DEC Status. This Header will appear on most of the pages in iREMS. There is also a search feature in the header that allows the user to select a different property without having to return to the Portfolio/Dashboard to make the change.

FHA Number	SOA Description/Group Type	Field Office Status	Active	Business Phase	Under Management	Pipeline	Primary Financing Instrument	In Delinquency or Default
136EH014	ZPF - 2026 Direct Loan/ Elderly-Handicapped	Under Management - Active	Yes	Under Management	Yes	No	1	N

Figure 5-1. Financing List page

Note: Properties with multiple FHA loans have corresponding detailed information on the remaining tabs for each FHA number. You must select an FHA number in order to enable the tabs and display the information.

Note: The “In Delinquent or Default” column has an indicator from the MDDR system. Delinquent or default HUD-held notes are not in MDDR. These loan types should not have an “N” or “Y” in this column.

To view detailed information about any of the financing records in the *Financing List* table, select one by highlighting and then clicking on it. The remaining tabs on the page are enabled once you select a single record.

5.2 Financing Detail

The **Finance Detail** page has multiple views. Each view displays only the information related to a specific external financial system. The default display of the **Finance Detail** page is a view of the data for the current source system. The display is determined by the most recent source system, i.e., **DAP**, **LAS/NLS**, **PAS**, **MARS**, or **FHASL**. The page is divided into two sections: Current Status, and source system data. The top portion of the page displays information that is generic to all types of financing. The bottom half of the page displays information that is specific to the external system. The financing information for a property is associated with an FHA number. If the financing originated with another system you can view the data associated with the previous system by changing the Finance Detail page view.

In the “Current Status” section, you can update the *Primary Financing Instrument indicator*, change to *Manual Status*, select *Additional Field Office Status Info* and view the *Finance Status History*.

When additional FHA numbers are associated to the property, the most current FHA is designated as the primary loan, and all other primary FHA numbers are designated as N/A on the **Finance Summary** screen. In the case of supplemental loans associated with a property (any loan not designated as primary), these FHA numbers should be designated using numbers 2 through 4.

A Select to View data from field allows you to choose the source system view. The source system view displays relevant data from the selected source system. Most fields are populated with view-only data. However, depending on the source system, there may be some editable fields.

To view the Financing Detail page:

1. From the **Financing List** page, highlight and click on a row and the **Financing Detail** page displays.

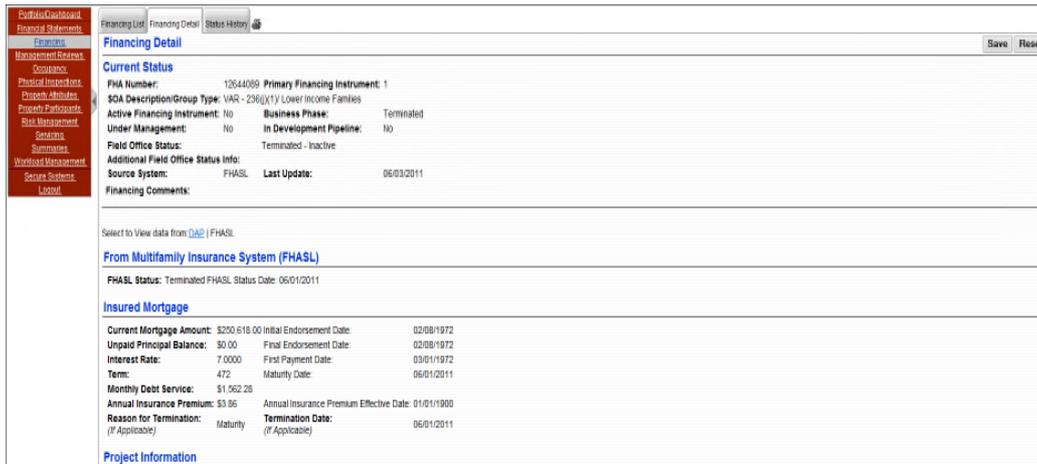


Figure 5-2. Financing Detail page

The *Field Office Status* field is initially populated with the status from the current source system and is view-only. The *Additional Field Office Status Info* drop-down list allows you to provide greater detail about the status of the loan.

5.2.1 Source System Status

The second section on the Financing Detail page will depend on the source system listed in the *Source System* field. The source system status information displays under the Current Status information. This information is pertinent to the source system associated with the selected FHA number for a property. The current, or most recent, source system information displays, however, if there are multiple source systems associated with a single FHA number, a *Select to view data from* field displays with links to the other source systems. Selecting one of the links allows you to view information from the selected source system.

The **Development Application Processing System (DAP)** is used by Multifamily Housing to initiate new loans. If the source system is currently **DAP** then the view of the source system will default to **DAP**

The **Multifamily Insurance System (FHASL)** holds data for insured loans. If the source system is currently **FHASL** then the view of the source system will default to **FHASL**.

The **LAS/NLS** view of the source system allows you to view financing data associated with a specific FHA number from that source system. **LAS/NLS** stores financial data for grants and is sent to **iREMS** as view only.

The **PAS** view of the source system allows you to view finance data associated with a specific FHA number from that source system. **PAS** stores financial data for grants and is sent to **iREMS** as view-only.

The **MARS** view of the sources system allows you to view finance data associated with a specific FHA number from that source system. This information is view-only in **iREMS**.

The most current source system displays.

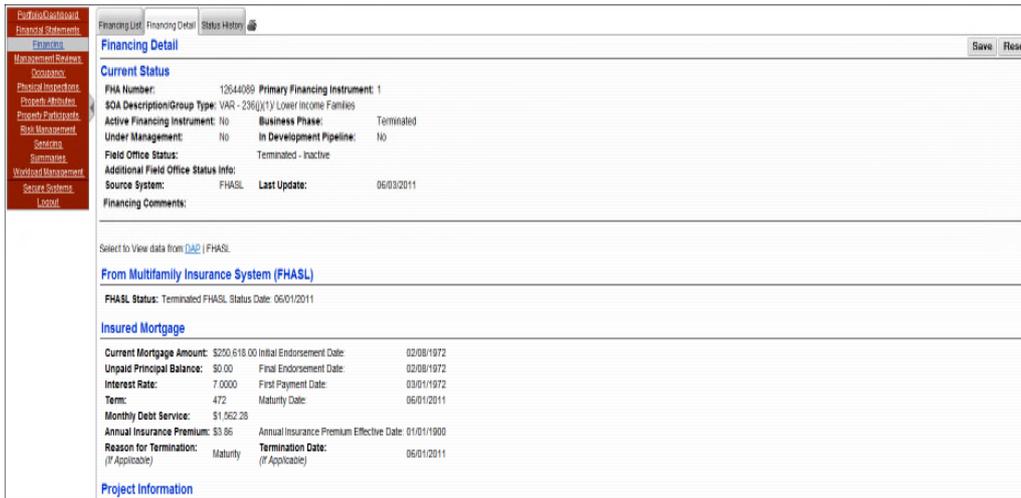


Figure 5-3. Financing Detail

5.2.2 Multifamily Accounting Report and Servicing (MARS)

MARS as the source system allows you to view the finance data associated with the specific property. These fields are view-only.

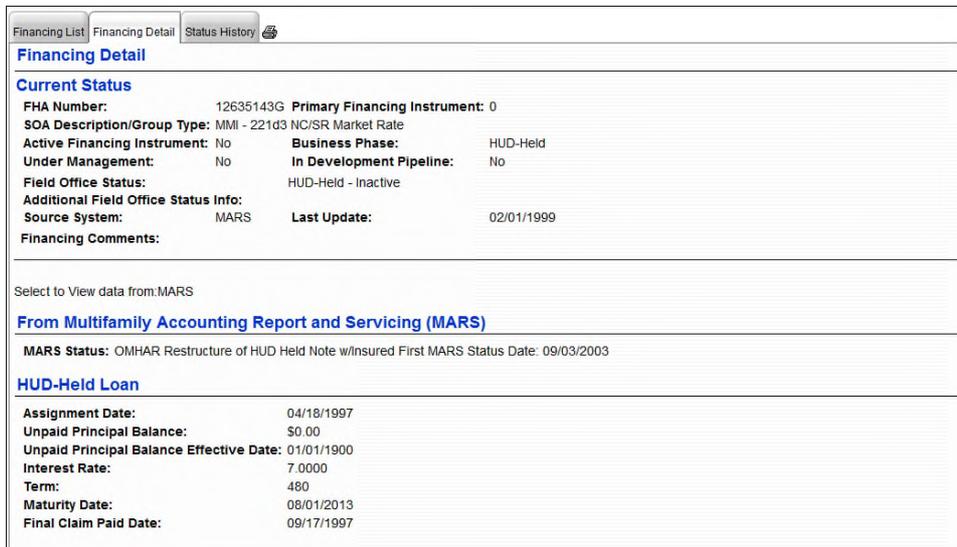


Figure 5-4. MARS page

The following table displays the MARS codes.

MARS Status Codes

Status Code	Status
1	Operational
2	Under Workout
3	Action Outside Hub
4	In Foreclosure
5	Court-Ordered Repayment(Bankruptcy)
6	Accruing/non-Paying/2nd/3rd Note
7	Paid in Full
8	Third Party Sale
9	Acquired at Foreclosure
10	Deed-in-Lieu
11	Sold at Mortgage Auction
12	Reassigned
13	Consolidated
14	OMHAR Restructure of HUD Held Note
15	Court Ordered Mortgagor Payoff(Discounted-Bankruptcy)
16	OMHAR Restructure of HUD Held Note w/Insured First
17	OMHAR Non-Profit Write-off
18	OMHAR Non-Profit Assignment
99	Should Not Exist in MARS

5.2.3 Development Application Processing System (DAP)

The Development Application Processing System (DAP) is used by Multifamily Housing to initiate new loans. The DAP view allows you to view and enter mortgagee and mortgagee contact information.

Information about the originating mortgagee for a financing instrument is loaded into **iREMS** by FHASL. These fields are view-only.

Financing List	Financing Detail	Status History	
Source System:		FHASL	Last Update: 05/03/2011
Financing Comments:			
Select to View data from: DAP EHASL			
From Development Application Processing System (DAP)			
DAP Status: Final Endorsement DAP Status Date: 02/04/1972			
Mortgage/Capital Advance			
Construction Start Date:	07/07/1970		
Construction Percent Complete:			
Construction Status:	Construction Start		
Initial Occupancy Approved Date:			
Initial Endorsement Date:	06/23/1970		
Cost Cut Off Date:			
Cost Cert Review Completed Date:			
Final Endorsement Date:	02/04/1972		
Mortgage Amount at Final Endorsement:			
Project Information			
Small Project Processing:	Unconfirmed		
Property Located in an Underserved Area at Time of Initial Endorsement or Refinance:	No		
Originating Mortgagee			
Name:			
Street:			
City:			
State:			
Zip Code:			
Lender ID:			
Originating Mortgagee Contact			
Name:	Phone:		
Title:	Fax:		
Street:	Pager:		
	E-Mail:		
City:	Account #:		
U.S. State or Territory:			
Foreign State or Territory:			
Country:			
U.S. Zip Code:			
Foreign Postal Code:			
Standardization Status:			

Figure 5-5. DAP page

5.2.4 Multifamily Insurance System (FHASL)

The Multifamily Insurance System (FHASL) holds data for insured loans. If the current source system is currently FHASL then the view of the Financing Detail page will default to FHASL. If FHASL is not the current source system, you can select the FHASL link to view the information.

Information about the holding and servicing mortgagees for a financing instrument are loaded into **iREMS** by FHASL. All fields on this page are view-only. The exception is the *Mark-Up-to-Market* field which is editable by the Contract Administrator assigned to the property.

Financing List	Financing Detail	Status History
Select to View data from: DAP FHASL		
From Multifamily Insurance System (FHASL)		
FHASL Status: Active FHASL Status Date: 05/19/1995		
Insured Mortgage		
Current Mortgage Amount:	\$61,000.00	Initial Endorsement Date: 05/19/1995
Unpaid Principal Balance:	\$53,791.70	Final Endorsement Date: 05/19/1995
Interest Rate:	9.5000	First Payment Date: 07/01/1995
Term:	480	Maturity Date: 06/01/2035
Monthly Debt Service:	\$494.14	
Annual Insurance Premium:	\$271.10	Annual Insurance Premium Effective Date: 01/01/1900
Reason for Termination:	Not Available and/or Applicable	Termination Date:
(If Applicable)		(If Applicable)
Project Information		
Original Owner Equity:	\$0.00	
Annual Distribution Earned:	\$2400.00	
Mark-Up-to-Market Distribution Increase(if applicable):	\$ 0.00	
Total Allowable Annual Distribution:	\$2,400.00	
Loan Funded by Bonds:	No	
Risk Sharing(%):		
Eligible for Pre-Pay:	No	
Small Project Processing:	Unconfirmed	
Property Located in an Underserved Area at Time of Initial Endorsement or Refinance:	No	
Excess Income		
Eligible to Retain Excess Income:	Unconfirmed	
Date Request to Retain Excess Income Submitted:		
Date Request Approved:		
<input type="button" value="Excess Income Details"/>		
Holding Mortgagee		
Name:	PRUDENTIAL HUNTOON PAIGE ASSOCIATES LLC	
Street:	FHA MORTGAGE DEPARTMENT 4350 FAIRFAX DR STE 700	
City:	ARLINGTON	
State:	VA	
Zip Code:	22203-1620	
Lender ID:	3448909991	
Holding Mortgagee Contact		
Name:	Phone:	
Title:	Fax:	
Street:	Pager/Cell Phone:	
	E-Mail:	
City:	Account #:	
U.S. State or Territory:		
Foreign State or Territory:		
Country:		
U.S. Zip Code:		
Foreign Postal Code:		
Standardization Status:		
Servicing Mortgagee		
Name:	PRUDENTIAL HUNTOON PAIGE ASSOCIATES LLC	
Street:	FHA MORTGAGE DEPARTMENT 4350 FAIRFAX DR STE 700	
City:	ARLINGTON	
State:	VA	
Zip Code:	22203-1620	

Figure 5-6. FHASL page

5.2.4.1 Project Information

The Project Information section of the FHASL page is divided into two sections. The first section contains information on the loan and is view only. The second section contains the specific project information and is also view-only. The Project Information section contains the following fields: *Original Owner Equity*, *Annual Distribution Earned*, *Mark-Up-To-Market Distribution Increase (if applicable)*, *Total Allowable Annual Distribution*, *Loan Funded by Bonds*, *Risk Sharing (%)*, *Eligible for Pre-Pay*, *Small Project Processing*, and *Project Located in an Underserved Area at a Time of Initial Endorsement or Refinance*.

Project Information	
Original Owner Equity:	\$ 555838.00
Annual Distribution Earned:	\$ 33350.28
Mark-Up-to-Market Distribution Increase(if applicable):	\$ 0.00
Total Allowable Annual Distribution:	\$33,350.28
Loan Funded by Bonds:	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> Unconfirmed
Risk Sharing(%):	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> Unconfirmed
Eligible for Pre-Pay:	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> Unconfirmed
Small Project Processing:	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> Unconfirmed
Property Located in an Underserved Area at Time of Initial Endorsement or Refinance:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Figure 5-7. Project Information

5.2.4.2 FHASL Excess Income

Excess income is rent collected in excess of basic rent on an insured 236 mortgage. It is computed on a unit-by-unit basis and the excess income is remitted to HUD on a monthly basis.

If pre-authorized by HUD, project owners with mortgages insured under section 236 are permitted to retain some or all of their excess income. The terms and conditions established by HUD must apply when retaining excess income. In the **Excess Income** section, you can view the date indicating when the request to retain excess income was submitted. You can also view the date the request is approved.

The **Excess Income Details** button will allow you to view detailed information from the **Departmental Accounts Receivable Tracking/Collection System (DARTS)** associated with excess income information for a single FHA number.

Note: You must select an FHA number from the Financing List and access the Financing Detail tab for that loan in order to view Excess Income information. The Excess Income information only displays if there is a link for FHASL.

Note: Currently, DARTS is responsible for tracking and providing reports for this data.

To view Excess Income Details:

The **Excess Income Detail** page displays information received on a monthly basis from the Departmental Accounts Receivable Tracking/Collection System (DARTS) about the FHA number. Users can enter comments on this page.

1. From the Excess Income section, click on  and the **Excess Income Detail** page displays.



Figure 5-8. Excess Income

2. View the data and/or enter comments.
3. Select another tab or sidebar option to view additional information.

5.2.4.3 Mortgagee Detail

Information about the holding and servicing mortgagee for a financing instrument is loaded into **iREMS** by **FHASL**. These fields are view-only.

5.2.5 Loan Accounting System (LAS/NLS)

The LAS/NLS system sends all active loans including 202 Elderly and Disable Direct loans that are amortized, 201 Flex Subsidy amortized loans and 201 unamortized loans, among others, to **iREMS** on a monthly basis. In addition, the Green Retrofit (GRP) loans and grants are serviced and updated by LAS/NLS.

The data from the Loan Accounting System (LAS/NLS) displays loan information and project information. The loan information section displays view only data pertaining to the loan. This information includes: *Current Loan Amount, Unpaid Principal Balance, Monthly Payment Service, Interest Rate, Term, DAP Initial Closing Date, DAP Final Closing Date, and First Payment Date.*

The Project Information section contains the following fields: *Original Owner Equity, Annual Distribution Earned, Mark-Up-To-Market Distribution Increase (if applicable), Total Allowable Annual Distribution, Loan Funded by Bonds, Risk Sharing (%), Eligible for Pre-Pay, Small Project Processing, and Project Located in an Underserved Area at a Time of Initial Endorsement or Refinance.*

Financing List	Financing Detail	Status History
Financing Detail		
Current Status		
FHA Number:	126EH014	Primary Financing Instrument: 1
SOA Description/Group Type: ZPF - 202/8 Direct Loan/ Elderly-Handicapped		
Active Financing Instrument:	Yes	Business Phase: Under Management
Under Management:	Yes	In Development Pipeline: No
Field Office Status:	Under Management - Active	
Additional Field Office Status Info:		
Source System:	LAS	Last Update: 06/06/2014
Financing Comments:		
Select to View data from: DAP LAS/NLS		
From Loan Accounting System (LAS/NLS)		
LAS/NLS Status: Active Date MFH Received the Status: 07/17/2009		
Loan		
Current Loan Amount:	\$258,200.00	
Unpaid Principal Balance:	\$107,595.21	
Monthly Payment Service:	\$1,892.85	
Interest Rate:	8.5000	
Term:	480	
DAP Initial Closing Date:	02/21/1980	
DAP Final Closing Date:	03/16/1982	
M2M Final Closing Date:		
First Payment Date:	08/01/1980	
Project Information		
Loan Funded by Bonds:	No	
Eligible for Pre-Pay:	Unconfirmed	

Figure 5-9. LAS/NLS page

5.2.6 PAS

PAS sends grants and capital advances to iREMS on a daily basis. In addition, the Green Retrofit (GRP) loans and grants are also sent to iREMS. The Green Retrofit (GRP) loans and grants are tied to a contract number and entered into the PAS system in their contract number field. The contract number is used to tie the loan to the iREMS property.

The data from PAS displays in two sections, the Capital Advance section and Loan information section. The Capital Advance information includes: *Current Grant Amount*, *Grant Disbursed Amount*, *Grant Term*, *DAP Initial Closing Date* and *DAP Closing Date*.

The Project Information section contains the following fields: *Original Owner Equity*, *Annual Distribution Earned*, *Mark-Up-To-Market Distribution Increase (if applicable)*, *Total Allowable Annual Distribution*, *Loan Funded by Bonds*, *Risk Sharing (%)*, *Eligible for Pre-Pay*, *Small Project Processing*, and *Project Located in an Underserved Area at a Time of Initial Endorsement or Refinance*.

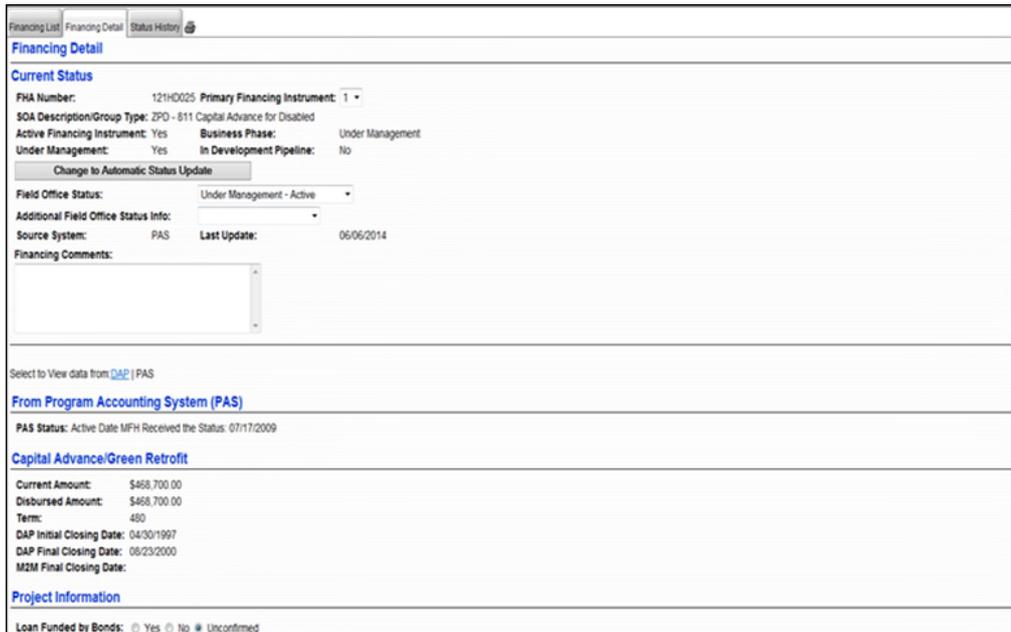


Figure 5-10. PAS page

5.3 Status History

The *Status History* tab displays the *source system the status and the status start dates* associated with a single FHA number for the property. This is a view-only tab.



Figure 5-11. Status History

1. From the **Financing List** page, click on the *Status History* tab and the **Financing Status History** page displays.
2. View the data and then click on the *Financial List* tab to return to the **Financing List** page.