

# Mortgage+Care

## HOW TO DOC

### Processing Loan Reserves

Enter a monthly payment normally, except add a negative reserve amount to **Investor /PPP** and **Past Due / Unapplied** coded UNA. The investor / PPP code can be left at Regular in the Select a Category dialog screen that appears.

The screenshot shows the 'Loan Servicing Payment' window. At the top, it displays loan details: Borrower Name: ANDREW WALTERS, Loan Number: C-1, Loan Amount: \$100,000.00, Balloon Date: 01/01/2015, Mo. Payment: \$1,000.00, Loan Type: Interest Only, and Late Charge: \$100.00. The Status is set to 'Current'. The payment entry is for Payment # 2, dated 03/01/2010, with an amount due of 1,000.00. The breakdown shows Interest of 1,000.00, Principal of 0.00, and Late Fees of 0.00. A negative reserve amount of -100.00 is entered for 'Investor / PPP'. The 'Total' is circled in red and shows \$1,000.00. The 'Servicing Fee' is 83.33.

This breakdown lowers the investor payment by the reserve amount, but it is taxed on 1099s. The \$100 stays in the trust account until an additional entry is added to disburse the reserves.

When it's time to **repay the reserves** to the investor, you need to enter an additional payment (of whatever the last payment number is) and enter the total amount being paid out in the Amount Received to post it.

Loan Servicing Payments

Borrower Name: ANDREW WALTERS      Loan Number: C-1  
 Loan Amount: \$100,000.00      Balloon Date: 01/01/2015  
 Mo. Payment: \$1,000.00      Loan Type: Interest Only  
 Late Charge: \$100.00      Interest: In Arrears

Select    Notes    Done

←    ←    →    →    +    -    ▲    ▼

Date Due	Status	Comments
02/01/2010	Current	apply reserve
03/01/2010		
03/01/2010		
03/01/2010		

Payment # 2  
 Add'l Payment # 2  
 Int. Paid To Date: 03/01/2010  
 Payment Due Date: 03/01/2010  
 Date Received: 05/12/2010  
 Deposit Date: 05/12/2010  
 Hold To Date: 05/12/2010  
 Next Payment: 04/01/2010

Amount Due: 0.00  
 Amount Received: 0.00  
 New Loan Balance: 100,000.00

Comments: apply reserve  
 Borrower Check # [ ]     Posted     Printed     Cleared  
 Interest: 0.00  
 Principal: [ ]  
 Late Fees: 0.00  
 Broker: 0.00  
 Investor / PPP: 100.00  
 To: [ ]    [ ]    [ ]  
 Past Due / Unapplied: PAY    100.00  
 Past Due Balance: 0.00  
**Total: \$100.00**  
 Servicing Fee: 0.00

Edit Unapplied    Add Payment    Post Payment

After the payment has been disbursed, edit the payment and zero out the Amount Received after posting because the money is already in the servicing account. Make sure the **Past Due / Unapplied** code is set to PAY

This amount is not taxable because interest is \$0.