

LLC FUND MANAGER

Posting Process

Typically, at the end of a month or quarter, the broker will cut checks to members and send out statements.

- 1) **Add investment Income.** Click on the “Log Borrower Payments” icon (or menu to **Servicing > Receipts > Log Payment**). Select the LOAN Income account

The screenshot shows two overlapping windows from the LLC Fund Manager software. The 'Select Income Source' dialog box is in the foreground, displaying a table of accounts. The 'LOANS' account is selected, and its 'LAST NAME' is 'LOAN INCOME'. The 'INACTIVE' column is checked for 'LOANS'. The 'Add Payment' button in the background window is highlighted with a red box.

| ACCOUNT | LAST NAME | INACTIVE |
|----------|-------------------|----------|
| LOANS | LOAN INCOME | |
| POOL2 | DISCOUNTED POOL | False |
| Z-BROKER | CONTROLLED | |
| Z-EXP | OTHER EXPENSES | |
| Z-INT | INTEREST INCOME | |
| Z-TRANS | TO OTHER ACCOUNTS | |

The background window shows the 'Log Payment' form with the following fields:

- Status: Current
- Payment #: 41
- Add Payment #: 0
- Date Received: 03/30/2017
- Deposit Date: 03/30/2017
- Hold To Date: 03/30/2017
- Amount Received: 16,000.00
- Income: 14,000.00
- Principal: 2,000.00
- To Broker: 0.00
- Other Income: 0.00
- Total: \$16,000.00
- New Loan Balance: 1,898,000.00

Add the payment from your servicing software. This would be the total check amount paid to the fund (not each borrower payment). The check may consist of interest, principal paydown, late fees, or advance repayments. Also update the New Loan Balance. This would either be on the check or from the servicing investor portfolio report. This number is only used for reserve calculations and shows on the GL.

There may be other expenses to be subtracted from the funds available to members. If this is the case, those are entered in **Servicing > Receipts > Other Debit Credit**. See the Vendor Payments FAQ for more information on this option.

- 2) **Post the Payments.** Menu to **Servicing > Disbursements > Post to Members**. Select the date at the end of the period. (Check dates can be altered later). Click **Load Data** to see the results. Check the expected yield box to set a preferred rate. Otherwise cash in is paid out less expenses.

You can reload this information if changes are required. But once you press Continue, you will have to restore a backup to start the process over.

LLC Disbursement Posting

PAYMENT AND CHECK POSTING

**This Process Will Create Check Entries For All Pool Members.
Run This Procedure Just Before Printing Checks.**

Yield based method

Disburse Share As-Of Date: 3/31/2017

Use Expected Yield 6.000%

| | | |
|------------------------------------|----------|-----------------------|
| Total Outstanding Trust Deeds | \$ | 1,898,000.00 |
| Member Balance Total | \$ | 2,169,976.12 |
| Weighted Member Balance | \$ | 2,169,976.12 |
| Principal Received | \$ | 2,000.00 |
| Gross Interest Received | \$ | 18,000.00 |
| Other Debit / Credits | \$ | -500.00 |
| Investor Other | \$ | 0.00 |
| Broker Other | \$ | 0.00 |
| Accrual Advance | \$ | 0.00 |
| - Accrued Expenses | \$ | 0.00 |
| Gross Income Received | \$ | 17,500.00 |
| - Broker Fees, Ex. | \$ | 0.00 |
| - Management Fees @ 1.000% | \$ | 1,808.31 |
| - Reserve Fees @ 0.000% | \$ | 0.00 |
| = Disbursement Amount | \$ | 15,691.69 |
| Gross Yield on Member Balance | % | 9.678 |
| Net Yield on Member Balance | % | 8.678 |
| Total Shares Owned | | 2,169.95 Units |

Now click **Print**, then **Backup**. Show the results to your manager or review for correctness. If OK, then click **Continue** to Post.

- 3) **Payment Journal.** Now review the distribution results in the Payment Journal. Menu to **Servicing > Disbursements > Payment Journal**. Usually you can leave the dates set to the defaults. This report shows you the money received and the breakdown to members. There may be some odd penny adjustments. These adjustments stay in the servicing account.

Members with funds in the Pay column get checks. Members with funds in the Reinvested column are buying additional shares. Save this report in case of data loss or for auditing purposes.

- 4) **Print Checks.** The next step is to print Member checks. Menu to **Servicing > Disbursements > Print Checks**. The review screen mimics the payment journal. You can adjust here if necessary.

Print Check

Click here to install micr fonts if needed

From Member: To:

Hold Date: Check Date:

Next Check Number:

Print Zero Dollar Check?

Suppress Detail on Stub

The Hold Date will match the posting date. If you want to print checks showing a later date, adjust the Check Date. Some brokers send a non-negotiable check to reinvestment members rather than a statement. Check "Print Zero Dollar Check" to do this.

Members signed up for ACH (electronic deposits) will receive a non-negotiable check also. There is a separate step to send in NACHA checks under **Servicing > Disbursements > NACHA Export**.

If the checks printed correctly, answer the dialog Yes to print the Broker fee check and post payments to member ledgers. The broker fee check is deposited in your business checking account.

- 5) **Member Statements (Optional)** Most brokers will send out a member statement at this point. Menu to **Servicing > Member > Member Statement** to print these.