



Loan Participation Reporting Solution Overview





Automate your monthly participation reporting with LoanStreet.

Automating your monthly participation reporting improves operational efficiency while reducing regulatory and financial risk.

Manually generating reports is challenging and error prone even more so as you scale your program with a variety of asset classes, partners, loan terms and rates. Communicating with partners, auditors and stakeholders about remittances and relevant updates is a time consuming headache, especially given the tight timelines financial institutions face to close month-end numbers and file quarterly regulatory reports. As a purchaser, managing participation reporting across many different sources with different file formats and information, all of which needs to be consolidated into a unified loan model for financial, regulatory and performance reporting, is nearly impossible.

LoanStreet allows you to unlock the full potential of your loan participation program with automated monthly reporting. Designed for deals made both on and off the LoanStreet Marketplace, our reporting solution eliminates errors, inefficiencies and administrative burdens, allowing you to scale your lending efforts to new heights.

Sell-Side Reporting

Scaling a sell-side loan participation program traditionally requires dedicating more resources towards the production of reports and distribution of funds, creating significant administrative challenges when done on a manual basis. LoanStreet streamlines the entire reporting process, removing all manual processes, allowing your institution to scale its participation program, always focused on the goal of maximizing balance sheet flexibility, liquidity, and returns. Additionally, leverage our analytics tools for even greater insight into your loans' performance.

Fig 1. Comparison of Manual Sell-Side Reporting Processes vs. LoanStreet's Monthly Automated Reporting



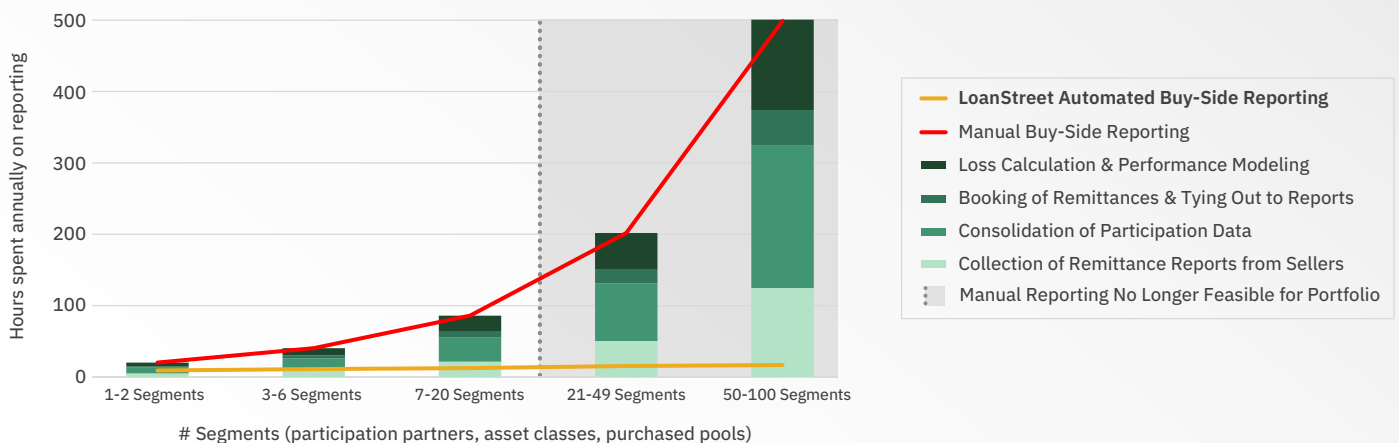
LoanStreet's solution enables loan participation sellers to:

- Automate** the production of GAAP- and CECL-compliant reports containing accurate financial entries.
- Deliver** accurate, transparent and timely reports to all participants with virtually no manual labor or administrative costs.
- Leverage** the LoanStreet platform as a single source for all your institutional documentation, finances and loan level data.
- Merge** historical sale data with new deals to ensure a single month-end process across all transactions and loan types.
- Offload** the burden of Audit Confirmation requests and ad-hoc inquiries from buyers.
- Remit** payments through the platform with a click of a button.

Buy-Side Reporting

Consolidating various participation reports across different sources, with different information, all of which is highly error prone, is incredibly onerous. With LoanStreet, you can scale your participation program with confidence without scaling the burden.

Fig 2. Comparison of Manual Buy-Side Reporting Processes vs. LoanStreet's Monthly Automated Reporting



LoanStreet's solution enables loan participation buyers to:

- Consolidate** loan participation reports across all sellers and asset classes using a unified data model.
- Produce** accurate loan and payment level GAAP-compliant reports and financial summaries for your participations.
- Analyze** balance sheets, calculate CECL reserves and respond to compliance and audit requests with ease.
- Optimize** capital usage with actionable insights into loan and pool-level performance, such as prepayment speeds, cumulative charge-offs and detailed income analysis.
- Identify** discrepancies and resolve exceptions from counter-parties that are virtually impossible to locate manually and could lead to costly variances in cash receipts.



Leverage LoanStreet's Powerful Analytics Suite

When your institution onboards your participation program onto LoanStreet's platform, you gain immediate access to our Analytics suite, which includes powerful and detailed analyses of your entire program as well as pool specific analyses.

LoanStreet's reports give decision makers unique, actionable business intelligence, providing powerful visualizations of the historical performance of your pools and current trends within your portfolio across multiple attributes to inform your institution's loan trading strategy. Easily access, monitor and share essential metrics and performance reports to drive and align your institution's loan trading strategy and scale to new heights.

An Automated Perspective

LoanStreet's Analytics enable you to view:



Prepayment Calculations

Month-to-month, rolling, and constant prepayment rates, including CPR or ABS methodologies.



Income Analysis

Effects of return of principal, charge-offs and prepayments on monthly participation income.



Pool-level Performance Reports

Insights delivered in a polished, printable and presentation-ready format.



Cumulative Charge-off Rates

Analysis of past defaults and delinquencies to reveal leading charge off indicators.



Benchmark Comparisons

Track the performance of your LoanStreet loans against other investments on the platform.



Trend Analysis

Views of each pool's most critical trend characteristics over time and remaining beneficial life.



Scenario Analysis

Leverage historical data and user-adjusted estimates of future prepayment rates and charge-offs to forecast performance.



Income Ratios

Ratio of income over the amortized cost of your investment, with selectable methods to amortize the cost over the investment's life.

Address Regulatory and Accounting Standards

CECL (Current Expected Credit Loss) is a new accounting standard issued by the Financial Accounting Standards Board requiring financial institutions to estimate the credit losses they may experience over the lifetime of a loan or financial asset. For credit unions with loan participation programs in place, accurately calculating the expected credit losses so they do not over- or under-reserve can be difficult.

Analyzing your loan participations on your balance sheet at the most granular level is critically important to ensure that your credit union does not face undue volatility in your reserve calculations. LoanStreet's CECL solution accounts for the full complexity and diversity of your participation portfolio across multiple partners and products, including premium and discount purchases. Automating the data aggregation process using the same Weighted Average Remaining Maturity methodology used by the NCUA, we deliver these calculations to you on a monthly cadence with no additional implementation costs or time.

To learn more about LoanStreet's CECL solution, [click here](#) to watch our webinar.

Our CECL Solution:



Reduces the risk of over-reserving by carrying out ECL calculations specific to each participation partner and product type within your participation portfolio.



Provides month-over-month ECL estimates, thereby eliminating potential surprises from variability in your quarter-over-quarter ECL estimates.



Eliminates data-entry and calculation errors from your CECL participation calculations.



No additional onboarding required for existing LoanStreet customers. Your CECL report will be ready to ship as soon as your subscription begins.



Generates a CECL report on-demand that can be easily integrated into any existing internal workflow.

Optimized Onboarding

Our onboarding process makes it easy to report on loan participations transacted both on or off our platform. Once your dataset has been staged in LoanStreet's systems, we will work with you to review sample reports and sign off on a final version prior to going live to your back office team and any of your buyers or sellers.

Just send us a sample of your recent remittance reports to get started - it's as easy as 1, 2, 3:

1 Sample Report Review

Experience your loan participation information in LoanStreet's Industry Leading consolidated, transparent and robust reporting format.

2 Configure Processes

Our onboarding team will replicate your reporting processes from start to finish, ensuring a smooth transition to a more streamlined workflow.

3 Automate Reporting

Launch your new fully optimized reporting solution and scale your participations program without worrying about incurring any additional overhead.



Onboarding Timeline

Onboarding timeframes vary based on a number of factors, including the size and complexity of your portfolio. Generally, the faster you provide our team with the necessary documentation and contact information, the sooner we can automate your reporting. For standard participation portfolios, most institutions receive their first sample reports for review within 1-2 weeks. From there, we will reach out to your buy or sell-side counterparties, many of which are already on LoanStreet, and you will begin to receive your automated reports in as soon as one month.

Ready to automate your reporting processes?

Contact us or visit our website to get started.

About LoanStreet

LoanStreet is modernizing the lending industry for financial institutions of all sizes. A strategic partner to over 1,300 financial institutions, LoanStreet is the first fully-integrated, online platform that provides efficient, transparent and robust tools for lenders of all sizes to manage and scale the loans on their balance sheets, connect with partners and effectively share risk.

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