

Lesson 62 Creating Loan Participations

Prerequisite

Lesson 1, 2, 3, 10,31, 61

Creating a New Participation

Before you can create a participation, you must have an investor. There are several investors in the demo data. Their customer numbers are 90001, 90002, 90003, 90004, and 90005. To create an investor, create a new customer record and set the customer type to IV.

Creating Investors

The screenshot shows a software window titled "Customer Information (309)". Inside, there's a tabbed interface with "Customer Records" selected, showing details for "Samuelson, James d yet". The form contains the following fields:

Customer No	90005	Customer Type	IV
Last Name	Samuelson	Work Phone	345-987-2345
First Name	James	Home Phone	
Initial(s)		Fax Phone	
Title		Cell Phone	
Company	Consumer Paper Depot	Credit Rating	

See lesson 10 for details of creating new customers.

It is not necessary to have an assigned range of loan numbers for investors but it is recommended. The computer doesn't care because it can't read but a system will help you.

Creating New Participations

You can create a participation for any loan. There are no special requirements for the loan. Select the loan in which you want to create a participation on the Find Tab. Then click on the Participants button. For this example, we select the loan number 11493. Then click on the Add button. Select a participant from the Select Investor list box.

The image shows two overlapping windows from a software application. The background window is titled "Participations Sold" and displays loan details for loan number 11493. The foreground window is titled "Add Participant" and shows a list of investors to be selected for participation.

Participations Sold Window:

Loan No:	11493	Loan Name:	White, Mike
Total Pct Sold	41.116310	Participation Comment	
Total Pct Unsold	58.883690	Investor Int Accrued	377.0489
Total Amount Sold	54,994.27	Investor Principal	54,994.27

Investor: Wesley Green
Irving Cash Flow Investors, LTD
41335 Jackson Ave
Irving, TX 75080

Investor ID: 90004 Percent owned: 41.116310

Buttons: Pay One Investor All Loans, Add, Pay All Investors All Loans, Print

Add Participant Window:

Loan No:	11493
Total Pct Sold:	41.116310
Loan Rate:	8.5000
Select Investor:	
Investor:	90001 Smith's Investments
	90002 Dallas Cash Flow Investors
Amount Sold:	90003 Plano Investments
	90004 Irving Cash Flow Investors, L1
	90005 Consumer Paper Depot
Comment:	

Buttons: Save, Cancel

Investor ID	Percent owned
90004	41.116310

Add Participant

Loan No: 11493

Total Pct Sold: 48.480791

Loan Rate: 8.5000

Select Investor: 90003

Investor: Plano Investments

Amount Sold: 10,000.00

Comment:

Enter the dollar amount and an optional comment if necessary.

Click Save.

Participations Sold

Loan No:	11493	Loan Name:	White, Mike
Total Pct Sold	48.480791	Participation Comment	<input type="text"/>
Total Pct Unsold	51.519209	Investor Int Accrued	377.0489
Total Amount Sold	64,994.27	Investor Principal	54,994.27

Investor:

Wesley Green
 Irving Cash Flow Investors, LTD
 41335 Jackson Ave
 Irving, TX 75080

Investor ID	Percent owned
90004	41.116310
90003	7.364481

Note that the original investor is selected (**Red in the list box**)

Click on the new investor in the list box and the dialog will change to display the new investors data.