

# **FDIC RSAM**

## **Loss Share Data Specifications v1.3.3**

### **Single Family Residential (SFR) Reporting Instructions**

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Last Updated: 2/27/2013

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## **I. SFR Data Specification Overview**

### ***i. Background***

The primary goals of the FDIC's program for monitoring Shared-Loss Agreements are:

- To protect the financial interest of the Deposit Insurance Fund by ensuring purchasers entered into Shared-Loss Agreements use sound business judgment in managing the assets under the Shared-Loss Agreement, and adhere to the terms of the agreement
- To apply consistent standards which ensure fair treatment for all stakeholders (FDIC, purchasers, and borrowers)
- To estimate the cost of the FDIC's Loss Share obligations for its financial statements and manage its risk exposure

Assuming Institutions (AI) that purchase bank assets from the FDIC under the terms of Shared-Loss Agreements are required to report detailed information about these assets on a regular basis throughout the life of the agreement. The data reporting requirements are designed to meet these goals in a way that balances the reporting costs imposed on the purchasers and the FDIC's compliance needs.

AIs must submit separate reports to the FDIC for each failed bank, even if the AI has purchased multiple failed banks under Loss Share. Data reporting requirements differ based on the type of portfolio purchased from FDIC. Typically, there are two such types of portfolios: (1) the Single Family Residential (SFR – Schedule 4.15A) portfolio, and (2) the Non-Single Family (NSF – Schedule 4.15B) portfolio. In addition, there may be additional portfolios: Securities (Schedule 4.15C) and Subsidiaries (Schedule 4.15D). This document describes the data reporting requirements for AIs that have purchased a ***SFR*** portfolio.

### ***ii. Reporting Frequency***

AIs with a Single-Family portfolio covered by Loss Share are required to report detailed information about these assets on a monthly or quarterly basis. The frequency of file submission is determined by the size of the single-family pool. If the size of the single-family pool is below \$100 million, the AI has the option of reporting the single-family pool information quarterly, with approval granted from the FDIC through a written request. If the size of the single-family pool is equal to or greater than \$100 million, the AI must report the single-family pool information monthly.

Reports are due **15** days after the end of the calendar month, if reporting monthly, or the end of the quarter, if reporting quarterly. AIs are required to submit a report each period even if no losses were incurred during the reporting period.

### ***iii. Data Quality Standards for Payment Approval***

The FDIC requires data to be submitted consistent with these data specifications before payments are approved. Current data specification requirements can be obtained at the FDIC.gov website. Both the certificate summary and detailed asset level data must adhere to these data specifications. The data

specifications are designed to provide explicit data quality requirements and describe fundamental relationships between the various segments of the submission.

The following are minimum requirements that must be met for loss payments to be approved.

1. The certificate must be signed appropriately and submitted as both a PDF (signed) and in Excel per the certificate template.
2. File names must meet the requirements discussed in Section I vi. of this document.
3. The FDIC-provided Excel templates must be used for data submission(s).
4. Asset level data must cover the appropriate time period and meet the data specifications.
5. The certificate data must cover the appropriate time period, meet the data specifications, and contain correct information about the failed bank and the agreement.
6. The certificate and related data submissions must not trigger a validation criteria “Error” message.
  - a. **Summary Certificate Data:** loss claims will not be paid when accompanied by certificate data that trigger an “Error” message.
  - b. **Asset Level Detail Data:** the FDIC may make *partial* loss claim payments and withhold payment on assets associated with an “Error” message.

Note that the FDIC may withhold payment for other reasons as well, as permitted in the Shared Loss Agreement.

The data specifications contain validation criteria comparing data from the current period to prior reporting periods. Therefore, adequate data should be provided for all reportable periods. Payment of loss claims on later submissions may be delayed in cases where prior period data does not meet the requirements defined in the data specifications.

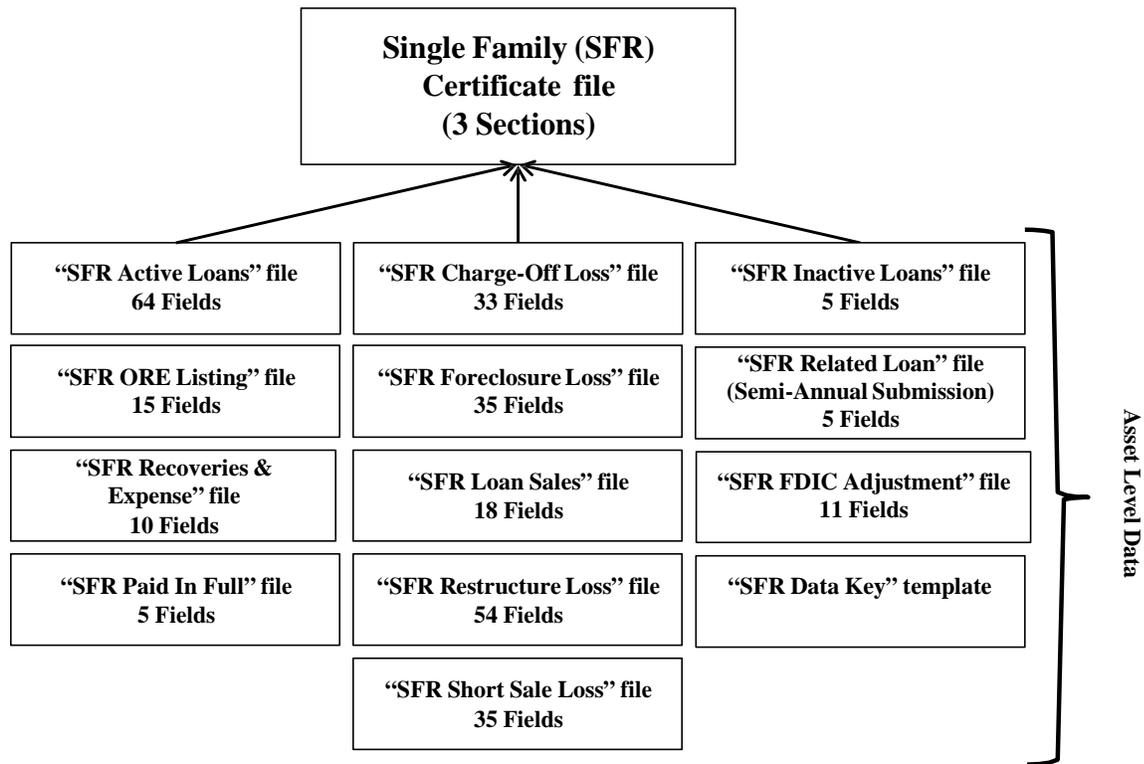
The FDIC may require amendment of prior period data that trigger either a data specifications validation check status of an “Error” or “Warning” result for that period, or subsequent periods. Payments are made in accordance with the respective agreements and are not limited to or by these guidelines.

#### ***iv. Report Contents***

Reports submitted for SFR portfolios (SFR Reports) should include data for assets listed in Schedule 4.15A of the Shared-Loss Agreement. Assets listed in Schedules 4.15B (Non-Single Family), 4.15C (Securities) and 4.15D (subsidiaries) should not be included in the SFR Report. Each SFR report should consist of a certificate and supporting asset level detailed electronic data files, as specified herein and per FDIC Data Specifications at FDIC.gov in Microsoft Excel format. The files should conform to the specifications described in this document and in the Field Definition documents. There are fourteen types of files. Some of the files are always required while others are only required under certain business scenarios.

The diagram on the next page illustrates the fourteen types of files that comprise a single SFR Report:

Figure 1: SFR Submission Files



Each SFR Report should *always* contain the following files:

- SFR Certificate file
- SFR Active Loans file

Each SFR Report may contain any of the following files if certain business events occur:

- SFR Charge-Off Loss file
- SFR Foreclosure Loss file
- SFR Inactive Loans file
- SFR Loan Sales file
- SFR ORE Listing file
- SFR Paid In Full file
- SFR Recoveries and Expense file
- SFR Related Loan file
- SFR Restructure Loss file
- SFR Short Sale Loss file
- SFR FDIC Adjustment file
- SFR Data Key template

Along with these data files each report should also contain a *signed* copy of the certificate file in Adobe PDF format. If the AI does not report FDIC allowable values, as defined in the Loss Share Data Specifications, the SFR Data Key Template will also be required.

#### v. **File Descriptions**

The table below describes the fourteen types of files that comprise a single SFR Report.

**Table 1: SFR Submission File Descriptions**

<b>File</b>	<b>Description</b>	<b>When Required</b>	<b># of Data Fields</b>	<b>File Naming Convention</b>
<b><i>SFR Certificate file</i></b>	Aggregate Level file containing a summary of changes in the SFR portfolio, covered losses in the current period, and cumulative losses for all periods. Please be aware AIs that have a customized 1.3.2 Certificate should continue to report using this Certificate. Certificate sections 1, 2, and 3 are identical between the 2 versions. The 1.3.3 customized Certificate will only be distributed to new Loss Share institutions. However, the validation tab found in the 1.3.3 file is applicable to all AIs effective for the September 30, 2011 reporting period end date. For ease of use, AIs may choose to download this file and replace the validation tab found in the 1.3.2 customized Certificate.	Always required	n/a	12345-SFR-cert- yyyymmdd.xls
<b><i>SFR Active Loans file</i></b>	Loan level file containing loans covered by Loss Share that are active at the end of the reporting period. Active Loans should not be found in the PIF, Loan Sale, or ORE files.	Always required	64	12345-SFR- activeloans- yyyymmdd.xls
<b><i>SFR Charge-Off Loss file</i></b>	Loan level file listing second or greater lien mortgage loans charged-off during the reporting period.	Required if any covered charge-off losses occurred in the SFR portfolio during the reporting period	33	12345-SFR- chargeoff- yyyymmdd.xls
<b><i>SFR Foreclosure Loss file</i></b>	Asset level file listing with covered foreclosure and ORE sale loss events during the reporting period.	Required if any covered foreclosure losses occurred in the SFR portfolio during the reporting period	35	12345-SFR- foreclosure- yyyymmdd.x ls

<b><i>SFR Inactive Loans file</i></b>	Listing of all inactive assets that are still subject to recovery-sharing. For example, include loans that were fully charged off at time of closing. The file is not a reconciliation report but rather is intended for inactive assets with a potential for recovery- sharing. The Inactive Loans file should not include loans removed from Loss Share coverage.	Required if the SFR portfolio contains inactive loans	5	12345-SFR-inactiveloans- yyyyymmdd.xls
<b><i>SFR Loan Sales file</i></b>	Loan level file listing loan sales completed during the reporting period. Please provide information on all loan sales completed during the reporting period and the covered loss amount for loan sales approved for Loss Share coverage and completed during the reporting period.	Required if any loans in the SFR portfolio were sold during the reporting period	18	12345-SFR-loansale- yyyyymmdd.xls
<b><i>SFR ORE Listing file</i></b>	Asset level file containing a listing of owned real-estate covered by Loss Share (please see the SFR balance reporting instructions below for further detail on reporting asset balances for assets partially charged-off by the failed bank.)	Required if the SFR portfolio contains covered Owned Real-Estate	15	12345-SFR-ore- yyyyymmdd.xls
<b><i>SFR Paid In Full file</i></b>	Listing of paid in full loans covered by Loss Share within the reporting period. Do not report loans on the PIF file where a partial payment has been made.	Required if any loans in SFR portfolio were paid in full during the reporting period	5	12345-SFR-pif- yyyyymmdd.xls
<b><i>SFR Recoveries and Expenses file</i></b>	Loan level file containing details about recoveries and expenses on the loans covered by Loss Share.	Required if any covered expenses or recoveries occurred in the SFR portfolio during the reporting period	10	12345-SFR-recoveryandexpenses- yyyyymmdd.xls
<b><i>SFR Related Loan file</i></b>	Loan level file listing assets with related loans defined by the Purchase and Assumption Agreement.	Required Semi-Annually	5	12345-SFR-relatedloan- yyyyymmdd.xls

<b>SFR Restructure Loss file</b>	Loan level file listing assets with covered restructuring/modification loss events during the reporting period. This list applies only to loan modifications performed per HAMP or FDIC modification standards (see YYYYMMDD Failed Institution - SFR Restructure.xls – ‘Approved Modification Programs’ tab). Loans restructured under other approved	Required if any covered losses from restructuring occurred in the SFR portfolio during the reporting period	54	12345-SFR-restructure-yyyyymmdd.xls
<b>SFR Short Sale Loss file</b>	Loan level file listing assets with covered short sale loss events during the reporting period.	Required if any covered short sales losses occurred in the SFR portfolio during the reporting period	35	12345-SFR-shortsale-yyyyymmdd.xls
<b>SFR FDIC Adjustment file</b>	Loan level file listing any FDIC adjustments made during the report period that relate to activity in previous reporting periods.	Required if any FDIC Adjustments are reported during the period	11	12345-SFR-fdicadjustment-yyyyymmdd.xls
<b>SFR Data Key template</b>	Template which maps AI provided values to FDIC allowable values. This template is comprehensive of all fields with enumerated values across all SFR detail files. Please only submit one file per reporting period.	Required if AI does not report FDIC allowable values. <b>If the AI reports any values outside the enumerated values noted in each of the SFR Certificate files, this file is required.</b>	n/a	12345-SFR-datakey-yyyyymmdd.xls

## vi. File Naming Convention

Each file should be named according to the File Naming Convention listed in the table above. Below is a detailed description of each section of the file name:

Table 2: Example of SFR Active Loans File Naming Convention

For example: 12345-SFR-activeloans-yyyyymmdd.xls							
Fund ID	Hyphen	Submission Type	Hyphen	File Name	Hyphen	As-Of-Date	File Extension
12345	-	SFR	-	activeloans	-	yyyyymmdd	.xls

- **Fund ID** – The failed institution's FDIC fund ID (a 5 digit number assigned at closing)

- **Submission Type** – 3 digit indicator signifying if the file is a Commercial (NSF) or Single-Family (SFR) submission
- **File Name** – Unique file name used for all files submitted
- **As-Of-Date** – Period end date of the submission formatted as *yyyymmdd*
- **File Extension** – All files submitted must be in Excel and file must have the *.xls* extension

**File naming convention for revised submission(s) (a resubmission) for a reporting period –**

In the event that FDIC rejects a report, then the AI must re-submit revised files where changes have occurred and the FDIC has requested or agreed to the file resubmission. Additionally, once the Certificate submission has been validated and paid, an AI should not submit any additional files or re-transmit files if the FDIC has not requested a resubmission. The filenames of the revised files should include a version number at the end of the As-Of-Date portion of the filename using the following version numbering convention; -v2, -v3, -v4, etc. The version number should be incremented each time the files are resubmitted to FDIC. The initial submission does not require a version number at the end of the file name and file name must not include the word *final*.

For example, if FDIC rejects a report twice during a given reporting period, the file name of the certificate file for the first revision would take the form *12345-SFR-cert-yyyymmdd-v2* while the file name of the certificate file for the second revision would take the form *12345-SFR-cert-yyyymmdd-v3*.

When resubmitting Certificates or supporting files, do not resubmit files until all files required to be revised can be resubmitted at the same time. For example, if critical issues exist for both the Active Loans and ORE Listing file, the AI should adjust both files and submit both files at the same time. The AI should not submit first the Active Loans file prior to adjusting the ORE Listing file and vice versa.

**vii. How to Submit Files: RTSP and Venue**

The Resolution Transaction Submission Portal (RTSP) is an internet portal for FDIC's resolution agreements. It provides assuming institution personnel with a secure method for submitting required data files to the FDIC via an automated upload feature. RTSP performs data profiling, qualitative review and validations on the reported data and provides FDIC personnel with secure, role-based access for viewing, inputting and reporting activities associated with monitoring compliance with agreement terms, claims processing and overall resolution program performance.

In cases where an AI is required to submit revised files the AI must follow the naming convention outlined in the previous section.

Venue will continue to be utilized for supporting documentation outside of the direct certificate reporting package, including FDIC Asset ID requests, appraisal reviews, CMC reviews, and general documentation sharing.

## **II. Instructions for Completing the SFR Certificate File**

The SFR Certificate file has three sections.

1. The first section derives the payment to/from the AI.
2. The second section provides a summary of changes in asset balances i.e. a roll forward report for the single-family pool for the month, and a summary of covered losses, offsetting recoveries and income.
3. The third section presents a summary of the performance of the single-family shared loss portfolio as of the end of the month.

All column and row references below refer to the templates provided in the Excel spreadsheet titled **12345-SFR-cert-yyyymmdd**. Please refer to this spreadsheet when reviewing the subsequent sections.

The Certificate file contains formulas that automatically calculate many of the values to be reported. The values in some of the cells (highlighted in blue) are pre-populated by FDIC and will not change over the life of the agreement. Other fields (highlighted in yellow) should be populated by the AI. FDIC-provided fields and automatically calculated fields should not be changed. If there are concerns about the FDIC supplied fields, an AI should contact their associated Loss Share Specialist. All financial data fields are reported in whole dollars. An overview of the SFR certificate is described below.

### ***i. SFR Certificate File Section 1: Summary of Covered Losses and FDIC Payment Calculation***

The template provided on the worksheet titled “Certificate Section 1” presents the calculation of the payment to/from the AI for the certificate. This section derives payments for a variety of agreements and as a result not all items apply to all failed bank Shared-Loss Agreements.

**Figure 2: Section 1 of the SFR Certificate (Items 1-4a)**

<b>For Single Family Shared Loss Agreement</b>		
1. Is FDIC coverage rate based solely on single family agreement losses?.....	No	
2. Are assets that were fully charged off at closing treated differently in this agreement?.....	Yes	
If the answer to #1 is No, then enter the following: .....		
3. Commercial: Inception-to-date Covered Losses, net of Recoveries.....	-	4. Commercial: Inception-to-date Net Recoveries from fully charged off assets
3a. Securities: Inception-to-date Covered Losses, net of Recoveries.....	-	4a. Securities: Inception-to-date Net Recoveries from fully charged off assets
		-

**1. Is FDIC coverage rate based solely on single family agreement losses?** This is answered by the FDIC. If the answer is “Yes”, then rows 3 and 4 do not need to be completed by the AI, and certificate files related to other asset types (commercial/other or securities) are not relevant to the calculation of losses for this certificate. If the answer is “No”, then the AI must complete row 3 and possibly row 4.

**2. Are assets that were fully charged off at closing treated differently in this agreement?** This is answered by the FDIC. The answer to this question controls the treatment of recoveries from assets that were fully charged off by the bank close date. If the answer is “No”, then the “Recoveries from Fully-Charged-Off Assets at Close” column in the payment amount calculation section should be left blank, and the AI does not need to complete row 4 below.

**3. Commercial: Inception-to-date Covered Losses, net of Recoveries:** For failed banks where the answer to row 1 is “No”, and where commercial/other loans are included under Loss Share, the AI should provide the inception-to-date commercial/other losses from the last commercial certificate that was filed (normally prior period). This is found in the “cumulative to end of quarter” column of row 14 on the second section of the commercial/other certificate. Otherwise, this field should be left blank.

**3a. Securities: Inception-to-date Covered Losses, net of Recoveries:** For failed banks where the answer to row 1 is “No”, and where securities are included under Loss Share, the AI should provide the inception-to-date covered losses (net of recoveries) from the last securities certificate that was filed. Otherwise, this field should be left blank.

**4. Commercial: Inception-to-date Net Recoveries from fully charged off assets:** For failed banks where the answer to row 1 is “No”, and where commercial/other loans are included under Loss Share, and the answer to row 2 is “Yes”, the AI should provide the inception-to-date recoveries from fully charged off assets from the last commercial certificate that was filed (normally prior period). This is calculated from Section 2 of the commercial/other certificate as row 10a) from the “cumulative at end of quarter” column *minus* row 12a) from the same report. Otherwise this field should be left blank.

**4a. Securities: Inception-to-date Recoveries from fully charged off assets:** For failed banks where the answer to row 1 is “No”, and the answer to row 2 is “Yes”, and where securities are included under Loss Share, the AI should provide the inception-to-date recoveries from fully charged off assets associated with the last securities certificate that was filed.

The next section derives covered losses and recoveries for this certificate, plus contextual information necessary to calculate the FDIC loss-sharing rates that apply to these losses. The AI does not need to enter data into this section as it is automatically calculated. The section is shown below for illustrative purposes.

**Figure 3: Section 1 of the SFR Certificate (Items 5-15)**

**This section calculates covered losses during this period:**

5. Total Covered Loss (Gain) Amount.....	0
6. If answer to 2 is Yes, then add back: Recoveries From Fully Charged Off Assets.....	0
7. Equals: Total Covered Losses subject to standard loss share treatment.....	0

**This section calculates the payment amount:**

8. Maximum amount eligible for payment within each tranche.....	-	200.00	n/a
9. FDIC's Applicable Loss Share Percentage.....	80%	80%	80%
10. Beginning Balance: Amount of each tranche already filled from previously reported losses.....	-	-	-
11. New Covered Losses (Gains) under standard loss share incurred during period.....	-	n/a	n/a
12. Covered Losses (Gains) applicable to each tranche during this period (on this Certificate).....	-	-	-
13. Distribution of Net Losses across tranches after this Certificate.....	-	-	-
14. Covered Losses (Gains) applicable to each tranche during this period (on this Cert).....	-	-	-
15. Amount Due From (to) FDIC for this Certificate.....	-	-	-

Net Loss			Recoveries from Fully-Charged-Off Assets at Close	Total Due From (to) FDIC
1st Tranche (Below Intrinsic Loss Est.)	2nd Tranche (Below Intrinsic Loss Est.)	3rd Tranche (Above Intrinsic Loss Est.)		
0	0	0		
0	0	0		
0	0	0		
-	200.00	n/a		
80%	80%	80%	50%	
-	-	-		
-	n/a	n/a		
-	-	-		
-	-	-		
-	-	-		
-	-	-		

**5. Total Covered Loss (Gain) Amount:** If the answer to row 1 is “Yes”, then this comes solely from section 2 of the current single family certificate (row 13 for the “All Previous certificates” column; row 18 for the “This Certificate” column; row 19 for the “Inception to Date” column). Otherwise it adds the numbers from rows 3 and 3a to the aggregates from section 2 of the current single family certificate (row 13 for the “All Previous certificates”

column; row 18 for the “This Certificate” column; row 19 for the “Inception to Date” column). Note that the single family portion of these losses is called the Monthly Shared-Loss Amount in some of the Shared-Loss Agreements.

**6. If answer to 2 is Yes, then add back: Recoveries From Fully Charged Off Assets:** If the answer to row 2 is “No”, then these recoveries are treated the same as other recoveries and the value here should be set to zero. Otherwise, if the answer to row 1 is “Yes”, then this comes from section 2 of the current single family certificate (Rows 16a and 17a). If the answer to row 1 is “No” and the answer to row 2 is “Yes”, the numbers from rows 4 and 4a are automatically added to the aggregates from section 2 of the current single family certificate.

**7. Equals: Total Covered Losses subject to standard Loss Share treatment:** This is the sum of rows 5 and 6.

### **Column Descriptions**

- The first three columns, called “tranches”, report and calculate losses based on the extent of covered losses reported prior to the current reporting period, the terms of the agreement, and the covered losses on this certificate. Depending on the agreement terms, the FDIC’s share of losses may – or may not – vary, depending on the cumulative covered losses to date. The initial losses are reported in the “1<sup>st</sup> Tranche”. Once cumulative losses exceed the maximum eligible losses for that tranche, additional losses are then reported in the “2<sup>nd</sup> Tranche”; once cumulative losses exceed the maximum eligible losses for the “2<sup>nd</sup> Tranche”, any additional losses are reported in the “3<sup>rd</sup> Tranche”.
- The fourth column, “Recoveries from Fully-Charged-Off Assets at Close”, reports the relevant recoveries only if the answer to row 2 is “Yes”; otherwise, the dollar amounts are zero. The last column reports the total amount due from (to) the FDIC.

### **Row Descriptions:**

**8. Maximum amount eligible for payment within each tranche:** Reports the amounts of cumulative covered losses where the FDIC loss-share percentage may change. They define the boundaries between the three tranches.

**9. FDIC's Applicable Loss Share Percentage:** Reports the FDIC’s share of losses for covered losses that fall within each respective tranche.

**10. Beginning Balance: Amount of each tranche already filled from previously reported losses:** Reports the amount of losses previously reported in the various tranches are at the beginning of this certificate based on applicable tranche thresholds (row 8) and cumulative losses/recoveries from all previously reported certificates that are relevant.

**11. New Covered Losses (Gains) under standard Loss Share incurred during period:** Automatically copies the “This Certificate” column of row 7. For this row, the column subtitle “1<sup>st</sup> Tranche” is irrelevant.

**12. Covered Losses (Gains) applicable to each tranche during this period (on this Certificate):** Describes how the new covered losses or eligible recoveries incurred on this

certificate are allocated across tranches based on the transactions terms (row 8) and losses incurred to date (row 10).

**13. Distribution of Net Losses across tranches after this Certificate:** Reports the amount of losses recorded in each Tranche at the end of the period, incorporating all the reported losses and recoveries for this certificate and all previous relevant certificates. The numbers on this row will help determine how the losses (gains) will be allocated across tranches for the next reporting period.

**14. Covered Losses (Gains) applicable to each tranche during this period (on this Cert):** The certificate automatically repeats row 12 for the first three columns. If the answer to row 2 is “Yes”, then the recoveries from fully charged off assets for this certificate are reported in the fourth column.

**15. Amount Due From (to) FDIC for this Certificate:** Calculates payment from (to) FDIC by applying the FDIC share percentage (row 9) to the covered losses on this certificate (row 14). The total is shown in the last column.

The bottom section of this page is designated for payment instructions (bank account number, routing number, etc.), bank address, Officer Name and signature, and is to be completed by the AI. A Single Family Certificate must be signed by an officer of the AI involved in, or responsible for, the administration and servicing of the Shared-Loss Loans, whose name appears on a list provided to the Receiver (as updated by the AI and provided to your FDIC RSAM Specialist as needed from time to time).

**Figure 4: Section 1 of the SFR Certificate (Wiring Instructions)**

<u>This section contains wiring instructions of Intergovernment Payout and Collection:</u>	
9-Digit ABA Number	
Account Number	
Account Name	
Further Credit Account	
Further Credit Name	
OBI	

Preparer signature:	X
Preparer name:	
Officer signature:	X
Officer name:	
Officer title:	
Bank Name:	
Bank Address:	

**9 Digit ABA Number:** Report the nine-digit identifying code assigned to the AI by Rand McNally to facilitate the sorting, routing, and processing of transactions to/from that institution. The ABA number is also known as a routing transit number from the DORPS Customer profile. This is the AI’s account number at a Federal Reserve Bank (FRB). If the AI does not use an FRB account for wires it will be their correspondent bank’s account at a FRB.

**Account Number:** Report the account number assigned to the AI. If the AI uses an account at the FRB this may be left blank or the ABA number could be repeated here. If an AI does not use an account at a FRB for wires this will be their account number at their correspondent bank.

**Account Name:** Report the account name assigned to the AI. This is typically the legal name of the AI to which the wire will be sent.

**Further Credit Account:** This is typically used as a customer account number but may be used by an AI to indicate a sub-account of the Account Number above (such as a general ledger number).

**Further Credit Name:** Report the name assigned to the Further Credit Account (if applicable).

**OBI:** This is the abbreviation for Other Beneficiary Information. This is used for reference purposes, and it frequently points towards a person or department that should be notified about the payment.

**ii. SFR Certificate File Section 2: Summary of Changes in Asset Balances and Covered Losses**

Part A of the template provided on the worksheet titled “certificate section 2” provides an activity summary of asset balances for the single-family loan pool. Part B summarizes the activity and asset balances for ORE. Part C summarizes covered losses and recoveries. Note: Assets listed on Schedule 4.15D should be reported in the NSF Certificate; please refer to the NSF Reporting Instructions for further detail.

This report provides information in the context of the Shared-Loss Agreement. Therefore asset balances should be reported in a way that is consistent with the Loss Share calculations. *In some cases, the data in this report will not match items with similar names or descriptions on the AI’s financial statements.* A copy of the report is shown on the below:

**Figure 5: Section 2 of the SFR Certificate**

PART A. Opening/Closing/Net Shared-Loss Asset Balances - Active loans	Number	Balance
1. Opening Active Loans Balance	0	0
2. Add: HELOC Advances	0	0
3. Add: Capitalization (from restructuring, forbearance plans, etc)	0	0
4. Less: a) Prin Collections (amortization/partial)	0	0
b) Paid in Full	0	0
c) Foreclosures	0	0
d) Short Sales	0	0
e) Principal Reduction	0	0
f) Qualifying Charge-Offs (excluding accr int)	0	0
g) Loan Sales	0	0
5. Add: Other Adjustments (net)	0	0
6. Net (Reduction)/Increase Amount	0	0
7. Closing Balance	0	0
	0	0
PART B. Opening/Closing/Net Shared-Loss Asset Balances - ORE activity	Number	Balance
8. Opening ORE Balance	0	0
9. Add: New ORE	0	0
10. Add: ORE Adjustments (net)	0	0
11. Less: Sold ORE	0	0
12. Closing Balance	0	0
	0	0
PART C. Loss Events and Charge-offs	Number	Balance
13. Opening Cumulative Covered Loss (Gain) Amount (SFR only)	0	0
14. Add: a) Foreclosure Sale Loss Amount	0	0
b) Short Sale Loss Amount	0	0
c) Restructuring Loss Amount	0	0
d) Charge-Off Loss Amount	0	0
15. Add: Qualifying Loss on Loan Sale	0	0

16. Less: a) Recoveries From Fully Charged Off Assets *		0
b) Other Recoveries and Adjustments		0
17. Less: a) FDIC Adjustment - Recoveries From Fully Charged Off Assets *		0
b) FDIC Adjustment - All Other		0
18. Total Covered Loss (Gain) Amount for this Period	0	0
19. Closing Cumulative Covered Loss (Gain) Amount	0	0
Memo items:		
20. Total previously reported Recoveries from Fully Charged Off Assets		0
21. Total Recoveries this period		0

**Header definitions:**

- **Beginning of this Shared-Loss Period:** The first day of the reporting period.
- **End of this Shared-Loss Period:** The last day of the reporting period.

**Column definitions**

- **Number:** In Parts A and B, this is the number of loans secured by 1-4 family residential properties or ORE properties under Loss Share as specified by the row descriptor. In part C, it is the number of assets that had a covered loss during the period.
- **Balance:** In Parts A and B, this is the dollar amount of loans secured by 1-4 family residential properties or ORE from 1-4 family residential properties under Loss Share as specified by the row descriptor. Dollar amounts should be reported on a Loss Share basis, which may not match the amount reported on the AI's financial statements. For assets charged off prior to failure, the Loss Share basis is the unpaid principal balance. For assets charged off prior to failure (see SFR balance reporting instructions) or charged off under the terms of the agreement (normally unattached second or greater liens), the unpaid principal or asset balance is reduced by the chargeoff. In Part C, the balance is the dollar amount of the covered loss or recovery, as calculated in accordance with the agreement.

**Row definitions**

**Part A: Opening/Closing/Net Shared-Loss Asset Balances – Active loans**

**1. Opening balance:** Report the beginning of period number and balance of 1-4 family residential properties under Loss Share. Include all active loans in the single family pool – both first and second liens.

The following rows refer to activities that occurred during the reporting period and were not recorded in previous loss certificate files:

**2. HELOC Advances:** Report permitted HELOC advances.

**3. Capitalization (from restructuring, forbearance plans, etc):** Report accrued interest or other advances capitalized into a loan's unpaid principal balance given a restructuring under Loss Share or loss mitigation activities such as forbearance plans.

**4a. Principal Collections (amortization/partial):** Report principal payments and loan repayments, excluding Paid in Full.

**4b. Paid in Full:** Report principal repayments resulting from loans that are paid in full.

**4c. Foreclosures:** Report the total balance that was reclassified to ORE due to foreclosure. Please note this is the Loss Share basis, not the amount reported per GAAP standards (please see SFR balance reporting instructions for additional clarification). Do not reduce the balance by write downs.

**4d. Short sales:** Report the total balance of all loans that completed a short sale.

**4e. Principal reduction:** Report permanent principal reductions from restructuring. This does not include principal forbearance.

**4f. Qualifying Charge-Offs (excluding accrued interest):** Report all principal reductions from loan charge-off. Charge-offs are only allowed for unrelated junior liens and deficiency judgments (court-ordered reductions in principal). Do not include accrued interest, other expenses, or charge-offs that are required under GAAP standards but do not qualify for Loss Share coverage.

**4g. Loan sales:** Report the total balance of all loan sales, regardless of whether they qualify for coverage.

**5. Other Adjustments (net):** Report any other adjustments or changes to the loan balance or count under Loss Share. This may include negative amortization, reclassifications to/from the single family pool, or adjustments resulting from a compliance review. If the net amount increases the count or loan balance amount under Loss Share, report this as a positive. If the net amount decreases the count or loan balance amount under Loss Share, report this as a negative. This also will include changes to loan balances reported in the 'Balance Adjustment' field of the FDIC Adjustments file. Additionally, for assets written down prior to failure which are not classified as ORE as of the initial Shared-Loss Certificate submission, this may include adjustments for reporting ORE balances using the Book Value rather than Reversion UPB.

**6. Net (Reduction)/Increase Amount:** This is the sum of rows 2 and 3 minus 4a-g plus row

**7. Closing Balance:** This is the sum of rows 1 and 6.

## **Part B: Opening/Closing/Net Shared-Loss Asset Balances – ORE activity**

**8. Opening ORE Balance:** This is the number and balance for ORE under Loss Share at the beginning of the period. In the initial certificate, this is the book value for assets classified as ORE at the closing date and is provided in Schedule 4.15A; this balance may match that reported on financial statements. However, ORE balances from foreclosures that occur over the course of the agreement are reported at the reversion balance and thus do not follow GAAP accounting. ORE balances for assets that were partially charged off by the failed bank but were not classified as ORE at the time of failure should be reported using Book Value of the asset or the balance noted on the Schedule 4.15A (please see [SFR balance reporting instructions](#)). Therefore, the opening balance does not generally match the ORE balance reported on the financial statements.

The Opening ORE Balance should equal the Closing ORE Balance for the previous reporting

period (does not apply to the initial certificate submission). The next three rows refer to activities that occurred during the reporting period and were not recorded on the previous loss certificate file:

**9. Add: New ORE:** Report new loans classified as ORE. The balance reported for loans which are not charged off by the failed bank is the loan balance at foreclosure sale less any principal payments prior to ORE classification. This balance should not reflect any charge-off adjustment. Please review SFR balance reporting instructions for reporting on assets partially charged off by the failed institution.

**10. Add: ORE Adjustments (net):** Report adjustments made to ORE balances, including capitalized expenses, reclassifications to/from the single family pool, or adjustments made as a result of a compliance review. This also will include changes to ORE balances reported in the 'Balance Adjustment' field of the FDIC Adjustments file.

**11. Less: Sold ORE:** Report all ORE sales. The SOLD ORE asset balance should match the amount of the NEW ORE reported in item 9 previously, thus the net balance after sale is zero. If the loan sale occurs between Loss Share initiation and the first submission, the balance reported should normally match that listed on Schedule 4.15A.

**12. Closing Balance:** This is row 8, plus rows 9 and 10, minus row 11.

### **Part C: Loss Events and Charge-offs**

The loss amounts specified in rows 14a-d will differ from the loss reported on financial statements due to Loss Share specific requirements (e.g. only 90 days of accrued interest may be included in the loss calculations, etc). The Excel workbook *Example SFR Covered Loss Calculations* (included in the Single-Family Reporting Requirements package) provides templates for calculating each loss amount and will be described in greater detail in a later section of this document.

**13. Opening Cumulative Covered Loss (Gain) Amount (SFR only):** This is the cumulative number and balance of 1-4 family residential loan loss events under Loss Share at the beginning of the Loss Share period. It should equal row 19 of the previous SFR certificate. Note that the count may exceed the number of assets with loss events because the agreement allows multiple events for a single asset in some circumstances.

The following rows (rows 14 - 17) refer to activities that occurred during this reporting period and were not recorded on previous loss certificate files:

**14a. Add: Foreclosure Loss Amount:** Report loss submitted for Loss Share coverage following ORE sale.

**14b. Short Sale Loss Amount:** Report loss submitted for short sales for Loss Share coverage following short sale.

**14c. Restructuring Loss Amount:** Report loss submitted for Loss Share coverage following restructuring.

**14d. Charge-Off Loss Amount:** Report loss submitted for Loss Share coverage following charge-off.

**15. Add: Qualifying Loss on Loan Sale:** Report loss submitted for Loss Share coverage following a qualifying (approved by the FDIC) loan sale. If loan sales which do not qualify for loss share coverage occurred during the reporting period, please report the associated covered loss/gain amount as zero.

**16a. Less: Recoveries From Fully Charged Off Assets:** Report all recoveries, net of expenses, from assets that were fully charged off as of the inception of the Shared-Loss Agreement. In the Shared- Loss Agreement, these may be called zero-balance failed bank chargeoffs. Do not report recoveries from assets with non-zero balances at the beginning of the agreement (they are reported in 16b).

**16b. Other Recoveries and Adjustments:** Report all other recoveries (net of expenses) with non- zero balances at the beginning of the agreement, and adjustments to covered losses.

**17a. Less: FDIC Adjustment – Recoveries From fully Charged Off Assets:** Report any adjustments made during the period that relate to recoveries from fully charged off assets (row 16a) in previous periods that occur as a result of FDIC compliance reviews, audits, etc. These adjustments are reported in the ‘AI Adjustment Amount’ of the FDIC Adjustment file. Do not report recoveries from assets with non-zero balances at the beginning of the agreement (they are reported in 17b).

**17b. FDIC Adjustment – All Other:** Report any adjustments made during the period that relate to losses or recoveries in previous periods and that relate to FDIC compliance reviews, audits, etc., excluding those reported on row 17a. These adjustments are reported in the ‘AI Adjustment Amount’ of the FDIC Adjustment file.

**18. Total Covered Loss (Gain) for this Period:** This is the net covered loss (recovery) for this certificate. It is calculated as the sum of rows 14a-d and 15, minus rows 16a, 16b, 17a and 17b. Note that the single family portion of these losses is called the Monthly Shared-Loss Amount in some Shared-Loss Agreements.

**19. Closing Cumulative Covered Loss (Gain) Amount:** This is the sum of rows 13 and 18.

#### **Memo Items:**

**20. Total previously reported Recoveries from Fully Charged Off Assets:** Report the sum of all recoveries from Fully Charged Off Assets – that is, the sum of all previously-reported amounts on rows 16a and 17a. Do not include recoveries from assets that were not fully charged off as of the beginning of the Shared-Loss Agreement. Do not include any recoveries from this reporting period.

**21. Total Recoveries this period:** Report gross recoveries from this certificate for this period.

#### **iii. SFR Certificate File Section 3: Performance Report**

This report summarizes the performance for Schedule 4.15A loans.

- The top section includes all loans secured by 1-4 Family Residential Properties under Loss

Share.

- The bottom section reports all loans secured by 1-4 Family Residential Properties under Loss Share and In Process of Restructuring. If the initial size of the single-family pool is below \$100 million, then the bottom section may be omitted.

The section titled “Loans Secured by 1-4 Family Residential Property in Process of Restructuring” is a subset of the section titled “Loans Secured by 1-4 Family Residential Property”; therefore, all loans in the Active Loans file should be reported by each category in the section titled “Loans Secured by 1-4 Family Residential Property”.

The performance report requests delinquency figures per lien status. All first lien loans should be recorded in the table labeled Secured by First Lien. All loans secured by other liens should be recorded in table labeled Secured by Second Lien.

Figure 6: Section 3 of the SFR Certificate

Loans Secured by 1-4 Family Residential Property*			
<b>Secured by First Lien</b>		<b>Secured by Second Lien</b>	
	Number	Balance	
Current	0	0	Current
30-59 days	0	0	30-59 days
60-89 days	0	0	60-89 days
90-119 days	0	0	90-119 days
120+ days	0	0	120+ days
In Bankruptcy (and not in Foreclosure)	0	0	In Bankruptcy (and not in Foreclosure)
In Foreclosure	0	0	In Foreclosure
<b>Total</b>	<b>0</b>	<b>0</b>	<b>Total</b>
<b>Loans Secured by 1-4 Family Residential Property in Process of Restructuring**</b>			
<b>Secured by First Lien</b>		<b>Secured by Second Lien</b>	
	Number	Balance	
Current	0	0	Current
30-59 days	0	0	30-59 days
60-89 days	0	0	60-89 days
90-119 days	0	0	90-119 days
120+ days	0	0	120+ days
In Bankruptcy (and not in Foreclosure)	0	0	In Bankruptcy (and not in Foreclosure)
In Foreclosure	0	0	In Foreclosure
<b>Total</b>	<b>0</b>	<b>0</b>	<b>Total</b>

Under the title heading *Loans Secured by 1-4 Residential Property*, report the Number (count) and Balance (dollar amount) of first and junior lien mortgages at period end per the following delinquency categories:

- Current
- 30-59 days delinquent
- 60-89 days delinquent
- 90-119 days delinquent

- 120+ days delinquent. Exclude loans known to be in bankruptcy proceedings or in foreclosure
- In bankruptcy and not in foreclosure
- In foreclosure

The loans in this section should include all active loans as of the end of the reporting period. This will reconcile to line '7 Closing Balance' in Section 2 of the Single Family Certificate therefore, include loans that are in process of restructuring.

**Under the title heading *Loans Secured by 1-4 Residential Property in Process of Restructuring***, report the Number (count) and Balance (dollar) amount of first and junior lien mortgages in process of restructuring per the following delinquency categories (include only those loans for which restructuring is not complete; therefore this excludes loans submitted for restructuring Loss Share coverage in the current period's certificate):

- Current
- 30-59 days delinquent
- 60-89 days delinquent
- 90-119 days delinquent
- 120+ days delinquent. Exclude loans known to be in bankruptcy proceedings or in foreclosure
- In bankruptcy and not in foreclosure
- In foreclosure

**Populating Section 3 from the Active Loans file:** The section titled "Loans Secured by 1-4 Family Residential Property" is reconciled and validated using the Single Family Active Loans file.

The fields used to populate the categories Current, 30-59 days, 60-89 days, 90-119 days, and 120+ days of the Certificate are 'Outstanding Unpaid Principal Balance', 'Payment History', 'Exceptional Loan Status', and 'Lien' from the Active Loans file. The rightmost character in the 'Payment History' field is used to determine the loan's performance status. When populating these 4 performance categories, you must exclude loans when 'Exceptional Loan Status' has values of B (Bankruptcy), F (Foreclosure), or 9 (Bankruptcy and Foreclosure).

The fields used to populate In Bankruptcy (and not in Foreclosure) and In Foreclosure are 'Outstanding Unpaid Principal Balance', 'Payment History', 'Exceptional Loan Status', and 'Lien' from the Active Loans file.

The table on the next page provides a detailed listing of Certificate page 3 to Active loan detail reconciliations that are performed during the Certificate validation.

- The first column 'Description' provides a detailed description of the validation applied (please take note of critical differences in validations highlighted in red).
- The second column provides the exact fields in the SFR Active Loans file and the order in which they are applied to validate page 3 counts. Balances are found by summing the corresponding 'Outstanding Principal Balance' of the Active Loans file for a performance category.

**Table 3: Detailed Listing of Certificate Page 3 to Active Loan Detail Reconciliations**

Description	What to Look For:
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>Current Rows Only Total Count for First Lien</b>  <i>Should Equal:</i>                      Count of Active Loans by 'Payment History' into the following categories; Current for assets with a 'Lien Status' equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=C and</li> <li>3. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>30 - 59 days Rows Only Total Count for First Lien</b>  <i>Should Equal:</i>                      Count of Active Loans by 'Payment History' into the following categories; 30 - 59 days for assets with a 'Lien Status' equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=3 and</li> <li>3. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>60 - 89 days Rows Only Total Count for First Lien</b>  <i>Should Equal:</i>                      Count of Active Loans by 'Payment History' into the following categories; 60 - 89 days for assets with a 'Lien Status' equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=6 and</li> <li>3. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>90 - 119 days Rows Only Total Count for First Lien</b>  <i>Should Equal:</i>                      Count of Active Loans by 'Payment History' into the following categories; 90 - 119 days for assets with a 'Lien Status' equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=9 and</li> <li>3. Lien (Column E) = 1</li> </ol>

<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>120+ days Rows Only Total Count for First Lien</b>  <i>Should Equal:</i>  Count of Active Loans by 'Payment History' into the following categories; 120+ days for assets with a 'Lien Status' equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=4 and</li> <li>3. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>In Bankruptcy Row Only Total Count for First Lien</b>  <i>Should Equal:</i>  Count of Active Loans with the following indicators: 1. 'Lien Status' equal to 1. 'Exceptional Loans Status' equal to 'B' (Bankruptcy) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = B and</li> <li>2. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by First Lien) - <b>In Foreclosure Row Only Total Count for First Lien</b>  <i>Should Equal:</i>  Count of Active Loans with the following indicators: 1. 'Lien Status' equal to 1. 'Exceptional Loans Status' equal to 'F' (Foreclosure) or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = F or 9 and</li> <li>2. Lien (Column E) = 1</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>30 - 59 days Rows Only Total Count for Second and Greater Liens</b>  <i>Should Equal:</i>  Count of Active Loans by 'Payment History' into the following categories; 30 - 59 days for assets with a 'Lien Status' not equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=3 and</li> <li>3. Lien (Column E) = 2, 3, or 9</li> </ol>

<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>60 - 89 days</b>  <b>Rows Only Total Count for Second and Greater Liens</b>  <i>Should Equal:</i>  Count of Active Loans by 'Payment History' into the following categories; 60 - 89 days for assets with a 'Lien Status' not equal to 1. This excludes the following assets:  1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=6 and</li> <li>3. Lien (Column E) = 2, 3, or 9</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>90 - 119 days</b>  <b>Rows Only Total Count for Second and Greater Liens</b>  <i>Should Equal:</i>  Count of Active Loans by 'Payment History' into the following categories; 90 -119 days for assets with a 'Lien Status' not equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=9 and</li> <li>3. Lien (Column E) = 2, 3, or 9</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>120+ days</b>  <b>Rows Only Total Count for Second and Greater Liens</b>  <i>Should Equal:</i>  Count of Active Loans by 'Payment History' into the following categories; 120+ days for assets with a 'Lien Status' not equal to 1. This excludes the following assets: 1. Assets with an 'Exceptional Loans Status' of 'B' (Bankruptcy), 'F' (Foreclosure), or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = N or U and</li> <li>2. Payment History (Column AR), right most character=4 and</li> <li>3. Lien (Column E) = 2, 3, or 9</li> </ol>
<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>In Bankruptcy Row Only Total Count for Second and Greater Liens</b>  <i>Should Equal:</i>  Count of Active Loans with the following indicators: 1. 'Lien Status' not equal to 1. 'Exceptional Loans Status' equal to 'B' (Bankruptcy) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = B and</li> <li>2. Lien (Column E) = 2, 3, or 9</li> </ol>

<p>Section 3 Loans Secured by 1-4 Family Residential Property (Secured by Second Lien) - <b>In Foreclosure Row Only Total Count for Second and Greater Liens</b></p> <p><i>Should Equal:</i> Count of Active Loans with the following indicators: 1. 'Lien Status' not equal to 1. 'Exceptional Loans Status' equal to 'F' (Foreclosure) or '9' (Bankruptcy and Foreclosure) from Active Loan List file</p>	<ol style="list-style-type: none"> <li>1. Exceptional Loan Status (Column AS) = F or 9 and</li> <li>2. Lien (Column E) = 2, 3, or 9</li> </ol>
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For the section ***Loans Secured by 1-4 Residential Property in Process of Restructuring***, complete section based on information obtained from your internal records. Please adhere to the classification rules as those noted above.

### **III. Instructions for Completing the SFR Asset Level Files**

The Asset Level files must be reported as separate files in Microsoft Excel format. Each row in a file should represent a single asset record. Each column in a file should represent a single data field. The sixth line in each file should contain the names of each data field followed by the asset records. Field names should contain only alphabetic characters and/or numbers, and have no leading spaces or zeroes. Do not include footers under the asset record rows; no data should follow the asset detail rows.

Each file submitted should contain the exact order and number of fields listed in the Field Definitions Documents. Fields can be left empty if data is not available and the field is not required, however, the field order, data format, and number of fields must adhere strictly to the Field Definitions Documents.

**Table 4: Field Formatting Requirements**

<b>File Type</b>	<b>Field Formatting</b>
<b>A/N</b> <b>Alphanumeric</b>	<p>Alphanumeric fields may include alphabetic, numeric, and special characters except for carriage returns, new line characters, line feeds, tabs, or   (pipes).</p> <p>Alphanumeric fields should be without text delimiters. For example:</p> <p>Example:       Address Fields Improper:       1234   Anywhere Street                   1234 ^1 Anywhere Street Proper:         1234 Anywhere Street</p> <p>Certain alphanumeric fields may be restricted to a specific set of values.</p>
<b>N</b> <b>Numeric</b>	<p>Numeric fields should contain only numbers (no alphabetic characters). Decimal points and leading minus signs are permitted. Balances should contain 2 decimal places, percentages should have five (5.125% should be given as .05125). Balance of zero should be shown as 0 and not a dash (-).</p> <p>Use number formatting (No commas, currency signs, etc.) for numeric fields. Numeric fields, including loss calculations and costs paid by the AI, should generally be positive values; loss calculations which result in a net gain(that is, a payment to the FDIC) should be represented by a negative value. Example: Gross balance recoverable by the AI = 100000 Total cash recovery = 110000 Loss Amount = -10000</p>
<b>D</b> <b>Date</b>	<p>Date fields should contain only numbers 0 – 9.</p> <p>Date fields should always contain 8 characters and be in year month day form (YYYYMMDD) with no additional formatting (i.e., no slashes or hyphens). For example, the date July 1, 2001 should appear like: 20010701</p> <p>If you do not have a certain data item, submit a null value in that field.</p>

Field Definitions Documents are individual Excel files that define the requirements for a single Asset Level file and they form an integral part of this data specification. Each Field Definition Document contains three tabs:

1. Instructions tab
2. Data Validation tab
3. Template tab

### 1. *Instructions Tab*

The 'Instructions' tab includes the following fields that define different attributes of the loan level data provided:

**Table 5: Instruction Tab Fields**

<b>Name</b>	<b>Description</b>
<b>Column</b>	The column position in the Excel spreadsheet the field should appear
<b>Field #</b>	The column number the field should appear
<b>Field</b>	Name of the field
<b>Description</b>	The definition of the field
<b>Type</b>	The type of data that should populate the field (Alphanumeric, Numeric, or Date)
<b>Comments</b>	Additional comments about the field. If applicable, the comment field will indicate if field requires a data key
<b>Required Field</b>	Indicates if the field is required and data must be provided. The FDIC assumes where AIs provide no values for non-required fields the AI is indicating the field is not applicable to the specific asset. Any other reason for omitting information is unacceptable. For non-required fields, the AI must submit information per the specified formatting or Allowable Value list, otherwise an Error will be triggered (AIs may also submit a data key template for non-required fields with allowable values).
<b>Allowable Values</b>	Listing of acceptable values for the field
<b>Formatting Req.</b>	Describes how the contents of the field should be displayed
<b>Width</b>	The maximum number of characters in the field

### 2. *Data Validation tab*

The 'Data Validation' tab that contains the Data Validation Criteria for Payment Approval described in the Executive Summary section of this document. Each validation rule is marked as either Error or Warning.

- **Error** – Fields marked as Errors in the Data Validation tab of the Field Definition Document must conform to the Validation Criteria without exception.
- **Warning** – Fields marked as Warnings are reviewed by the FDIC and exception may be granted for cases where there is a legitimate business reason(s) why a field is not populated.

### 3. *Template tab*

The 'Template' tab contains an Excel worksheet that is recommended for the AI use to produce the Loan Level files submitted to the FDIC. Each field in the template is in the exact order and field naming convention outlined in the 'Instructions' tab of each Field Definition Document.

In the 'Template' tab of each individual Field Definition Document there are Excel conditional formatting rules that will cause individual cells to highlight if certain formatting rules are not followed. There are two conditional formatting rules if violated will cause a certain field to highlight yellow.

- Rule 1, if a field that has a data type of Date is not formatted YYYYMMDD then the field will highlight.
- Rule 2, if a field that has a data type of Numeric is not a number then the field will highlight. An example of this feature is shown below:

**Figure 7: Template Tab Example**

(Fund ID) - (Failed Institution)  
 (YYYYMMDD)  
 (Record Count)

SHARED_LOSS_MONTH	LOAN_ID	ORIGINAL_LOAN_AMOUNT	INTEREST_RATE_SPREAD
February 2nd 2009		Twenty Five Dollars	
1/1/2010		99.99(-)	0.07500
20100202		99.99	

The following fields in the header section must be filled out for each data submission:

- **(Fund ID) – (Failed Institution)** – Use the five digit Fund ID and Failed Institution name found in Schedule 4.15A/B. Use the following example; “10010 – Main Street Bank”
- **(YYYYMMDD)** – The period-end date of the data submission. Use the following example; 20110101
- **(Record Count)** – Indicates the total number of records in the asset level file.

## IV. General Instructions for Covered Loss Events

The Excel workbook titled [Example SFR Covered Loss Calculations](#) provides a template for calculating the covered loss for each of these events under different scenarios, as well as loan sale loss events. These templates are for demonstration only and should not be submitted each period; however, you may be requested to reproduce these exhibits for a sample of loans during periodic compliance reviews. The data submissions required for each loss event are found in the Single-Family Reporting Requirements package.

### i. Covered Loss Events Permitted Without Receiver Approval

There are three types of covered loss events for first liens which do not require FDIC approval:

1. Restructuring
2. Short sale
3. Foreclosure and ORE sale

There are two basic types of covered loss events for second liens which do not require FDIC approval:

1. Restructuring (related liens only)
2. Charge-off (Note that deficiency judgments are allowed without FDIC approval and should be reported as charge-offs).

The first lien loss coverage calculations vary by circumstance. This table includes a reference to the specific worksheet in the Excel workbook titled Example SFR Covered Loss Calculations which illustrates the loss calculation.

**Table 6: Loss Event Type – First Lien**

	<b>Loan Restructuring/Modification</b>	<b>Short Sale</b>	<b>Foreclosure &amp; ORE Sale</b>
	<i>The restructuring loss calculation may have 3 starting points, depending on loss coverage history.</i>	<i>The short sale loss calculation may have 3 starting points, depending on loss coverage history.</i>	<i>The foreclosure loss calculation may have 3 starting points, depending on loss coverage history.</i>
1	For assets partially charged off by the failed bank, starting point is the book value of the loan provided on Schedule 4.15A less post-closing principal payments. See Exhibit 2a(1) (see note below)	For assets partially charged off by the failed bank, starting point is the book value of the loan provided on Schedule 4.15A less post-closing principal payments. See Exhibit 2b(1) (see note below)	For assets partially charged off by the failed bank, starting point is the book value of the loan provided on Schedule 4.15A less post-closing principal payments. See Exhibit 2c(1) (see note below)
2	For assets <b>not</b> partially charged off by the failed bank, starting point is UPB at the time of modification. See Exhibit 2a(2)	For assets <b>not</b> partially charged off by the failed bank, starting point is UPB as of the last paid installment date (including amounts held in suspense). See Exhibit 2b(2)	For assets <b>not</b> partially charged off by the failed bank, starting point is Reversion UPB or the UPB as of last paid installment date (including amounts held in suspense). See Exhibit 2c(2)

<p>If modification follows a previous restructuring loss event the starting point for the calculation is the NPV of the previous restructure loss claim less principal payments received post modification. No additional accrued interest is included in the loss calculation.</p> <p>See Exhibit 2a(2)</p>	<p>Starting point is the NPV of the previous restructure loss claim less principal payments post modification; no additional accrued interest is included in the loss calculation.</p> <p>See Exhibit 2b(3)</p>	<p>Starting point is the NPV of the previous restructure loss claim less principal payments post modification; no additional accrued interest is included in the loss calculation.</p> <p>See Exhibit 2c(3)</p>
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**Note:** For assets partially charged off by the failed bank, the net balance provided in Schedule 4.15A is the starting point for restructuring, short sale, or foreclosure loss event calculations (please review SFR balance reporting instructions). The asset balance listed on Schedule 4.15A is reduced by post-closing principal payments when determining the loss claim amount.

If the loss claim amount is negative, meaning the restructure, short sale, or foreclosure loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Loss Share Percentage as shown on Section 1 of the Certificate. If the total amount of the certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

**For all of the covered loss events listed above and for calculating the charge-off loss amount, the following rules apply:**

1. Accrued interest included in any of the covered loss event calculations is the lesser of: (i) 90 days, (ii) the number of days between the closing date and the Loss Share event date, (iii) the number of days between the interest paid-to-date and the Loss Share event date. If accrued interest is collected for a loan restructuring, and then the loan is foreclosed or sold via a short sale, accrued interest cannot be collected for the second loss event.

For all assets classified as ORE or nonaccrual at the time of closing, accrued interest amounts may not be claimed. If an asset partially charged off by the failed bank was classified as accruing interest at the time of failure, the AI may include up to 90 days of accrued interest in the Foreclosure, Short Sale, or Restructure Loss calculations. To prevent Certificate processing delays, the AI must notify the FDIC RSAM Specialist of such an occurrence and the inclusion of accrued interest in the loss claim.

2. Reimbursable expenses included in the loss event calculations must be incurred post closing of the failed institution.

The template for calculating the charge-off loss amount is found in the workbook Example SFR Covered Loss Calculations on the worksheet titled Exhibit 2d(1). Please review the first and second lien loss calculation templates provided in the workbook and contact your FDIC Loss Share specialist with any questions.

**ii. Covered Loss Event Requiring Receiver Approval**

All loan sales require the Receiver’s consent. Please provide your Loss Share specialist at least sixty days’ notice prior to any such proposed sale, details of the loan sale, and the proposed loan schedule. Loan sale proposals should include restructured loans in a separate pool from Shared-Loss Loans that have not been restructured. Loan sale loss calculations vary by circumstance. The table below includes a reference to the specific worksheet in the Excel workbook titled Example SFR Covered Loss Calculations which illustrates the loss calculation.

**Table 7: Loss Event Type Requiring FDIC Approval – Loan Sales**

	<i>The loan sale loss calculation may have 3 starting points, depending on loss coverage history.</i>
1	Starting point is the book value of the loan provided in Schedule 4.15A less post-closing principal payments. No accrued interest may be included in the loss claim. See Exhibit 2e(1) (see note below)
2	Starting point is UPB if the loan has not been modified previously under the Loss Share agreement. No accrued interest may be included in the loss claim. See Exhibit 2e(2)
3	Starting point is the NPV of modification less principal payments post modification if the loan was modified and submitted for Loss Share coverage. No accrued interest may be included in the loss claim. See Exhibit 2e(3)

**Note:** For assets classified partially charged-off by the failed institution, the net balance provided in Schedule 4.15A is the starting point for short sale and foreclosure loss event calculations. The asset balance listed on Schedule 4.15A is reduced by post-closing principal payments when determining the loss claim amount. If the loss claim amount is negative, meaning the restructure, short sale, or foreclosure loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. If the total amount of the certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

## **V. SFR Balance Reporting Instructions**

Schedule 4.15A provides a listing of assets covered by the Single Family Shared-Loss Agreement. The asset balances provided in this Schedule are based on the failed bank general ledger at the time of closing and are consistent with the final Proforma that is signed off by the FDIC and the AI. Consistent with the accounting procedures noted in the Purchase and Assumption Agreement, asset balances are reduced by failed bank charge-offs (excluding window period charge-offs) recorded on the general ledger at the time of closing. This includes all ORE and may include assets in the process of foreclosure. It is the AI's responsibility to review servicing system records and Proforma documents and identify any assets not classified as ORE at the time of closing which may have been written down by the failed institution.

When reporting ORE balances in the ORE file, all assets written down prior to failure (excluding window period charge-offs) must be indicated by providing a value of 'Y' in column O field Pre-Agreement Foreclosure. The asset balance noted on Schedule 4.15A should be reported in column E field Book Value. The AI should also report the asset balance at the time of ORE conversion in column G field Reversion UPB.

When reporting asset balances on the SFR Certificate, ORE balances for assets written down prior to failure (excluding window period charge-offs) are based on the Book Value noted in the ORE file.

When submitting loss claims, all assets written down prior to failure (excluding window period charge-offs) must be calculated by applying one of the following Exhibits:

- Exhibit 2a(1) and 2b(1) – apply only to assets not classified ORE as of the closing date
- Exhibit 2c(1) – may apply to all partially charged off assets

The starting point for the Loss calculation in all cases is the balance noted on Schedule 4.15A. When calculating the loss amount, this balance is reduced by any principal payments received post-closing.