ABA SELF-PACED LENDING PROGRAMS

A $10.00 shipping, recordkeeping and administrative fee will be added to all self-paced enrollments.

Course Descriptions Below

Certificate in Business & Commercial Lending Bundle $600
Level 1: Understanding Business Borrowers $150
Level 2: Analyzing Business Financial Statements and Tax Returns $150
Level 3: Analyzing Personal Financial Statements and Tax Returns $150
Level 4: Qualitative Analysis and Determining a Credit Risk Rating $150
Level 5: Loan Structuring, Documentation, Pricing and Problem Loans $150

Certificate in Lending Compliance Bundle: $2195
Anatomy of a Regulation for Compliance Professionals $275
CRA, Community Bank, For Compliance Professionals $275
CRA, Large Bank, for Compliance Professionals $275
Credit Card Regulations for Compliance Professionals $275
Elements of a Compliance Program for Compliance Professionals $275
Equal Credit Opportunity Act (ECOA) for Compliance Professionals $275
Fair Credit Reporting Act (FCRA) for Compliance Professionals $275
Good Faith Estimate and HUD-1 for Compliance Professionals (not required to earn certificate) $95
Home Mortgage Disclosure Act (HMDA) for Compliance Professionals $275
Loans to Insiders (Reg O) for Compliance Professionals $275
National Flood Insurance for Compliance Professionals $275
Real Estate Settlement Procedures Act (RESPA) for Compliance Professionals $275
Reg Z Ability to Repay (ATR) and Qualified Mortgage (QM) $275
Reg Z Closed-End Credit for Compliance Professionals $275
Reg Z Open-End Credit for Compliance Professionals $275
Servicemembers Civil Relief Act (SCRA) for Compliance Professionals $275
Unfair, Deceptive or Abusive Acts or Practices for Compliance Professionals $275

Residential Mortgage Lending Certificate $775
Banking Today $95
Appraisal Procedure $95
Basics of Mortgage Processing $95
Completing the HUD-1 $95
Discovering FHA Programs $95
Effective Client Referrals $95
Elements of Title Insurance $95
Essentials of Mortgage Lending $95
Ethical Issues for Bankers $95
Explaining Loan Modifications $95
Gathering the Facts on Mortgage Fraud $95
Mortgage Customer Counseling and Prequalification $95
Personal Tax Return Analysis $95
Preparing the Closing Disclosure $95
Preparing the Loan Estimate $95
Processing and Underwriting Credit $95
Processing Income and Assets $95
Reviewing the Appraisal Report $95

The Commercial Real Estate Lending Decision Process Package $720
Series 1: Types of CRE Loans, Risk Areas and Performance Drivers $125
Series 2: The CRE Underwriting Process $125
Series 3: Financing Different Types of Commercial Properties $125
Series 4: Understanding & Evaluating Leases, Appraisals & Environmental Assessments $175
Series 5: Loan Structure and Documentation Considerations $125
Series 6: Construction Lending $175

The Lending Decision Process Complete Package $720
Series 1: Industry, Management and Economic Influences $100
Series 2: Interpreting Quality of Financial Reports and Accounts $100
Series 3: Analyzing the Company’s Financial Performance and Condition $200
Series 4: The Cash Cycle, Seasonality & Discovering Borrowing Causes & Repayment Sources $150
Series 5: Analyzing Cash Flow Statements to Measure Long-Term Repayment Ability $150
Series 6: Using Financial Projections to Fine Tune the Credit Analysis $150
Evaluating and Structuring Commercial Loans: A Decision Tree Approach

This series provides the commercial lending process and the related financial analysis of a borrower. This involves a mix of qualitative and quantitative skills that cover over five “levels” with each level having four or five courses of instruction. To accelerate learning, each course has a pre-test to allow the elimination of subjects where the learner demonstrates sufficient knowledge. This curriculum also includes a comprehensive glossary of terms and job aids that are valuable references to download and print throughout the series of courses and back on the job. This curriculum focuses on commercial and industrial lending (C&I), and excludes commercial real estate or investment properties.

Sign up for the entire program or each level individually.
Developed for Commercial and/or Business Bankers and Credit Analysts. Sign up and start NOW!

Certificate in Business and Commercial Lending $600

Level 1: Understanding Business Borrowers $150
- Business Sectors and Operating Cycles
- Why Business Borrow
- Business Legal Structures and Life Cycles
- Introduction to Business Financial Statements
- How Business Financial Statements are Constructed (Accounting Refresher)

Level 2: Analyzing Business Financial Statements and Tax Returns $150
- Income Statement Analysis
- Balance Sheet Analysis
- Ratio Analysis
- Cash Flow Analysis
- The UCA Model
- Cash Budgets and Pro Forma Statements

Level 3: Analyzing Personal Financial Statements and Tax Returns $150
- Types of Personal Financial Statements
- Key Ratios and Adjusted Net Worth
- Personal Tax Returns and Cash Flow
- Combining Business and Personal Cash Flow into Global Cash Flow

Level 4: Qualitative Analysis and Determining a Credit Risk Rating $150
- More Than Numbers: The Commercial Lending Process
- Loan Policies and Procedures
- Assessing Industry, Market and Management Risks
- Compiling a Risk Rating and Written Analysis

Level 5: Loan Structuring, Documentation, Pricing and Problem Loans $150
- Business Loan Structuring
- Identifying Viable Secondary and Tertiary Loan Repayment Sources
- Key Documents, Loan Agreements and Covenants
- Loan Pricing, Negotiating and Closing
- Problem Loan Basics

Certificate in Lending Compliance

This new, mobile learning is delivered through a combination of instructor videos, exercises, self-assessments – all accessible via your computer or your tablet. Each individual course is $275 plus $10 administration fee. This includes unlimited access to the course content for one year. The ABA Certificate in Lending Compliance complete package: $1995 plus $20 administration fee.
Students will learn through a combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete the course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits.

Anatomy of a Regulation
The purpose of this course is to provide an overview of federal laws and regulations, as they apply to the banking industry. You will learn about the purpose and structure of banking laws and regulations and the relationship between laws and regulations. You will also learn about the legislative process and the steps in the rulemaking process. In addition, you will learn about the standard means for referencing a citation and how to research regulations using the Code of Federal Regulations. Finally, you will learn about sources of guidance and practical tips on how to navigate and research federal laws and regulations. At the end of the course is a summary of resources that will help you understand and interpret the impact of banking laws and regulations.

Community Reinvestment Act, Community Bank (CRA)
The purpose of this course is to provide an overview of the Community Investment Act (CRA) as it applies to community banks. You will learn about the purpose and background of CRA, as well as consequences of noncompliance and evaluation methods. In addition, you will learn about the technical rules for small banks and factors to consider when assessing CRA performance. Finally, you will learn important information about CRA ratings and strategies to maintain a Satisfactory or Outstanding performance rating.

Community Reinvestment Act, Large Bank (CRA)
The purpose of this course is to stress the continuing importance of compliance with the Community Reinvestment Act (CRA) and the role of compliance officers in the establishment and monitoring of activities to ensure adherence with the provision of the CRA for large banks.

Credit Card Regulations
The purpose of this course is to provide students with an overview of the requirements of significant regulations specific to credit cards as well as applicable open-end credit regulations. Students will learn about the compliance requirements at each of the following stages in the credit card process. Students will also learn about other institutional concerns that are not part of the stages of the credit card process.

Elements of a Compliance Program
The purpose of this course is to provide students with the fundamental elements that every bank’s compliance program should include, regardless of size or location of the bank. The course describes risk-based management approaches and the necessary elements of a successful program, which includes board and senior management oversight; defined, communicated, and enforced accountability; necessary policies and procedures; training strategies; internal and external monitoring and auditing requirements; and, examination management techniques.

Equal Credit Opportunity Act (ECOA)
The purpose of this course is to provide students with a detailed overview of the major aspects of ECOA/Reg B from application taking through underwriting and evaluations, to notice and record-keeping requirements. The basic requirements of the Fair Housing Act (FHA) are also discussed. Students will learn about the Equal Credit Opportunity Act (ECOA), which is implemented by Regulation B, and about its purpose, key definitions, and how ECOA compares to the Fair Housing Act. Students will also learn about Regulation B rules relating to the furnishing of credit information, record retention, collecting government monitoring information, providing appraisal reports, and conducting self-testing.

Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete the course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits.

After completing this course, students will gain a fundamental understanding of ECOA and learn how to:
- Describe the purpose of the ECOA and the Fair Housing Act, and define key terms used in each
- Identify Regulation B rules relating to the application process, from taking applications to notification of action taken
- Describe Regulation B rules relating to the furnishing of credit information, record retention, collecting government monitoring information, providing appraisal reports, and conducting self-testing

Fair Credit Reporting Act (FCRA)
The purpose of this course is to provide students with detailed understanding of the Fair Credit Reporting Act which prescribes the uses and limitation of consumer reports, responsibilities of users and employers in credit and deposit transactions, and requirements for parties providing information to consumer reporting agencies.

Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete each course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits.

After completing this course, students will gain a fundamental understanding of UDAAP, and learn how to:
- Examine consumer reports and how their use is limited
- Describe the bank’s responsibilities as a user of consumer reports
- Explore other ways the Fair Credit Reporting Act impacts a bank’s operations

Good Faith Estimate and HUD-1
This course provides timing requirements for the Good Faith Estimate form and HUD-1 statement for banks that make the types of loans requiring a GFE or HUD-1.
After completing this course, students will be able to:
- Describe the Good Faith Estimate (GFE) and when it must be used
- Describe the HUD-1 and when it is required

**Home Mortgage Disclosure Act (HMDA)**
The purpose of this course is to provide students with detailed understanding of Regulation C which implements the Home Mortgage Disclosure Act (HMDA) and how to comply to protect their financial institution from possible assessment of civil money penalties.

Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete the course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits.

After completing this course, students will gain a fundamental understanding of HMDA including:
- Whether an institution is covered by HMDA or not
- Which transactions are subject to HMDA
- How to properly complete a Loan Application Register (LAR)
- Additional disclosure and reporting requirements of HMDA
- Importance of management’s involvement

**Loans to Insiders (Reg O)**
The purpose of this course is to provide an overview of Regulation O, Loans to Insiders, including parties and transactions covered under the regulation. The course also includes the “rules” that apply to each class of insider, as well as reporting and recordkeeping requirements. Regulation O helps to ensure the safety and soundness of banks by restricting credit that a member bank may extend to its executive officers, directors, and principal shareholders and their related interests.

**National Flood Insurance Regulations**
The purpose of this course is to provide information about the national flood insurance regulations and requirements including the application of Federal Financial Institution Examination Guidance, National Flood Insurance Program, and Official Questions and Answers, as applicable. This course provides a brief history of the federal flood insurance statutes and regulations, an overview of flood insurance requirements, and a discussion of enforcement.

**Reg Z Ability to Repay (ATR) and Qualified Mortgage (QM)**
This course will explain the ability to repay rules for all Regulation Z closed-end mortgages, including the eight minimum underwriting factors and the special circumstances that qualify for transitioning nonstandard to standard mortgages. This course will describe the purpose and qualifications associated with the qualified mortgage rules.

After completing this course, students will be able to:
- Describe the ability to repay rules for all Regulation Z closed-end mortgages
- Explain the purpose and qualifications for the qualified mortgage rules

**Reg Z Closed-End Credit**
The purpose of this course is to provide students with an overview of the structure and core requirements of Regulation Z, as well as exercises to aid in complying with the regulation. Students will learn about the closed-end portion of Regulation Z, including key terminology and requirements for disclosures provided before and during loan consummation.

Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete the course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits.

After completing this course, students will gain a fundamental understanding of Regulation Z Closed-End Credit and learn how to:
- Describe the structure and content of the closed-end portion of Regulation Z
- Explain coverage under Regulation Z
- Calculate the finance charge and amount financed
- Describe the difference between the annual percentage rate (APR) and the interest rate
- Explain the timing and format of early disclosures
- Explain items that must be included with transaction disclosures

**Reg Z Open-End Credit**
The purpose of this course is to provide an overview of the structure and core requirements of Regulation Z, as well as exercises to aid in complying with the regulation. Regulation Z, which implements the federal Truth in Lending Act (TILA), promotes the informed use of credit among consumers. Students will learn about the open-end portion of Regulation Z, including history, purpose, coverage, and disclosures. Students will also learn about rules relating to billing errors, crediting payments, credit balances, and advertising.

**Real Estate Settlement Procedures Act (RESPA)**
The purpose of this course is to review the requirements of the Real Estate Settlement Procedures Act (RESPA), including the disclosure requirements and the anti-kickback provisions.
Servicemembers Civil Relief Act (SCRA)
The purpose of this course is to help students learn about the provisions of the 2003 Servicemembers Civil Relief Act which defines the rights and obligations afforded to military personnel and their families, along with subsequent regulatory updates.

Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete the course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits. After completing this course, students will gain a fundamental understanding of SCRA including:

- The provisions governing financial services including:
  - Limits on foreclosure and eviction
  - Interest rate caps on loan
  - Prohibitions on credit reporting
  - Termination of leases and installment contracts
- Which military personnel are covered by SCRA and the documentation they require
- The regulations governing mortgage servicing, modification and foreclosure, and modification requirements for existing balances on credit cards and installment loans

Unfair, Deceptive or Abusive Acts or Practices
The purpose of this course is to provide students with a better understanding of the emerging compliance risk area of Unfair, Deceptive, or Abusive Acts or Practices (UDAAP) by examining recent regulatory advisories and cases for financial institutions, policy statements and litigation that comprise the framework of this regulation. Students will learn through combination of instructor videos, exercises, readings, glossaries, self-assessments and more. Students will complete each course with a final exam to earn Certified Regulatory Compliance Manager (CRCM) credits. After completing this course, students will gain a fundamental understanding of UDAAP, and learn how to:

- Describe the background of UDAAP law
- Recognize unfair, deceptive, and abusive acts and practices
- Identify proactive steps that you can take to avoid UDAAP violations
- Explain how you can help your bank avoid UDAAP claims

Residential Mortgage Lender Certificate

Banking Today $775
Appraisal Procedures $95
Basics of Mortgage Processing $95
Completing the HUD 1 $95
Discovering FHA Programs $95
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Processing Income and Assets $95
Reviewing the Appraisal Report $95

Banking Today
This class is an introduction to the way banks operate. It will help you understand the important role banks play in the U.S. Economy, and how they function as a business. Several diagrams and charts lend helpful clarity to important banking concepts. After successfully completing this class, you should be able to:

- Identify the major customer segments served by banks and their primary needs
- Describe the major products and services offered by banks
- Discuss how banks make money and the factors that influence bank profitability
- Describe the primary regulations and governmental agencies affecting banks
Discuss some of the major changes occurring in the financial services industry
Understand the source of today's competitive pressures in financial services
Describe the organizational structures of banks and learn the importance your position makes to the overall success of the bank

Appraisal Procedures
The appraisal is an important part of the mortgage process. Understanding the appraiser’s role, responsibilities and processes will help you better serve your customers and help identify and prevent mortgage fraud. In this one-hour course, you will first learn what lenders need to know about appraisers. You will learn about the qualifications one must meet to become an appraiser, review best practices of an appraiser in the field and review types of mortgage fraud and current fraud trends. Next, you will take a look at the valuation process, from defining important terms, understanding appraiser responsibilities during the process, explaining the Scope of Work Rule of USPAP and more.

After completing this course, students will be able to:
- Understand the history of appraising and appraiser licensing
- List the particular agencies that have oversight and who are responsible for appraiser licensing and certification
- Define what an appraiser is and what an appraiser does
- List the qualifications that need to be met to become an appraiser
- Identify what an appraiser can and cannot do
- Explain which categories of appraisers are eligible to appraise various property types
- Define fraud
- Distinguish various kinds of fraud, including appraisal fraud, bank fraud, and mortgage fraud
- Explain the current trends in mortgage fraud
- Understand the valuation process
- Define terms "client" and "intended user"
- Identify how these terms affect the relationship between the lender and appraiser
- Explain the responsibilities appraisers have when appraising a property for a new client
- Explain the responsibilities appraisers have when asked to transfer a report to a new client
- Know the difference between extraordinary assumptions and hypothetical assumptions
- Understand the scope of work
- Define the Scope of Work Rule of USPAP
- Summarize the concept of "scope of work"
- List items, such as property type, that affect scope of work

Basics of Mortgage Processing
The role of loan processors in the overall mortgage loan process, and strategies on how best to communicate with them are covered in this course. It also focuses on the importance of the Uniform Residential Loan Application (URLA) as a central and vital document.

After completing this course, students will be able to:
- Identify the steps in the mortgage loan process
- Recognize the roles of key people in the loan process
- Distinguish various job descriptions and best practices for processors
- Complete the Uniform Residential Loan Application
- Recognize the importance of communication

Completing the HUD-1
According to www.HUD.gov, HUD is requiring that loan originators provide borrowers with a standard Good Faith Estimate that clearly discloses key loan terms and closing costs and that closing agents provide borrowers with a new HUD-1 settlement statement, in accordance with the Real Estate Settlement Procedures Act. The RESPA rules that went into effect on January 1, 2010 changed how the HUD-1 form is completed, and the form itself underwent change.

This one-hour self-study online course will review each field on the HUD-1 and HUD-1A and identify requirements for completion of each field to comply with RESPA. Focusing on the new form and its completion, this course provides a detailed explanation of each field and several examples that are designed to clarify specific loan situations.

After completing this course, students will be able to:
- Recognize each field on the HUD-1 and HUD-1A
- Identify requirements for completion of each field
- Complete the HUD-1 or HUD-1A in compliance with RESPA

Discovering FHA Programs
Being competitive in today’s mortgage environment requires that lenders offer loan programs that meet the unique needs of the borrowers in the communities in which they lend. To do this, many lenders are looking at programs that in the past were categorized as "non-traditional" programs. FHA programs are receiving considerable focus, as they have been taking hold of a significant segment of the market for many years.

Discovering FHA Programs self-study online course will review the benefits and challenges of FHA programs and reviews key characteristics of some of the most common FHA programs. Additionally, the course differentiates between Title I and Title II loans, examines insurable and
uninsurable properties and identifies key differences between FHA and conventional loans. Whether you currently offer FHA financing or are exploring it as an option, this course will provide you with information on some of today's most popular FHA programs and their guidelines.

After completing this course, students will be able to:

- List the benefits and challenges of FHA loans
- Differentiate between Title I and Title II loans
- List insurable and uninsurable properties
- Identify key differences between FHA and conventional loans
- Review key characteristics of some of the more common FHA programs
- Understand how these programs might suit the needs of borrowers
- Recognize common FHA program parameters
- Consult various resources and obtain forms for FHA loan programs

Effective Client Referrals

*Designed for branch or operations personnel who initiate the needs assessment but are not involved in making or closing the sale.*

This program will provide participants with the skills needed to make confident and effective referrals. After successful completion of this class participants should be able to:

- identify sales and service referral opportunities
- use benefit statements to make the referral
- make the “hand off” to a specialist
- identify follow up situations and develop appropriate techniques

Elements of Title Insurance

The *Elements of Title Insurance* course provides students with the essential components for a title review. The course covers title insurance terminology and identifies the key elements of title insurance. Students will utilize examples of title reports to recognize the components of a title report and to analyze the key sections of a title commitment. Additionally, the course will identify title requirements and exceptions and explain the required disclosures and closing protection letter requirements.

After completing this course, students will be able to:

- Define title insurance terminology
- Identify key elements of title insurance
- Recognize the components of the title report
- Analyze the key sections of a title commitment
- Identify title exceptions
- Explain disclosure and closing protection letter requirements

Essentials of Mortgage Lending

This 90-minute course underscores the importance of compliance and shares the resources and best practices in use in the industry today. Students will learn about the basics in the life of the mortgage loan process, the production process and gain insight into secondary marketing, servicing and mortgage fraud. The course also introduces origination strategies, common loan products and essential considerations when underwriting loan risk. Throughout the course, industry experts share their knowledge and expertise with students by providing perspectives of the industry that have taken years to acquire.

After completing this course, students will be able to:

- Define mortgage lending
- Identify the steps involved in mortgage production
- Describe the mortgage loan origination process
- List common mortgage loan products
- Analyze the underwriting process
- Examine the role of the secondary market
- Recognize servicing functions
- Explain relevant laws impacting mortgage loans
- Summarize the importance of internal controls and identification of red flags to reduce mortgage fraud

Ethical Issues for Bankers

This program covers business ethics from a banker’s perspective. Participants explore the importance of ethical behavior in banking from a personal and organizational perspective and focus on areas including confidentiality, conflict of interest, information security, personal transactions and accepting or giving gifts. After successfully completing this program, students should be able to:

- describe the importance of ethical practices in banking
- define the nature and elements of ethical dilemmas
- describe business practices commonly covered in financial institutions’ codes of conduct
- identify the main regulatory parameters prohibiting unethical practices in banking
- use an effective approach to determining appropriate action in situations holding potential for ethics violations.
Explaining Loan Modifications
The Explaining Loan Modifications course provides students with the information needed to identify the loan modification options available to borrowers who are at imminent risk of default. During the course, students evaluate the differences between the options and apply the options to various real-life scenarios. Additionally, this course identifies eligibility requirements and procedures for obtaining a loan modification and how to avoid falling victim to loan modification scams.

After completing this course, students will be able to
- Define Loan Modification
- Identify loan modification options
- Apply loan modifications to homeowners
- Identify fraudulent loan modification scams

Gathering the Facts on Mortgage Fraud
At a time when mortgage fraud is one of the fastest growing crimes in the nation, it’s never been more important to be educated on the facts of mortgage fraud. Financial institutions, including mortgage lenders and brokers, are required under the Bank Secrecy to identify and report fraud. Gathering the Facts on Mortgage Fraud provides students with an overview of the characteristics of mortgage fraud and examines common fraud schemes. Additionally, this course highlights common red flags that may indicate fraud and explains when fraud needs to be reported.

After completing this course, students will be able to:
- Recognize key characteristics of various types of mortgage fraud
- Identify common mortgage fraud schemes
- Distinguish red flags that may indicate fraud
- Identify the reporting requirements

Mortgage Customer Counseling and Prequalification
This course describes mortgage counseling and the type of information and techniques to improve communication between the MLO and customer. This course reviews mortgage counseling from the transaction-oriented and mortgage program-oriented perspectives. This course explains critical areas of review for each step in the prequalification process.

After completing this course, students will be able to:
- Define mortgage counseling and describe the techniques used in a session with a customer
- Recognize your customer’s key indicators to understand the customer needs profile
- Match mortgage financing options to meet customer needs
- Prequalify a customer for mortgage programs using an outline and calculations

Personal Tax Return Analysis
This course provides participants with the ability to extract key information from 1040 Federal Tax Returns to determine projected income. It reviews tax returns, projected income forms, income sources, and cross-selling possibilities. Participants will learn how to explain to customers why a loan was declined due to insufficient projected income and how the different schedules were analyzed.

Preparing the Loan Estimate
The Preparing the Loan Estimate course addresses the preparation of each field of the Loan Estimate, illustrating similarities between the Loan Estimate and the Closing Disclosure, and addressing common and situational questions regarding the Loan Estimate.

The Loan Estimate form is required to be used on all loans that are subject to the TILA-RESPA Integrated Disclosure Rule for loan applications taken on or after October 3, 2015. This course will help mortgage lending personnel understand the delivery and receipt requirements of the disclosure as well as the information provided in each field on the form.

After completing this course, students will be able to:
- Recognize the requirements for disclosure and reissuance
- Identify the requirements for the fields on each page of the Loan Estimate

Processing and Underwriting Credit
The Processing and Underwriting Credit course provides students with a foundational knowledge of processing and underwriting credit. The credit report is one of the most essential factors needed to qualify borrowers for loan products, as there are many elements that can affect borrower eligibility and loan quality. Credit reports are packed with information key to qualifying borrowers for loan products. This course will help you unravel that wealth of information contained in credit reports, while also providing a methodology for reconciling credit and handling credit problems that may be uncovered in your analysis.

After completing this course, students will be able to:
- Review information contained in a credit report more effectively
- Recognize the characteristics of a credit report
- Gain an effective methodology for reconciling the information within a credit report
Gain an effective methodology for handling credit problems
Distinguish how to handle identity and fraud alerts
Identify the characteristics of nontraditional credit
Differentiate the factors of credit risk analysis

Processing Income and Assets
When a lender extends a mortgage loan to a consumer, it is done so with the acceptance of a certain level of risk based on the borrower's willingness and ability to repay a loan. This willingness is largely determined through a consumer's credit history. The ability is driven by the consumer's income and assets. Knowing how to determine and document a borrower's income and available assets will ensure that both the lender and borrower are at an acceptable level of risk at consummation.

This one-hour self-study online course is designed to provide a basic education of the income and asset documentation and underwriting requirements of a conforming residential mortgage loan. The course will also provide tips on preparing a quality loan for submission to underwriting.

After completing this course, students will be able to:
- Distinguish the risk factors of a mortgage loan
- Identify employment documentation requirements
- Calculate stable monthly income
- Calculate qualifying ratios
- Calculate funds needed to close
- Recognize documentation requirements and acceptable sources of fund

Reviewing the Appraisal Report
As an underwriter or compliance professional, when you are asked to formally review the Uniform Residential Appraisal Report (URAR) Form, it will be necessary to reference USPAP standards, industry standards (Fannie Mae, Freddie Mac, FHA, VA) or even your company's own lending standards. You'll also need to identify if the appraisal meets standards for special loan programs such as the Rural Housing Service or some sort of assisted housing during your review. This one-hour self paced course will help clarify these standards and teach you how to work with the URAR.

This course focuses on the URAR, also known as Fannie Mae form 1004 (March 2005 version). Common areas of weakness will be illustrated, and hints and tips will be dispensed, section by section of the form. You will learn what to look for and how to judge the adequacy and accuracy of the report.

After completing this course, students will be able to:
- Recognize unacceptable appraisal practices
- Be familiar with requirements for completing the URAR
- Identify common appraisal deficiencies
- Understand what Fannie Mae determines to be "unacceptable appraisal practices"
- Know how to complete the various parts of the URAR
- Identify danger areas in the URAR that may indicate fraudulent activities

The Commercial Real Estate Lending Decision Process

The Commercial Real Estate Lending Decision Process provides a comprehensive study of commercial real estate (CRE) lending, beginning with a description of CRE loan types and progressing to an understanding of the underwriting process, leases, appraisals, loan structures and related risks. The Series also includes resources to help the student apply the concepts learned in each course. These resources include job aids, reproducible work sheets for cash flow, compliance and important financial ratio calculations.

The six parts of The Commercial Real Estate Lending Decision Process will provide students with a foundation in CRE through the use of an innovative virtual bank. Each section is presented in an interactive format to include exercises to check for knowledge throughout the courses. Each course within the complete program includes case studies that are used to insure depth and understanding of the concepts presented throughout the program series.

The Commercial Real Estate Lending Decision Process Complete Package $720
Series 1: Types of CRE Loans, Risk Areas and Performance Drivers $125
Series 2: The CRE Underwriting Process $125
Series 3: Financing Different Types of Commercial Properties $125
Series 4: Understanding and Evaluating Leases, Appraisals and Environmental Assessments $175
Series 5: Loan Structure and Documentation Considerations $125
Series 6: Construction Lending $175

The Commercial Real Estate Lending Decision Process and the courses in the curriculum are products of The Risk Management Association.
Series 1: Types of CRE Loans, Risk Areas and Performance Drivers
The purpose of this series is to help the student learn about the different types of CRE loans and to be able to provide the right loan for both the borrower and the bank. The Series also will identify the risk areas in CRE lending and help analyze the drivers of CRE performance.

After completing this course, students will be able to:
- Evaluate the differences between commercial and industrial (C&I) and CRE loan categories
- Identify how C&I, CRE, and owner-occupied loans fit into the credit decision framework
- Define and describe the characteristics and purposes of the four primary types of CRE loans
- Identify the loan's purpose and related use of funds, type of property and collateral, and ultimate repayment source
- Explain repayment source co-dependence
- Identify the risk area of CRE lending
- Analyze the drivers of CRE performance
- Identify the drivers of CRE loan performance and apply the CRE Drivers of Loan Performance checklist to an actual loan
- Identify the three primary areas of loan performance risk (operational, market, and credit risk)
- Identify which of the three primary areas of risk the bank can influence and steps lenders can take to influence those risks

Series 2: The CRE Underwriting Process
The purpose of this series is to help the student identify a company's net operating income (NOI) or cash flow and to analyze the project and proposed loan. Capitalization rates and valuation basics are also introduced as well as the appraisal process and identifying best practices regarding environmental assessments.

After completing this course, students will be able to:
- Identify the components of CRE quantitative analysis, including gross lease income, vacancy, operating expenses, and net operating income (NOI)
- Identify underwriting guidelines for your own bank
- Construct a basic income property cash flow using the components of CRE analysis
- Evaluate loan repayment sources using the DSC ratio, capitalization rates and valuation, and the LTV ratio
- Conduct a stress test of DSC for potentially lower cash flow and higher interest rates and of LTV for potentially higher CAP rates.
- Explore changes in property variables on an individual basis using sensitivity analysis
- Explain the role and function of capitalization rates
- Compare and contrast the direct capitalization valuation approach with the discounted cash flow approach
- Identify the key steps in ordering and reviewing appraisals
- Explain the rules and regulations regarding appraisals that lenders must follow
- Define and describe the types of CRE appraisals and their components
- Identify the key steps and issues involved in ordering and reviewing environmental assessments
- Describe the rules and guidelines for Phase I environmental reports
- Identify and describe the types of environmental risk management tools

Series 3: Financing Different Types of Commercial Properties
The purpose of this series is to help the student identify and define important credit risk considerations for major property groups and special properties. In addition students will identify and compare components used in reporting statements for various income properties, estimate rental income using various approaches and create pro forma operating statements.

After completing this course, students will be able to:
- Identify the key characteristics of and differences between the major types of commercial properties
- Identify the key terminology and underwriting considerations for each property type
- Identify the key characteristics of and differences among specialized properties
- Identify the key terminology, underwriting considerations, and documentation for each property type
- Identify and compare income and expense components for different types of commercial property
- Identify and compare operating statement formats that use varying methods of calculating and reporting on real estate projected income
- Calculate: NOI from Schedule E tax returns, monthly rent payment from percentage rents and CAMs, and effective rents from differing scenarios
- Calculate income property pro forma cash flow on as-is and as-stabilized basis from qualitative and quantitative information sources

Series 4: Understanding and Evaluating Leases, Appraisals and Environmental Assessments
The purpose of this series is to help the student recognize and use lease terminology and recognize the cash flow and economic considerations of leases. Students will be shown how to review commercial property leases, assess the role and scope of an appraisal and identify issues in reviewing appraisals. The final section of this Series 4 will assess the role and scope of an environmental assessment and identify issues when reviewing environmental assessments.

After completing this course, students will be able to:
- Identify economic, legal, and business issues in commercial property leases including key documents, lease terms, and objectives or purposes.
Describe the role of an appraisal in the loan underwriting process, its uses, and its limitations
Identify the key considerations in defining the appraisal problem and determining the scope of work
Determine how valuation concepts are developed and executed in a sample appraisal
Identify key areas of an appraisal to evaluate in the review process and common errors to watch for
Describe the role of an environmental assessment in the loan underwriting process, its uses, and its limitations.
Describe potential environmental risks and ways to mitigate those risks.
Identify key considerations in defining the required level of due diligence.
Evaluate and interpret the findings of a Phase I environmental report.

Series 5: Loan Structure and Documentation Considerations
The purpose of this series is to help the student assess various borrowing structures, identify issues involving owner occupied lending, determine loan documentation and due diligence considerations and to identify key components of CRE Loan structure.

After completing this course, students will be able to:
- Identify the strategic advantages and disadvantages of various forms of business ownership
- Identify the primary tax returns used for each borrowing entity and the sections that provide valuable financial information for loan underwriting
- Identify the ways cash moves among business entities
- Identify the decision-making process for an owner-occupant when either purchasing or leasing a building
- Identify repayment sources, their hierarchy, and their co-dependence for owner-occupied loans
- Determine how to structure owner-occupant loans to address unique attributes such as holding company structure, property condition, and valuation issues
- Identify key elements in the SBA 504 program to finance owner-occupied real estate
- Identify the key instruments necessary to document a loan transaction and perfect a lien on collateral
- Identify organizational documents required for various entity forms and execution requirements
- Recognize key elements of due diligence to be submitted and reviewed prior to closing
- Evaluate and interpret the findings of a title policy
- Identify key components of CRE loan structure
- Demonstrate the use of loan covenants and other techniques to protect property cash flow and property value
- Identify how permanent market pricing and loan structure differs from and influences the traditional bank market

Series 6: Construction Lending
The purpose of this series is to help the student identify the key types of construction projects and loans. In addition the series explains construction lending underwriting and administration issues and how to recognize the different elements of the construction lending process. Finally the student will identify key elements for successful completion of construction projects and also the special issues involved with homebuilders and subdivision developers.

After completing this course, students will be able to:
- Identify the six general types of construction loans
- Identify the additional risks, considerations, and review needed with construction loans
- Explain the steps in determining the proper administration of a construction loan based on approval conditions, the commitment letter, and loan policies and procedures
- Identify key concerns in reviewing construction contracts, budgets, and site information
- Calculate the adequacy of a construction loan interest reserve requirement
- Identify best practices in construction and loan documentation and administration
- Identify components of construction loan agreements, surety bonds, permits and zoning, and insurance including steps in processing draw requests and analyzing inspection reports
- Identify key elements for successful completion of the project
- Identify acceptance by the customer, punch list items, payment of retainage to the contractor, and the certificate of occupancy
- Recognize various segments in the single-family home markets and their characteristics
- Identify the key issues for administering or monitoring builder construction lines
- Build a timeline of the development process and identify developer attributes needed to achieve each step
- Identify various types of risk inherent in lending to single-family-home developments, risks from both external and internal sources
- Identify the key issues for monitoring homebuilder and subdivision loans
The Lending Decision Process

The Lending Decision Process is designed to teach the analytical and decision-making techniques needed to make sound credit decisions using financial accounting, financial statement analysis and cash flow analysis.

The six parts of The Lending Decision Process will provide learners with a foundation in the following areas of study: Business and industry risk analysis, Management assessment, Financial accounting, Balance sheet and income statement analyses, Ratio trend analysis, Cash cycle and seasonality analysis, Borrowing causes and repayment source assessment, Cash flow analysis and Using financial projections

The Lending Decision Process Complete Package $720
Series 1: Industry, Management and Economic Influences $100
Series 2: Interpreting Quality of Financial Reports and Accounts $100
Series 3: Analyzing the Company's Financial Performance and Condition $200
Series 4: The Cash Cycle, Seasonality & Discovering Borrowing Causes & Repayment Sources $150
Series 5: Analyzing Cash Flow Statements to Measure Long-Term Repayment Ability $150
Series 6: Using Financial Projections to Fine Tune the Credit Analysis $150

Series 1: Industry, Management and Economic Influences
The purpose of this course is to teach students to interpret repayment risks related to industry, economic, market and management influences. In order for the course to be considered completed all exercises in each course module must be completed
After completing this course, students will be able to:
- Analyze the competitive forces in an industry
- Determine key success factors in the company's industry
- Explain the stages of the general business cycle and the impact economic cycles and conditions can have on different businesses
- Describe the financial behavior of industries, products and companies throughout their life cycles
- Connect a company's industry, business and product life cycles to their related financing needs
- Prepare a company overview of its products and services, customers, suppliers, facilities, management, ownership and company history
- Appraise the company's likelihood of success, considering prior risk mitigation, competitive advantages, management qualifications and effectiveness of business strategies
- Appraise the depth and breadth of management skill, experience and organization

Series 2: Interpreting Quality of Financial Reports and Accounts
In this series, Trainees will interpret risks stemming from the quality of financial reports and underlying financial accounts.

After completing this course, students will be able to:
- Analyze the reliability of accountant prepared financial statements.
- Compare and contrast the differences among cash, modified-cash, and tax-basis accounting methods.
- Interpret repayment risks stemming from identified financial reporting issues.
- Assess the implication of estimates permitted by GAAP.
- Identify the characteristics of a company's assets, liabilities, and net worth accounts.
- Determine the integrity of a company's reported financial condition based on a review of both on- and off-balance sheet accounts.
- Identify the characteristics of a company's income and expense accounts.
- Analyze the quality of a company's earnings, the consistency and authenticity of its income and expense accounts, and the sustainability of revenues.

Series 3: Analyzing the Company's Financial Performance and Condition
In this series, Trainees will interpret repayment risks suggested by the company's historical financial performance and financial condition.

After completing this course, students will be able to:
- Apply financial statement spreading techniques to reclassify accounts and provide details needed to prepare financial statements for credit analysis
- Convert financial statements to a format that expresses accounts as percentages of total sales of or total assets
- Compute a company's liquidity using various ratios
- Analyze a company's ability to meet its short- term obligations
- Determine how a company's industry sector influences it financial statement characteristics
- Compute a company's leverage using various ratios
- Analyze a company's ability to meet its long-term obligations
• Determine how a company's industry sector influences its financial statement characteristics
• Calculate and analyze a company's profit margins
• Perform a trend analysis on a company's profitability
• Compare a company's profitability with industry composites
• Compute and analyze a company's productivity ratios
• Compare a company's productivity trends with industry composites
• Compute and analyze a company's efficiency ratios
• Compare a company's efficiency trends with industry composites

Series 4: The Cash Cycle, Seasonality & Discovering Borrowing Causes & Repayment Sources
In this series, Trainees will examine a company's cash cycle and seasonal characteristics. They will interpret both short- and long-term borrowing causes and repayment sources.

After completing this course, students will be able to:
• Identify and measure cash cycles using days' sales in receivables and days' COGS in inventory and accounts payable.
• Identify the benefits and limitations of cash cycle analysis
• Determine variations in cash cycles by type of business
• Determine the effects of seasonality of business operations on the cash cycle.
• Interpret budgets of cash receipts and disbursements to estimate the amount and duration of seasonal borrowing needs.
• Identify the benefits and limitations of analyzing interim financial statements.
• Differentiate between seasonal and permanent asset and liability levels.
• Identify borrowing causes including sales growth, change in asset efficiency, change in trade credit, fixed asset expenditures, and change in net worth
• Determine repayment sources that are appropriate matches to each borrowing cause

Series 5: Analyzing Cash Flow Statements to Measure Long-Term Repayment Ability
In this series, Trainees will analyze cash flow statements to distinguish between profit and cash flow. They will use cash flow statements and traditional debt service coverage measures to interpret cash flow repayment risks.

After completing this course, students will be able to:
• Compare and contrast the three Cash Flow Statement formats in order to understand how the company generates and uses cash flow.
• Define the three types of cash flow to determine how business events are reflected on the Cash Flow Statement.
• Compare accrual and cash-based financial statements in order to differentiate between cash and non-cash events.
• Convert an accrual based statement to a cash-basis presentation to isolate cash generation or contraction
• Determine cash flow to repay debt by answering four key questions
• Evaluate cash flow quality using three tests
• Rank cash flow quality based on the ability to repay debt
• Identify and predict the demands on cash that might compromise loan repayment
• Calculate and interpret profit-based debt service coverage ratios
• Identify the benefits and limitations of profit-based debt service coverage ratios
• Calculate and interpret UCA cash flow-based debt service coverage ratios
• Outline the benefits and limitations of UCA cash flow-based debt service coverage

Series 6: Using Financial Projections to Fine Tune the Credit Analysis
In this series, Trainees will construct and analyze financial projections to interpret future ability to repay debt, identify the most appropriate type of loan, and to evaluate margins of protection in the event of changes in business, industry, or management risks.

After completing this course, students will be able to:
• Explain the benefits of using financial projections in a credit analysis
• Prepare a pro forma monthly balance sheet to evaluate peak borrowing needs based on a company's cash budget and projected monthly income statements
• Prepare an annual financial projection
• Interpret the ability to repay debt given assumptions about cash flow drivers and other variables
• Interpret loan types based on projected borrowing needs and repayment sources
• Determine an appropriate repayment schedule for long-term loans