

Collateral Web

Q4 2016 Enhancements Production Release Notes

Welcome to v2016.10.31.0001!

Main areas of focus in this Collateral Web production release include:

- FEMA Hyperlink for Flood Maps on the Buildings Panel
- Purchased Participations Secured by Chattel
- Lien Position Configurable by ACA
- Ability to Edit Loan Position from Collateral Analysis Screen
- Ability to Edit Partial Releases Before Scenario is Submitted
- Updated Real Estate Collateral to follow new IRS Requirements

FPI Credit Products

November 12, 2016

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FEMA Hyperlink for Flood Maps (FCE/YKE/AgC ONLY)

Previously in Desktop EmPOWER, a hyperlink was available in LOS that brought you to the FEMA Determination site. This hyperlink is now available in Collateral Web for Farm Credit East, Yankee, and AgCountry. Each association will be directed to the following sites:

- Farm Credit East: <http://www.interflood.com/>
- Yankee: <http://www.interflood.com/>
- AgCountry: <https://lender.floodapp.com>

Farm Credit East

In Farm Credit East, on the **Check All That Apply** panel, indicate that “The property includes buildings or improvements”. The **Search Flood Maps** hyperlink will then appear on the **Buildings** panel.

Check All That Apply - House - Overall

1 Add Real Estate	<input checked="" type="checkbox"/> The property includes buildings or improvements
2 Check All That Apply	<input type="checkbox"/> Property has an Easement or Similar Legal Restriction
3 Owners	<input type="checkbox"/> This property is tied to a monitored loan
4 Location	<input type="checkbox"/> A CAM exist for this property
5 Primary Location (1098)	<input checked="" type="checkbox"/> Property includes a dwelling
6 Appraisal Information	
7 Buildings	

Buildings - House - Overall

1 Add Real Estate	Overall
2 Check All That Apply	
3 Owners	
4 Location	
5 Primary Location (1098)	Add Another
6 Appraisal Information	Search Flood Maps
7 Buildings	Building Description

Yankee

In Yankee, the **Search Flood Maps** hyperlink will appear on the **Buildings** panel.

Buildings - 1358 Austin Road, Springfield VT - Overall

1 Add Real Estate	Overall
2 Check All that Apply	1358 Austin Road, Springfield
3 Owners	
4 Appraisal Information	
5 Location	Add Another Parcel(s)
6 Primary Location (1098)	Search Flood Maps
7 Buildings	Bldg Description NFP M Nur

In AgCountry, **Search Flood Maps** will appear on the **Buildings & Improvements** panel.

Buildings & Improvements - Sargent Twp. - Overall

1 Real Estate Information	Overall Sargent Twp.
2 Benchmark Selection	
3 Buildings & Improvements	Add Another Tract(s)
4 Land Types	Search Flood Maps
5 Appraisal Info	
6 Other Property Info	

Lien Position Configurable by Association

Whether lien positioning is an active feature of Collateral Web is now **configurable by association**.

Farm Credit East and **Yankee** have elected to configure lien positioning **OFF**. All other associations will continue with lien positioning configured ON.

Farm Credit East and Yankee

In Farm Credit East and Yankee, **Collateral Web will no longer default lien position**. Previously, in a scenario with multiple security documents, linking collateral to an existing security document would default the lien as "2nd position". You would then need to change it back to 1st position.

When collateral is linked, **lien position will no longer be displayed**. This change will prevent you from having to continually update lien position for each collateral relationship, resulting in greater productivity and efficiency.

In the example below, linking the Real Estate to Security Document 10/06/2016 (on the left) will display the Smart Link Wizard without the lien position. Select **Save** to finishing linking the collateral.



Smart Link Wizard - House

Select Designation:

☐ Abundance of Caution

Cancel Save

Ability to Edit Loan Position on Collateral Analysis Screen (FCE/YKE ONLY)

If lien positioning is configured OFF for your association, you can now edit **loan position** from the **Collateral Analysis** screen. Previously, it was a requirement for security documents to be linked to collateral when setting loan position. However, security documents do not factor into the position each **loan** is in.

This enhancement will allow you to stay on the Collateral Analysis grid. You no longer have to navigate to the Collateral View screen to make these changes.

To edit loan position on the Collateral Analysis grid, hover your cursor on the loan you would like to edit. This will display the **Update Relationship** menu. Selecting the menu will display the screen to edit loan position. Select **Save** to complete.

The image shows two parts of the software interface. On the left is a table with two columns: 'Non-FCS Prior Liens' and 'LT 1 TEST, Vegetable...'. The first row has '\$0' and an unchecked checkbox. The second row has '\$0' and a checked checkbox. A yellow callout box with a hand icon points to the second row. Below the table are navigation buttons: 'Previous', '1 of 2', 'Next >', and 'Last >>'. At the bottom are labels for 'Loan Amount' (\$300,000), 'Loan to MV' (75.00%), and 'Loan to NRV' (88.24%). On the right is a dialog box titled 'Update Relationship'. It has a 'Select Designation:' section with an unchecked checkbox labeled 'Abundance of Caution'. Below that is a 'Loan Position:' field with the number '2' entered. At the bottom of the dialog are 'Cancel' and 'Save' buttons.

Non-FCS Prior Liens	LT 1 TEST, Vegetable...
\$0	<input type="checkbox"/>
\$0	<input checked="" type="checkbox"/>

Previous 1 of 2 Next > Last >>

Loan Amount \$300,000
Loan to MV 75.00%
Loan to NRV 88.24%

Update Relationship

Select Designation:
☐ Abundance of Caution

Loan Position:

Cancel Save

Any changes made to loan position will display on the Collateral Analysis grid.

This image shows the same table as in the previous screenshot, but with the changes reflected. The second row now shows a checked checkbox and the number '2' next to it. The rest of the interface, including the navigation buttons and loan details at the bottom, remains the same.

Non-FCS Prior Liens	LT 1 TEST, Vegetable...
\$0	<input type="checkbox"/>
\$0	<input checked="" type="checkbox"/> 2

Previous 1 of 2 Next > Last >>

Loan Amount \$300,000
Loan to MV 75.00%
Loan to NRV 88.24%

Ability to Edit Partial Releases Prior to Submission

Previously, once a partial release was saved, it could not be modified. To make any changes, the collateral would have to be deleted and re-entered.

Now, if you have not yet submitted your scenario, you can click into the **Partial Release History** tab on the Partial Release Smart Data Wizard and edit the release information.

Under the **Partial Release History** tab, every release will be displayed. The **edit** hyperlink appears to the left of each release. You may also **delete** summary level partial releases.

Partial Release Smart Data Wizard - [Help](#)

New Partial Release **Partial Release History**

	Release Description	Release Date	Release Legal Description	Market Value	
edit	RELEASE 2	10/21/2016	Description	\$50,000	
edit	RELEASE 1	10/21/2016	Partial Release Description	\$100,000	

[Close](#)

Summary Level Partial Releases

For **summary** level partial releases, selecting **edit** allows you to make changes to the **Release Description**, **Release Date**, **Release Legal Description**, and **Market Value** being released.

Partial Release Smart Data Wizard - [Help](#)

Edit Partial Release **Partial Release History**

Release Description: Release Date:

Release Legal Description:

Market Value being released:

Market Value before release: \$850,000

New Collateral Market Value: \$650,000

[Cancel](#) [Save](#)

Detail Level Partial Releases

For **detail** level partial releases, you cannot enter a specific market value as you can at the summary level. Selecting a detail record for partial release will release the **entire value of the detail**.

Partial Release Smart Data Wizard - [?] [x]

New Partial Release **Partial Release History**

Release Description: Detail Record Release Release Date: 10/21/2016

Release Legal Description: []

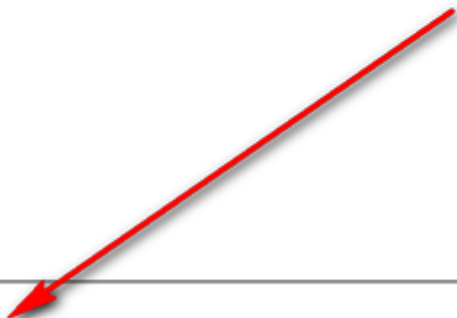
Partial Release Selection	Collateral Description	Addl Description	Market Value
<input checked="" type="checkbox"/>	[]	[]	2,620,803

Current Collateral Market Value: \$2,620,803

Total Market Value being released: \$2,620,803

New Collateral Market Value: \$0

Cancel Save



If you want to release only a **portion of a detail** record:

- 1) Create an additional detail record for the amount that will **NOT** be released.
 - Example: The value of the collateral after the partial release should equal \$1,000,000

Overall

Original Detail Item

NEW Detail Item 

[Add Another Tract\(s\)](#)

Collateral Type	Real Estate
Market Value Total	\$1,000,000
Market Value	\$1,000,000
MV Improvements	
Adj %	100%
Non-FCS Prior Liens	
Comments	
Do you want to add a Tract(s) to this Real Estate?	<input checked="" type="checkbox"/>

2) Perform a partial release of the **original** detail record:

Partial Release Selection	Collateral Description	Add Description	Market Value
<input type="checkbox"/>	NEW! NEW Detail Item		1,000,000
<input checked="" type="checkbox"/>	Original Detail Item		2,620,803

Current Collateral Market Value

\$3,620,803

Total Market Value being released

2,620,803

New Collateral Market Value

\$1,000,000

Cancel

Save

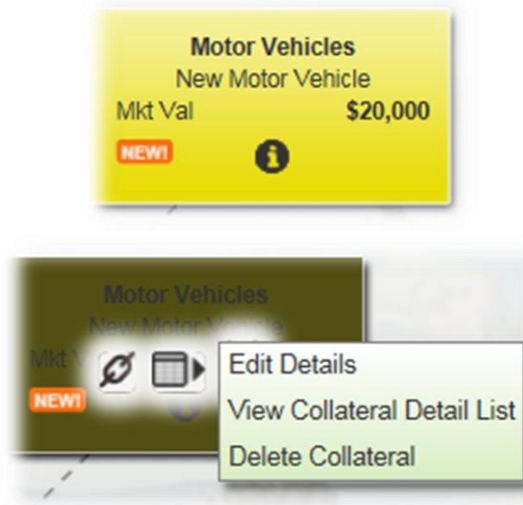
New Collateral Cannot be Partially Released

For **new collateral** or **new detail records** under existing collateral, you will **not** be able to do a partial release. On the detail items menu, the Partial Release Selection will be grayed out. You will not be able to select the checkbox under **Partial Release Selection** for a detail record that was created as part of this scenario.

An orange **NEW!** icon will appear on the new detail record rows as a notification.

Partial Release Selection	Collateral Description
<input type="checkbox"/>	NEW! NEW Detail Item
<input checked="" type="checkbox"/>	Original Detail Item

REMINDER: On new collateral objects created as part of this scenario, Partial Release will **not** appear as an option on the drop-down menu.



Partial Releases of Zero Value

In the event that you want to release a portion of collateral but do not want to release any **value** associated with it, you can now **enter \$0 as the Market Value** being released.

New Partial Release

Partial Release History

Release Description

Release Legal Description

Market Value being released

Current Collateral Market Value

New Collateral Market Value

Partial Release

Legal Description

\$0

\$1,398,508

\$1,398,508

New Partial Release		Partial Release History		
	Release Description	Release Date	Release Legal Description	Market Value
edit	Partial Release	10/21/2016	Legal Description	<div><div>\$0</div></div>

Purchased Participation Loans Secured by Chattel (FCE/YKE ONLY)

For Farm Credit East and Yankee, **purchased participations** are categorized as **long-term loans** in Collateral Web.

Normally, chattel is not factored into the L/MV% for a long-term loan. With this update, **chattel will now be factored into the calculation for long-term purchased participations**.

In the below example, the \$2,000,000 purchased participation is a long-term loan secured by \$10,000,000 of chattel. The L/MV% is calculated as 20.00%.



Quick Loan Analysis					
	Loan #	Type	Loan Amount	L/MV%	L/NRV%
		LT	\$2,000,000	20.00%	23.53%

[View Collateral Analysis](#)

Using this same example, if the long-term loan is **not** a purchased participation loan, then the L/MV% will continue to be calculated as zero.

Updates to Real Estate Collateral for New IRS Requirements

For the 2016 tax year, the IRS has made some changes to the 1098 form as relates to reporting addresses on collateral securing real estate. These changes are specific to **Box 7 - Address of Property Securing Mortgage**, **Box 8 - Property Address (If Different from Payer's/Borrower's Address)**, and **Box 9 - Property Description (If No Address Available)** on the 1098 form. To view the full IRS Instructions for Form 1098, click [here](#).

As a result, changes have been made the **Location** panel on the **Real Estate Smart Data Wizard** to help capture the information that the IRS now requires.

Location

On the **Location** panel, all addresses currently available in EmPOWER for all of the customer's **groups** will appear in the **Existing Addresses** box. The names of any customers associated with that address will show up in parentheses after the zip code. If there are multiple customers associated, they will be separated by a semi-colon.

If you see the address you need in the Existing Addresses list, select the address, and then click the **Add Location w/ Selected Address** hyperlink.

Location - 123 Main Street, Agawam, MA 01001 - Overall

1 Add Real Estate

2 Check All That Apply

3 Owners

4 Location

5 Primary Location (1098)

6 Appraisal Information

7 Other Reporting Info

Overall

Add Another

Existing Addresses

123 Main Street, Agawam, MA, 01001 (Farmer, Customer)

Add Location w/ Selected Address Add Location w/ New Address

Address Line 1	Address Line 2	City	State	Zip	County	Town	Property Description (APN)	
123 Main Street		Agawam	MA	01001	Hampden (MA)	Agawam		

Selecting an address from the Existing Addresses box **creates a link** between Collateral Web and the address in desktop EmPOWER CRM.

Addresses selected via the Existing Addresses box will be **read-only rows** in the location grid. Changes to existing addresses can only be made in desktop EmPOWER.

THERE IS CURRENTLY **NO WARNING** IN EmPOWER IF YOU CHANGE AN ADDRESS LINKED TO COLLATERAL. Please be cautious as you make address changes.

A **future enhancement** in desktop EmPOWER will provide a warning that the address is linked to collateral.

If this particular piece of collateral's address is not already an existing address, select **Add Location w/ New Address**. A new blank row will populate in the location grid.

Location - House

1 Add Real Estate
2 Check All That Apply
3 Owners
4 **Location**
5 Primary Location (1098)
6 Appraisal Information
7 Other Reporting Info

Existing Addresses

123 Any St., Omaha, NE, 68197

Add Location w/ Selected Address **Add Location w/ New Address**

Address Line 1	Address Line 2	City	State ▼	Zip	County ▼	Town ▼	Property Description (APN)	
456 Any Street		Springfield	MA ▼	01009 -	Hampden (MA) ▼	Springf ▼		+

Enter **either** a valid mailing address (**Address Line 1, City, State, and Zip**), **OR**, enter the **Property Description (APN)** with the **State** and **County** in which the piece of real estate is located.

Primary Location (1098)

For all associations **except** Northwest, you will also see a new panel called **Primary Location (1098)**. This panel is used to select the location that will be used on the 1098 form for this collateral object.

The panel pulls all locations from both the **Overall** and any **detail** rows on the Location panel. The radio button to select the **Primary for 1098** will default to the first available location in this list. You may change the selection using the radio button.

Primary Location (1098) - House

1 Add Real Estate
2 Check All That Apply
3 Owners
4 Location
5 **Primary Location (1098)**
6 Appraisal Information
7 Other Reporting Info

Primary for 1098	Address Line 1	Address Line 2	City	State ▼	Zip	County ▼	Town ▼	Property Description (APN)
<input checked="" type="radio"/>	456 Any Street		Springfield	Massa...	01009	Hampden (MA)	Springfield	

In **Northwest ONLY**, the **Primary for 1098** radio button is included in the grid on the **Location** panel.

Location - Overall

1 Add Real Property
2 Check All That Apply
3 Owners
4 Appraisal Information
5 **Location**
6 Water Rights
7 Irrigation Requirement

Existing Addresses

555 West Street, Agawam, MA 01001 (Farmer, Customer)

Add Location w/ Selected Address Add Location w/ New Address

Primary for 1098	Address	City	State ▼	Zip Code	County ▼	Property Description (APN)	
<input checked="" type="radio"/>	987 East Street	Agawam	MA ▼	01001 -	Hampden (MA) ▼	123456	+

In some cases, a **single collateral object** may have **multiple detail records** securing **multiple loans**. Each detail record may have a different primary address.

In this situation, you should **split** out the individual detail records from that collateral using a **Split Tract**. Once you have done so, you can set a different primary address for each collateral object.

Business Rules for Invalid Address

You **must fill out** the following fields on the **Location** panel to **pass all Business Rules**:

- Address Line 1 (Address), City, State and Zip Code
- OR**
- Property Description (APN), County, and State

If you are **missing** any of the above fields for the location row set as the **Primary for 1098**, you will have an **invalid** address.

If you attempt to **submit or validate** a scenario with an invalid address for the primary location for the 1098, or if you do not include any address, you will receive the following **soft** error:

"The Primary Location for Real Property Collateral 'House' does not have either a valid mailing address, or a Property Description with County and State information. This is required for IRS reporting."

There are errors on the page.

The following options are available to correct the errors:
1. Fix the following error(s) and click OK to submit the form.
2. Click Continue to save and accept the soft errors listed below.

Fix

Continue

Type	Number	Description
Soft Errors	50887	Collateral 'House' requires Other Reporting Information to be completed
Soft Errors	51080	The Primary Location for Real Property Collateral 'House' does not have either a valid mailing address, or a Property Description with County and State information. This is required for IRS reporting.

You will still be able to submit the scenario and book loans, as needed. HOWEVER, we strongly recommend that you enter all collateral address information before submitting.

Resolved Items

TFS #	Summary Description	Detail Description / Resolution	INC #	FCE	YNK	NW	FCW	AgC
89509	2016 Tax Season IRS Requirements for Real Estate Collateral	On the Location panel, you now have the ability to link to Existing Addresses from desktop EmPOWER, or to add new addresses. You will be required to enter either a valid mailing address, OR the Property Description (APN) with the County and State in which the real estate is located. In addition, there is a new panel, Primary Location (1098), to indicate which address is the primary for Tax Form 1098.		X	X	X	X	X
92340	Add FEMA Hyperlink for flood maps	FCE, YNK and AgC ONLY – FEMA Hyperlink for flood maps will appear on Buildings Panel. You will be forwarded to the appropriate website to search flood maps.		X	X			X
92354	Purchased participations secured by chattel	FCE and YNK ONLY - For Farm Credit East and Yankee, purchased participations are categorized as long-term loans in Collateral Web. Normally, chattel is not factored into the L/MV% for a long-term loan. With this update, chattel will now be factored into the calculation for long-term purchased participations.		X	X			
92360	Lien position configurable by association	Whether or not lien positioning is an active feature of Collateral Web is now configurable by association. Yankee and Farm Credit East have elected to configure lien positioning OFF. All other associations will leave lien positioning configured ON.		X	X	X	X	X
92363	Ability to edit loan position from Collateral Analysis screen	FCE and YNK ONLY – If lien positioning is configured OFF for an association, you now have the ability to edit the loan position from the Collateral Analysis screen, instead of just the Collateral View screen. When you hover over the loan you wish to edit, the “Update Relationship” menu will appear. Use this menu to edit the loan position and AOC from the Collateral Analysis screen.		X	X			

TFS #	Summary Description	Detail Description / Resolution	INC #	FCE	YNK	NW	FCW	AgC
92961	Partial Releases editable	You may now edit Partial Release prior to submitting a scenario. On the Partial Release History tab, you can edit Release Description, Release Legal Description, Release Date, and Market Value being released (summary level). You will not be able to edit the value for detail level releases.		X	X	X	X	X
96782	Partial Releases can have a value of zero	For summary level partial releases, you may now enter \$0.00 as the market value being released. This will help keep track of legal information associated with releases of zero value.		X	X	X	X	X
96859	Radio button for 1098 on Location panel	NW ONLY – Since Northwest did not configure the ability to add detail on the Location panel, there is no need to have a separate panel to set the primary location to send to the 1098 form. The radio button to indicate the primary address for the 1098 will appear on the Location panel for Northwest.				X		
96868	Identify customers name in Existing Addresses of Location panel	For each address that is pulled from EmPower, the customer's name will appear in parenthesis next to each address. If there are multiple customers associated with a particular address, they will be separated by a semi-colon.		X	X	X	X	X