LOAN SERVICING SOFT Demand for Payoff Report

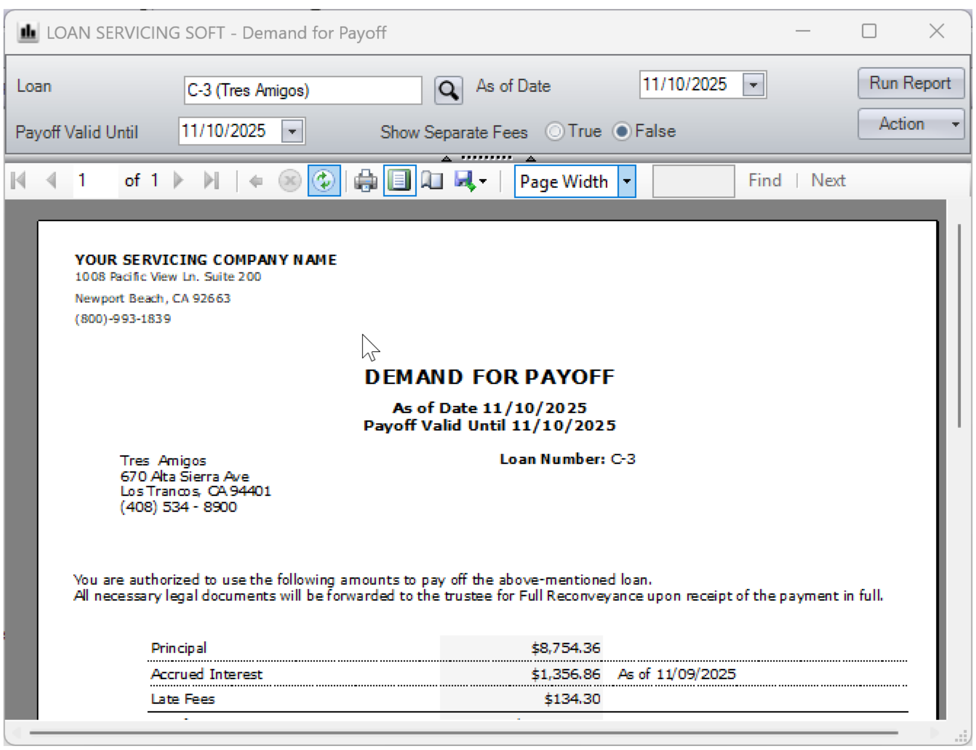
This training guide provides a detailed explanation on how to set up, modify and run the Demand for Payoff report in LOAN SERVICING SOFT (LSS).

For additional information and/or questions please feel free to contact our support group at support@loanservicingsoft.com or 1-800-993-1839 x2.

This report summarizes the principal balance, accrued interest, late fees, escrow, and any additional charges due through a selected payoff date. It is designed to ensure accuracy when responding to payoff requests from borrowers, title companies, or outside agents, and helps maintain compliance with internal audit and disclosure policies.

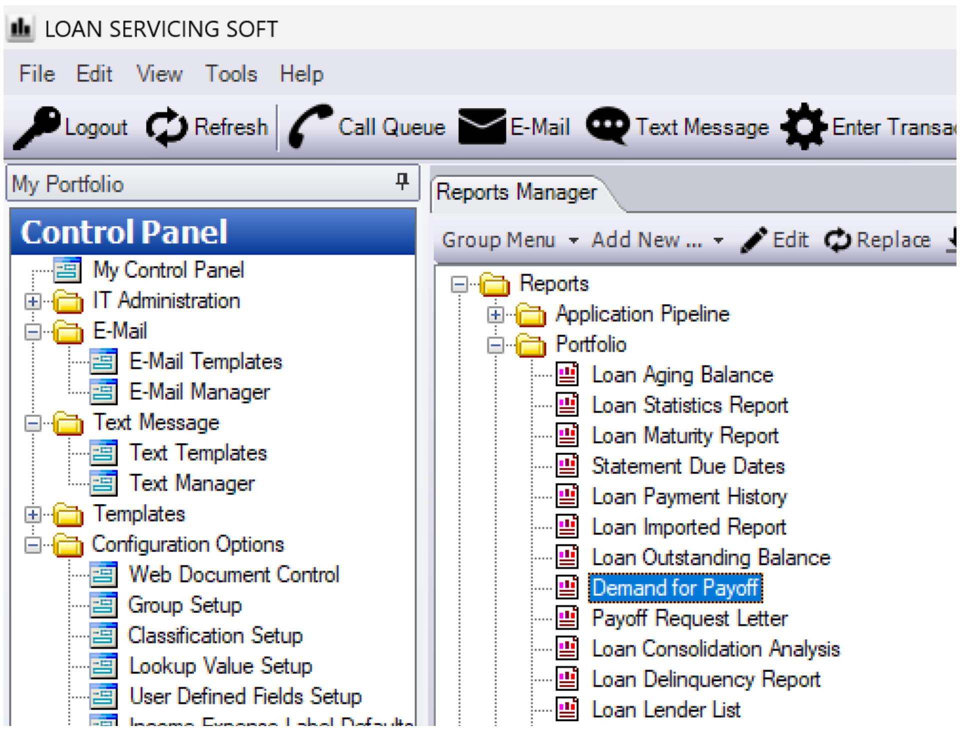
The report can be generated individually for a single loan or in batch mode for multiple loans that require payoff calculations on the same date.

Each payoff statement can be printed, saved to PDF, or sent electronically depending on your organizational workflow.

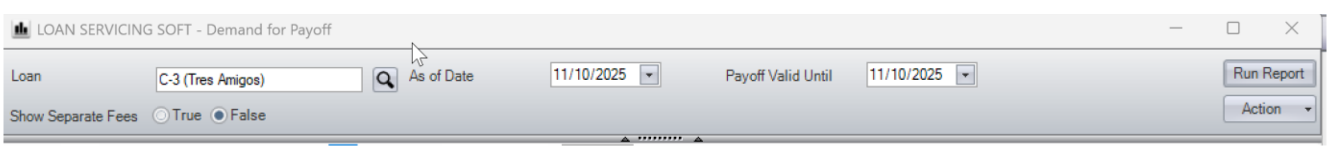


Accessing the Report

To run the Demand for Payoff Report go to: the **Documents** tab**, Reports, Demand for Payoff**.



Double-click the report name and enter the parameters of the report.

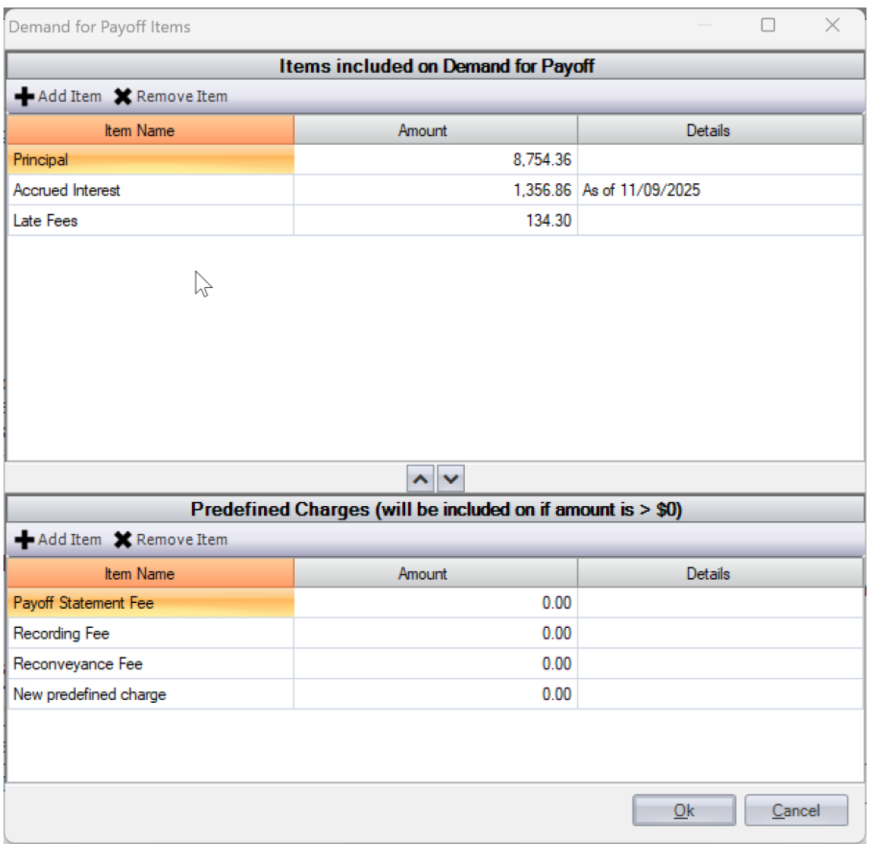


When running the report, you will be prompted to define several parameters:

- **As of Date:**
  The date used for the payoff calculation.
  - Recommended: Use **today's date** or a **future date**.
  - Past dates may produce inaccurate results if previous transactions affect balances.
- **Payoff Valid Until:**
  Specifies the date through which the payoff amount remains valid for a payment.
- **Show Separate Fees:**
  Choose whether to **show loan fees as a single total** or **list each fee separately** with descriptions.

Editing the Payoff Items

Once parameters are entered, the **Demand for Payoff Items** dialog appears.



This window contains two main sections:

Top Section – System-Generated Items:

Displays system-calculated amounts, such as:
- **Principal Balance**
- **Accrued Interest**
- **Escrow Balance**
- **Late Fees**
- **Other Loan Fees**

You can:
- **Edit** amounts (e.g., adjust an amount manually)
- **Remove** or **add** items
- **Add descriptions** for individual items

Bottom Section – Predefined Charges:

These are **global predefined charges** used only for this report:

- Editable by any LSS user (changes apply system-wide)
- Included in the report **only if the amount is greater than $0**

Generating the Report

After configuring items, click **Run Report**. The system generates a preview with the following structure:

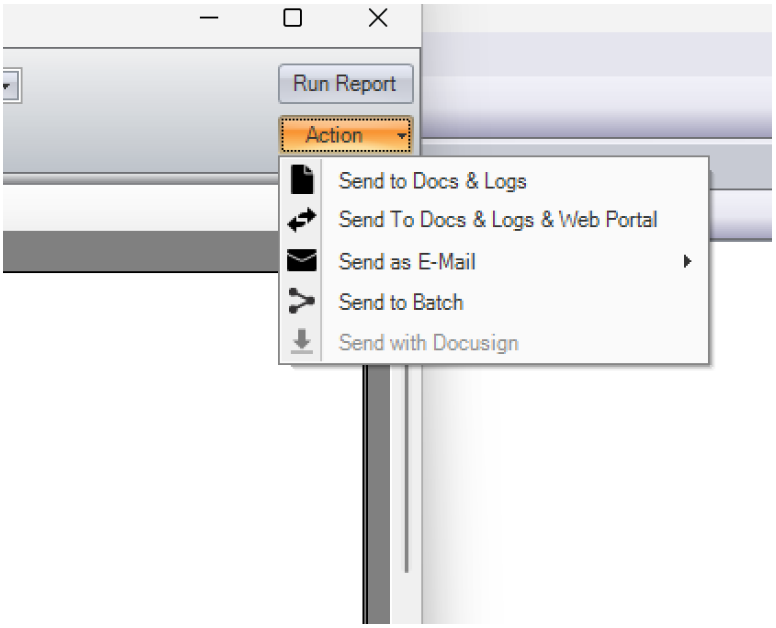
Report Layout
- **Header:**
    - Company information and address (from Control Panel – Configuration Options – Servicing Companies)
    - Borrower's address
    - Loan number and property details
    - "As of" and "Valid Until" dates

- **Body:**
    - Detailed breakdown of principal, interest, and fees
    - Optional explanatory sentence about additional charges (if applicable)
- **Footer:**
    - Service manager's name and phone number (from company profile)

Report Output Options

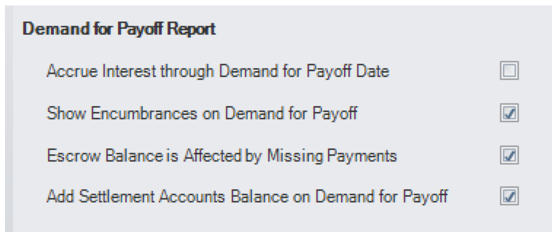
Once generated, using the Action menu, the report can be:

- **Saved as PDF** (under Docs & Logs)
- **Printed**
- **Exported** to **Excel** or **Word**
- **Emailed** as a PDF / Word attachment
- **Run in batch mode** for multiple loans
- **Published to borrower web portals** (requires support team activation)



Demand for Payoff Report Settings

These settings control how interest, encumbrances, escrow balances, and settlement accounts are calculated or displayed in the report. The settings can be found under the **Control Panel**, **System Defaults and Settings**, **Reporting Settings**:



1. Accrue Interest through Demand for Payoff Date

When this option is checked, the system calculates accrued interest using the same date entered as the report parameter (the *As of Date*).
If this option is unchecked, the interest is calculated as of the previous day (the day before the report effective date).

2. Show Encumbrances on the Demand for Payoff

When enabled, encumbrances associated with the loan are displayed on the report, like fees. Encumbrances can be added on a loan by enabling the "**Enable Encumbrance**" feature under the **Loan Features** drop-down.
Each encumbrance includes its own current balance, which will be visible in the payoff report when this setting is active.

3. Calculate Escrow Balance When Missing Payments

This option allows the system to estimate and display the escrow balance accurately even when payments are missing.
When enabled, the **Demand for Payoff Report** will include a properly updated escrow balance despite incomplete payment history.

4. Add Settlement Accounts Balance on Demand for Payoff

When checked, this option includes balances from all related settlement trust accounts on the report.

In the system, multiple trust accounts may exist, such as:

- **Servicing Account** – handles borrower payments.
- **Escrow Account** – manages escrow-related amounts.
- **Settlement Trust Accounts** – additional accounts that may hold funds connected to the loan.

When this option is enabled, all balances from these additional settlement trust accounts will be displayed on the report.