RLSS Loan Catch-Up

One of the Features of RLSS is the Loan Catch-Up report. It is designed to calculate the amount required to bring an account current. This can be especially helpful when dealing with delinquent loans or negotiating work-out agreements. Printing in the style of a memo, it can be forwarded to borrowers, loan counselors, or attorneys. You can print Loan Catch-Up as frequently as you wish without harm to data.

When you select a loan and enter a Catch-Up Date, the resulting report will include a variety of helpful information:

Last Activity Date: Retrieved from the loan history, this reflects the activity date of the most recently recorded activity prior to the catch-up date entered. Although it’s highly unlikely a catch-up will ever need to be run retroactively, that option is available.

Last Paid-Thru Date: This is also retrieved by reviewing the most recently recorded activity prior to the catch-up date.

Maturity Date: In order for the feature to accurately calculate the catch-up figures, the Loan master must contain a valid Maturity Date.

Days to catch-up: Amortized Loans: Days that have elapsed since the Last Paid-Thru Date listed above. Daily Interest Loans: Days that have elapsed since the Last Activity Date listed above.

Planned Balance: An amortization schedule is run based on the loan terms found in the Loan Master file. The planned balance is the balance projected by that schedule (effective as of the catch-up date).

Principal Balance: The actual loan balance as of the catchup date.

Annual Interest Rate %: Retrieved from the Loan Master file.

Daily Interest Rate %: The annual rate divided by 360 or 365, again based on the terms found in the Loan Master file.

Daily Interest Amount: If the loan is set for Daily Interest, this can be used to determine an increase/decrease in the total due if an actual catch-up payment is made on a date other than the catch-up date.

Principal Required: The difference between the planned balance and the actual principal balance is the principal required. In some situations, a negative amount may appear under principal required. This indicates the loan is actually ahead of the projected amortization schedule.

Past Due Accrued Interest: Any outstanding accrued interest in the loan history totals as of the catch-up date.

Additional Accrued Interest: Amortized Loans: calculated by multiplying the loan balance by the annual rate, dividing by payment frequency (usually 12 payments per year) to determine the monthly interest amount, then multiplying that figure by the number of payments delinquent, based on days to catch-up.

Daily Interest Loans: calculated by multiplying the daily interest amount by days to catch-up.

Late Fees: Determined by the late fee and late fee days contained within the Loan Master file, and the number of payments missed.

Total Due: Sum of principal required, past due accrued interest, additional accrued interest, and late fees.
It is important to consider that calculations are always determined by the loan terms found in the Loan Master file. We received a service call recently because a loan was scheduled for a final balloon payment, and the catch-up calculations were in question. However, reviewing the recorded terms indicated the report was accurate. A balloon payment cannot be predicted and included in the catch-up figures.

Along with solid information in the Loan Master file, accurate and timely recording of loan activity is likewise vital. Keep in mind that activity recorded subsequent to the catch-up date will not be reflected in the calculations.

If you feel a report is inaccurate, review the Loan Master file and loan history for clues. GMS Service is always available to assist with report interpretation if needed.