



# AFN Financial Highlights

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- **117%** growth in **cash**
- **55%** growth in **working capital**
- **94%** growth in **loan inventory** held for sale
- **67%** growth in tangible **net worth**
- **92%** growth in unfunded **IRL mandatory** pipeline
- **47%** growth in unfunded **IRL best efforts** pipeline
- **90%** growth in **broker dealer credit line** capacity (currently at \$770M)
- 10 Banks with current **warehouse line capacity** of **\$485M**. Warehouse bulge available to \$750M.





# Branch Profit & Loss Statements

- AMB on the web. Training video on the intranet.
- P&L Statements are not final until accounting sends the notification email.
- Branch financial close is approximately the 12<sup>th</sup> working day of the subsequent month.





# Accounts Payable

- Accounts Payable Policies & Procedures
  - Vendor Invoices
  - Check Requests
    - Procedure for Rush Requests
- Communication with A/P department





## Accounts Payable, cont.

- All vendor invoices must be billed to:
  - “American Financial Network”
  - Legal DBA
    - Branch must have a copy of the recorded DBA on file with A/P.
- IRS tax deduction rules
  - “Ordinary and necessary business expense incurred in carrying on a business.”





# Commission Cycle

## Commission Payroll:

- Funding dates **24<sup>th</sup> – 8<sup>th</sup>**; paid on the **15<sup>th</sup>**
- Funding dates **9<sup>th</sup> – 23<sup>rd</sup>**; paid **EOM** date

## Cut-off date and time:

- Each commission cycle the cut-off dates and times are communicated to the company by the corporate controller.
- Communicated to the branch in the commission report email.
- The commissions **must be approved and returned to accounting by the cut-off.** Any subsequent adjustments post cut-off will be carried to the next pay date.





# Personal Property Taxes

- Branch Fixed Assets
  - Annual inventory
- What is Personal Property Taxes?
  - Each county in the U.S. taxes businesses on the value of the personal property located in various offices
  - AFN must file a personal property tax return for each branch
  - This is a branch expense



# AFN Financial Milestones

## AFN Financial Fun Facts:

- AFN accounting produces 147 branch P&L's monthly
- AFN treasury manages 21 DDA cash accounts daily
- AFN G/L accountants reconcile all warehouse facilities daily
- AFN A/P processes approx. 4000 invoices monthly
- AFN interim servicing team services approx. 1800 loans monthly

## 2016 Milestones

- Established new relationships with top tier warehouse banks
- Transferred MSR portfolio to Cenlar
- Built Co-Issue relationships
- Launched Concur application for expense reimbursements
- Transferred AFN treasury to a commercial banking platform
- Transferred payroll to Paycom
- AFN doubled in size!







**Thank you! Questions?**



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