



SKILLS  
APPLICATION  
LAB

1  
DAY

# Understanding Personal Cash Flow

Apply analytical skills to evaluate an individual borrower's financial situation

## OVERVIEW

As personal financial situations become increasingly complex, it is crucial for lenders to meet a borrower's needs while considering a lender's risk. In this Skills Application Lab (SAL), participants determine the financial wherewithal of individuals using personal financial statements and tax returns in a dynamic, instructor-facilitated training event built around a real-world credit case study.

## WHO SHOULD ATTEND

Anyone who needs to understand the different components of complex personal financial statements and tax returns, including private bankers, wealth managers, personal bankers, underwriters, and any business lenders dealing with high-net-worth guarantors who have completed the companion Understanding Personal Cash Flow E-Learning course with an assessment score of at least 80%.

## RESULTS AND BUSINESS BENEFITS

Upon completion, participants will improve on-the-job performance by:

- Asking more insightful questions of borrowers regarding their personal financial strategies and goals
- Assessing the strength of a borrower's liquidity, leverage, and net worth
- Evaluating personal financial statements and tax returns to determine debt service capacity and actual cash flow
- Applying improved risk analysis to high-net-worth individuals to determine appropriate loan structure

## INTERACTIVE EXPERIENCE



Multimedia  
Instruction



Group  
Collaboration



Instant  
Polling



Live  
Coaching



Real-World  
Cases



Customized  
Delivery



## SKILLS APPLICATION LABS BY OMEGA PERFORMANCE

Facilitator-led Skills Application Labs provide an exciting and challenging opportunity for lenders to apply the skills and knowledge they've acquired in Omega Performance E-Learning courses. During these live training events, participants evaluate loan opportunities that are brought to life via comprehensive business and personal financial statements, "meetings" with the borrower, and (where applicable) up-to-date industry information. Prior to the event, your facilitator will work with you to incorporate your organization's policies and procedures into the training, and customize the delivery in ways that make it even more meaningful and relevant to your learners. As a result, participants will exit training with experience they need not only to succeed as lenders, but to succeed as lenders *at your organization*.

MOODY'S  
ANALYTICS

Omega  
performance

LEARNING SOLUTIONS

# Interactive Case Study

## Paul and Amanda Yoder

### OVERVIEW

Paul and Amanda Yoder, a new prospect, are an affluent couple who have enjoyed success with a variety of business ventures. They have approached your financial institution with a request for a \$500,000 loan and a \$200,000 line of credit.

Paul is an inventor who holds several lucrative patents on farm equipment, while Amanda is an experienced software developer who is part-owner of the company for which she works. Royalties from Paul's patents and Amanda's salary are primary contributors to the Yoder's income. They also own and are active participants in several closely-held businesses that provide sources of income. They have provided personal financial statements and current tax returns that you must now evaluate to determine whether and how to recommend an extension of credit.

The case features discussion and analysis of:

- A portfolio of stocks and bonds
- Residential and commercial income-producing properties
- Retirement accounts
- Royalty and rental income (Schedule E)
- Farming income (Schedule F)
- K-1s: trusts, partnerships, and S corporations (Schedule B pass-throughs)
- Unlisted securities, closely-held entities, sole proprietorships (Schedule C)
- Capital gains and losses (Schedule D)
- Patent valuation and royalty income
- Notes receivable
- Contingent liabilities

### PRIMARY CASE STUDY OBJECTIVES

- Assess a complex personal financial statement to determine the true liquidity, leverage and net worth of the individual borrower
- Evaluate the strength of the debt service capacity using both the personal financial statement and tax returns
- Determine the appropriate loan structure which meets the needs of the borrower while protecting the assets of the bank

### FIND OUT MORE ABOUT OMEGA PERFORMANCE TRAINING

For detailed course descriptions and to speak with an Omega Performance training consultant, please contact us at:

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