



Entering a Lease User Guide

LeaseAccelerator

Version 25.2



Document Information

Notices

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Disclaimer

This guide is designed to help you to use the LeaseAccelerator applications effectively and efficiently. All data shown in graphics are provided as examples only. The example companies and calculations herein are fictitious. No association with any real company or organization is intended or should be inferred.

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Setting Up a Lease in LeaseAccelerator

Once a lease agreement has been signed, it is time to enter the schedule information into LeaseAccelerator.

Entering the Lease Schedule can be accomplished through the Bulk Import functionality or by entering all the key information through the four (4) Action Tiles – Participants, Details, Terms and Expenses within the Enter Schedule workspace in the user interface.

For further details on each field including definitions, please refer to the [Client Implementation Guide \(CIG\)](#).

Participants

The Participants tile identifies the participants in the deal. Fields are customized to match internal process roles and responsibilities. The selections for each field show the list of available people, companies, or addresses for each applicable role.

Note: Any field in red text with an asterisk is required to be populated to save a deal.

Schedule

Participants

Details

Terms

Expenses

BU:*

Filtered by Entity, Ship To, Treasury Approver

Entity:

Filtered by BU

Lessee:*

Click in selector to see suggested options.

Ship To:*

Click in selector to see suggested options.

Geographic Area:*

Click in selector to see suggested options.

Vendor:

Click in selector to see suggested options.

Funder:*

A1 Leasing

Treasury Approver:*

Corinna Rost

LAS Staff:

Click in selector to see suggested options.

Reporting Area:

Click in selector to see suggested options.

*Required

Participants selected determine the schedule's proper association for:

- Reporting
- Accounting
- Lease and Asset Management purposes

Details

Use the Details tile to manually enter line items of assets. The Details tile contains the asset details for the schedule. Use the Comments box to capture any details about the deal that you want recorded.

Schedule

Participants
Details
Terms
Expenses

☐ This is a takedown against an existing lease line. ⓘ

Purpose:

Lessor Reference #:

Deal Tags:

Lease Schedule #:* ⓘ

Document Date:* Jul 14 2022 ⓘ

Currency:* United States dollar (USD)

Comments:

PDF or scanned image of Schedule: Choose File No file chosen

Takedown Against Existing Lease Line

Select this box only if the lease schedule is a sub-ordinate asset lease with previous funding committed on a more “global” perspective. The Lease Line is similar to having a Home Equity Line on your house – you have available funding of a certain amount approved and you are now using a tranche of the overall funding. If the Lease Line checkbox is selected, a new Action Tile is generated, and the user is asked to Select the Lease Line that this specific lease is attached to.

Schedule

Participants
Details
Terms
Expenses
Lease Lines

☒ This is a takedown against < SELECT LEASE LINE FROM LEASE LINES TAB > ⓘ

Schedule

Participants
Details
Terms
Expenses
Lease Lines

Display Currency: Local

Request History:

Funder	Request Date	Status	Amount Requested	Amount Approved	Expiration	Additional Information
--------	--------------	--------	------------------	-----------------	------------	------------------------

Balance Overview:

Credit Line	Funder	Approved Credit	Total Fundings	Total Designations	Available Credit	Funder Pricing	Recourse	Restrictions
-------------	--------	-----------------	----------------	--------------------	------------------	----------------	----------	--------------

Credit Utilization:

Funder	Lease Schedule	RFP	Amount	Status	Approval Date	Designation Date	Funded Date	Funder Pricing	Recourse
--------	----------------	-----	--------	--------	---------------	------------------	-------------	----------------	----------

It is also on this tile that you have the ability to attach a PDF or scanned image of the lease schedule by clicking **Choose File** and saving a file to the papering deal.

Input Asset Details by clicking the plus sign. A pop-up will appear where you can enter further details about the assets on the schedule.

Summary by Asset Type:

Total Hard Costs:	Total Soft Costs:	0%
Total Costs:		

Asset Details:

Line #	Description	Quantity	Unit Price	Value	Category	Cost Center	GL Code (Coding Convention)	Project
<div> <div></div> <div></div> </div>								
Total Price:								

Please note the required fields in Red with an asterisk. Product Category is necessary for accounting classification as it determines the Economic Life used in the classification analysis. GL Code is critical as it maps to the set of natural account numbers used to create journal entries for an asset. Quantity and Unit Price drive a total cost for the schedule which is also used for lease classification.

Product Category:*

Agriculture and Forestry

Product Number:

0

Manufacturer:

Description:

Cost Center:*

Quantity:*

0

Unit Price (USD):*

Unit Rent (USD):

Standalone Observable Price (USD):

Lease terms are based on utilization

GL Code (Coding Convention):*

Total Price (USD):

0.00

Total Rent (USD):

0.00

Total FMV (USD):

0.00

Project:

Add

If entering a utility-based lease, check the box “Lease terms are based on utilization”. Specific fields will appear and should be populated accordingly. Note: LeaseAccelerator currently supports Utilization based payment terms for Real Estate only. This includes all Real Estate categories and sub-categories configured in the system.

Product Category:*

Building

☐ Sale/Leaseback
☐ Partial Building

Description:

Cost Center:*

GL Code (Coding Convention):*

Quantity:*

0

Unit Price (USD):*

0

Total Price (USD):

0.00

Unit Rent (USD):

Total Rent (USD):

0.00

Standalone Observable Price (USD):

Total FMV (USD):

0.00

☒ Lease terms are based on utilization

Units*

Square Feet

Total Square Feet:

Usable Square Feet:

Rentable Square Feet:

Calculate rent based on*

USD per*

Total Square Feet

+ Project:

*Required

Add

Terms

The Terms tile contains the schedule terms. You specify:

- Payment amount, frequency, and timing
- Lease type
- Any mid or end-of-term options

Schedule

Participants
Details
Terms
Expenses

Payment Based On:*
Lease Rate Factor

Lease Type:*
True/Operating Lease (FMV)

Periodic Payment Frequency:*
Monthly
of Monthly Payments:*
36

Advance or Arrears:*
Advance

Down Payment:
0

☐ Enter LRF by Asset Type

Blended LRF: (e.g. 0.034729)*
0

Periodic Payment:
Payment Schedule Calculator

Interim Rent:
No interim interest/rent

Mid-Term/EOT Options:
Mid-Term/End-of-Term Options

None

☐ Lessee must notify lessor of any material change in asset condition or location within
days

*Required

Payment Based On Field

When entering the Payment Based On field, choose from four options:

- Fixed Interest Rate
- Floating Interest Rate
- Lease Rate Factor
- Cost Basis Not Available

Note: The option you choose determines what other fields populate to calculate payment, as show in the table below.

Option Selected	These Fields Appear
Fixed Interest Rate	<div data-bbox="349 283 1096 598"> <p>Schedule</p> <p>Participants Details Terms Expenses</p> <p>Payment Based On:* Fixed Interest Rate</p> <p>Lease Type:* True/Operating Lease (FMV)</p> <p>Periodic Payment Frequency:* Monthly # of Monthly Payments:* 36</p> <p>Advance or Arrears:* Advance</p> <p>Down Payment: 0</p> <p>Funder Priced Future Value of Residual (e.g. 15%)* 0 Amount:</p> <p>Funder Implicit Interest Rate: (e.g. 8%)* 0</p> <p>Periodic Payment: Payment Schedule Calculator</p> </div> <ul style="list-style-type: none"> Future Value of Residual Funder Implicit Interest Rate
Floating Interest Rate	<div data-bbox="349 793 1096 1144"> <p>Schedule</p> <p>Participants Details Terms Expenses</p> <p>Payment Based On:* Floating Interest Rate</p> <p>Lease Type:* True/Operating Lease (FMV)</p> <p>Periodic Payment Frequency:* Monthly # of Monthly Payments:* 36</p> <p>Advance or Arrears:* Advance</p> <p>Down Payment: 0</p> <p>Funder Priced Future Value of Residual (e.g. 15%)* 0 Amount:</p> <p>Spread Over Index: (e.g. 1.5)* 0</p> <p>Index Basis: Commercial Paper (180-Day)</p> <p>Benchmark Date For Indexed Rates:* Jul 14 2022</p> <p>Maximum Annual Rent Escalation: %</p> <p>Adjustment Frequency: Monthly</p> <p>Periodic Payment: Payment Schedule Calculator</p> </div> <ul style="list-style-type: none"> Future Value of Residual Spread Over Index Index Basis Benchmark Date for Indexed Rates Maximum Annual Rent Escalation Adjustment Frequency

Option Selected	These Fields Appear
Lease Rate Factor	<div> <div> Schedule Participants Details Terms Expenses </div> <div> Payment Based On:* Lease Rate Factor Lease Type:* True/Operating Lease (FMV) Periodic Payment Frequency:* Monthly Advance or Arrears:* Advance Down Payment: 0 <input type="checkbox"/> Enter LRF by Asset Type Blended LRF: (e.g. 0.034729)* 0 Periodic Payment: Payment Schedule Calculator </div> <div> # of Monthly Payments:* 36 </div> </div> <ul style="list-style-type: none"> Enter LRF by Asset Type Blended LRF
Cost Basis Not Available	<div> <div> Schedule Participants Details Terms Expenses </div> <div> Payment Based On:* Cost Basis Not Available Lease Type:* True/Operating Lease (FMV) Periodic Payment Frequency:* Monthly Advance or Arrears:* Advance Down Payment: 0 Payment Amount:* 0 Periodic Payment: Payment Schedule Calculator </div> <div> # of Monthly Payments:* 36 </div> </div> <ul style="list-style-type: none"> Payment Amount If selecting this Payment Based On Type, please note that the Accounting Classification Analysis will ignore the PV test and the resulting classification may be incorrect. To avoid this, please select Lease Rate Factor and enter the appropriate LRF instead of Payment Amount.

Defaults

In the Terms tile, if the information has not been transferred from an upstream document (for example, an awarded proposal), LeaseAccelerator populates all required fields with standard terms according to any defaults associated with the selected participants. Update these fields with terms relevant to the deal being entered. The table below provides details about the fields on this tile.

Field	Description
Lease Type	<p>Typical options for lease type include:</p> <p>Finance Lease - \$1PO/Mandatory Purchase *selecting this lease type will impact accounting classification.</p> <p>Finance Lease - Fixed Purchase Option *selecting this lease type will require a Buyout EOT Option with fixed purchase amount.</p> <p>First Amendment Lease Full Service Lease Leveraged Lease Debt Leveraged Lease Equity</p> <p>Loan/Note & Security Agreement Modified Gross Lease</p> <p>Municipal Lease Purchase Other Financial Product Split TRAC Lease Synthetic Lease</p> <p>TRAC Lease Triple Net Lease</p> <p>True/Operating Lease (FMV)</p> <p>Note: For Full Service, Modified Gross or Triple Net you may have Other Related expenses.</p> <p>Note: For Split TRAC and TRAC you may have Return Fees (or Residual Value Guarantees).</p>
Periodic Payment Frequency	<p>Defines how often the Lessee makes payments in a calendar year. Available options include:</p> <ul style="list-style-type: none"> Monthly Bi-Monthly Quarterly Semi-annual Annual
Advance or Arrears	<p>Defines when in the payment period a payment will be made.</p> <ul style="list-style-type: none"> Advance payments are made at the beginning of each payment period Arrears payments are made at the end of each payment period

Field	Description
Interim Rent	Identifies the following: <ul style="list-style-type: none"> Any requirements for interim rent If applicable, whether interim rent <ul style="list-style-type: none"> is paid up-front or rolled into the cost basis as part of the net amount financed
Mid-Term/ EOT Options	Defines the options offered by the funder for asset disposition at end-of-term and, in some cases, mid-term.

Blended Lease Rate Factor (LRF)

Lease Rate Factor is a simple multiplier typically provided by a funder or vendor. Your lease payment is calculated by multiplying the lease rate factor times the value of what you are leasing.

When you enter the lease rate factor, the payment amount populates.

To have Blended LRF automatically calculated when entering the Lease Rate Factor, check the Enter LRF by Asset Type box. LeaseAccelerator displays fields for you to enter the lease rate factor for each product category referenced on the Details tile. Once you enter these fields, the blended LRF displays when you tab off or click away from any individual LRF field.

Interim Rent

If you are obligated to pay interim rent, you can specify the manner in which interim rent will be calculated, and whether the interim rent is a) payable up-front or b) will be rolled into the finance amount.

If you select one of the Interim Rent choices, a second field populates for you to specify the interim rent basis as “payment terms that are same as above” by Index Rate or a Floating Rate.

Terms of Lease

Enter information about the terms of the lease.

Step	Action
1	Select the Lease Type from the drop-down list. The most common lease type is True/Operating Lease (FMV). The Funder can depreciate the equipment, which means that they can offer a lower rate.
2	Select the Periodic Payment Frequency from the drop-down list.
3	Enter the number of payments in the term of the lease in the Number of Period Payments field.

Step Payments

While typical leases have a standard, consistent payment schedule, more complex financing structures may require you to enter Step Payments. Common use of step payments includes:

Step Payments - Payment Schedule

Payment Schedule (Payment Based On 36 month term with payments in Advance):

Periodic Payment Frequency Payment Amount # of Periodic Payments Ending Month

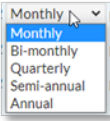
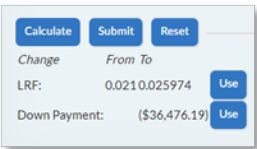
Monthly payments of 0.00 USD 36 (payments) 36 ending month + X i

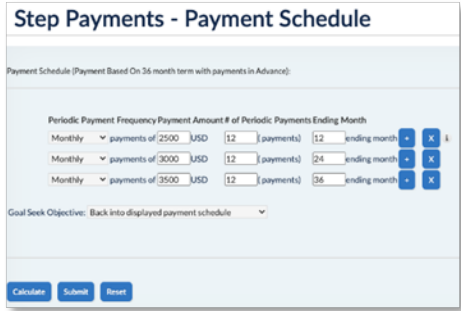
Goal Seek Objective: Back into displayed payment schedule

Calculate Submit Reset

- Skip payment or rent holiday
- Escalator or step schedules
- Balloon payment
- Rent abatement periods

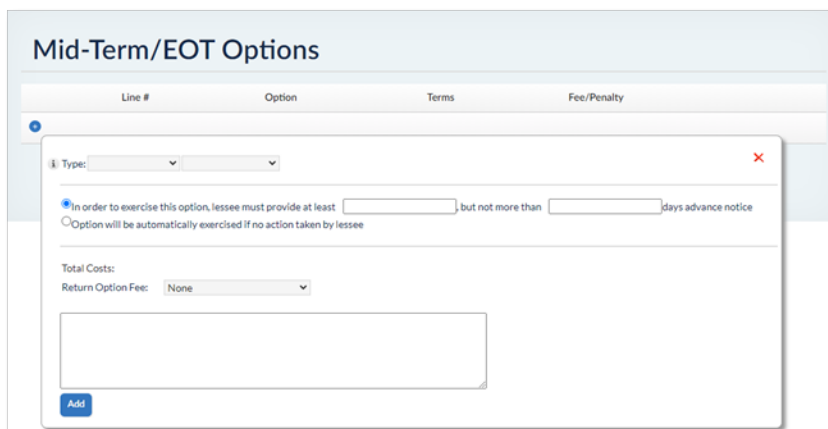
When you click the Payment Schedule Calculator button, LeaseAccelerator opens a new window where you can enter the payment information. See the table below for steps to entering step payments:

Step	Action
1	Select Goal Seek Objective: Back into displayed payment schedule.
2	 <p>Select the Periodic Payment Frequency from the drop-down.</p>
3	Enter the first step payment amount.
4	Enter the number of periodic payments at that amount.
5	Enter the ending month for this payment amount. (Example: If first 12 months are at \$\$. \$\$, then # of Periodic Payments is 12 and Ending Month is 12.)
6	Hit the plus button to add additional steps. Hit the 'X' button to remove steps.
7	<p>You may click Calculate if you would like LeaseAccelerator to calculate the blended LRF. Once done, you may click Use and you will be taken back to the Terms tile.</p> 

Step	Action
8	<p>When you have completed all information for all steps, click Submit.</p> 

Mid-Term/End-of-Term Options

Click Mid-Term/End-of-Term Options to enter any mid-term or end-of-term options in accordance with the options and obligations stipulated in the lease. By clicking the plus sign, you may add as many options as necessary. Remember: You should enter ALL options contained in the lease, not just the one that is reasonably certain to be exercised.



The Type field contains the selections for a mid-term option or end-of-term option. The field next to the Type field contains a subset of options that qualify as mid-term or end-of-term.

The available options to choose from for the Types: Early (Mid-Term) and End-of-Term Options are the same, though the options generate different fields based upon the type. For Example:

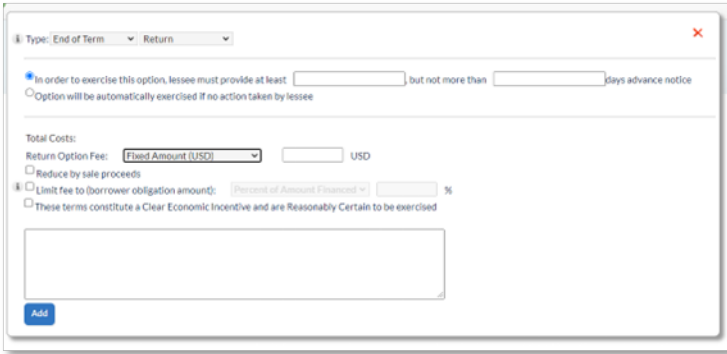
- Selecting Return for an Early (Mid- Term) type generates fields for a month of return and any penalties.
- Selecting Return for an End-of-Term type option only generates a field to specify a return fee if any.

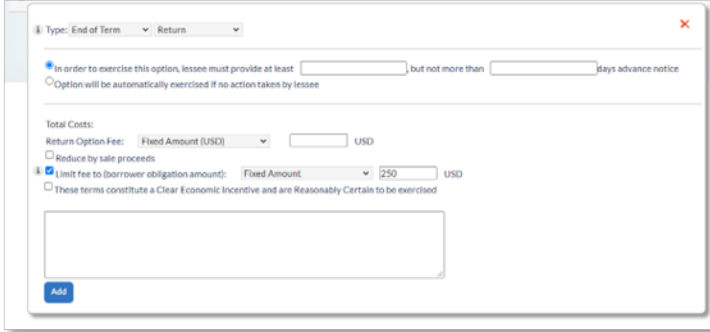
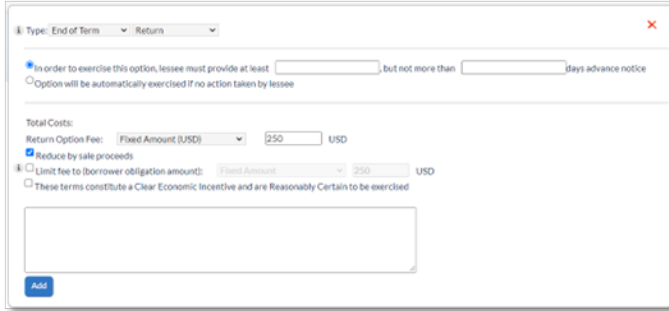
The same options appear in the Type drop down of option selections to offer greater flexibility in defining/capturing both mid-term and EOT options.

When capturing EOT terms for a Schedule, you can also capture FMV caps (or floors) by checking the appropriate box and providing the cap or floor amount. If a Renewal or Buyout at FMV is selected and the floor or cap selection is made, LeaseAccelerator allows you to enter a cap amount in the field next to

the selected drop down. You can enter this cap amount as a fixed amount or as a percentage of the original amount financed.

It's also beneficial to point out that when setting up EOT Options in the User Interface, there are two specific selections to define whether an option is automatic or not. In the PIW, however, the process for defining an automatic option is slightly different. Please refer to the Client Implementation Guide for specific details on how to ensure an option is automatic or not automatic for bulk imported leases.

Field	Description
Type	Indicate if you are recording a mid-term or end-of-term option. The option you select generates different fields based on the type. Unless you have a specific mid-term option to record, enter everything as end-of-term.
FMV Cap	If you check the Not more than either a Percent or Fixed amount box, the percent or amount entered indicates the maximum amount you will pay. Percent is more flexible and gives you more protection. Hard capped is a fixed amount.
Evergreen	Although LeaseAccelerator provides the option to record an Evergreen renewal option, you generally will not need to do so. LeaseAccelerator automatically provides for month-to-month renewal at the current rental amount. However, if the lease contract specifies a different rental amount for month-to-month renewal, you should enter the Evergreen option explicitly to capture the modified payment amount. Please also note that the Default EOT Treatment is based on Product Category and what is configured in the Settings/Asset Types screens. Please refer to the LA User Guide to Configuration and the Client Implementation Guide for further information.
TRAC leases or split TRAC	<p>If you are doing a return and creating a TRAC or split-TRAC lease:</p> <ul style="list-style-type: none"> From the Return Fee drop-down, select Percent of Amount Financed and enter the TRAC percentage. Check the Reduce by sale proceeds box. <p>If you are doing a split-TRAC lease, you should also check the Limit fee to (borrower obligation amount) box and enter the lessee's maximum obligation percentage.</p> <p>The screenshot below shows these fields.</p> 

Field	Description
TRAC leases or split TRAC cont.	<p>To capture a Contractual GRV using a Return Fee, you must specify in one of two ways:</p> <ol style="list-style-type: none"> Specify a Limit Fee (which will be used first, if specified)  <ol style="list-style-type: none"> You can specify a Return Option Fee and check the Reduce by sale proceeds box.  <p>Note: Contractual GRV is used for Lease Classification purposes under the new Accounting Standards. Errors in this input may cause incorrect Lease Classification and the related journal entries.</p>

Renewals

The automatic renewal (“evergreening”) process looks first for end-of-term options that are tagged as Automatic before presuming a month-to-month renewal. This allows configuration of such scenarios as an automatic 12-month renewal.

If a renewal occurs at the end of term, it starts in the month following. For example, if a renewal occurs at the end of term for a 36-month lease, the renewal starts at month 37.

You can add as many Mid-Term/End-of-Term Options to a deal as are specified by the schedule. After completing the fields in the window, click Add. LeaseAccelerator displays the option as a line item at the top of the window. You can then add another option or click Submit to return to the main page.

Mid-Term/EOT Options:

Mid-Term/End-of-Term Options
i

Remove All Options

Buyout @ End of Term
Terms: Purchase of FMV
Comments: Lessee has option to purchase asset(s) at fair market value at end of term

Return @ End of Term(Reasonably Certain)
Comments: Lessee has option to return asset at end of term

Renewal @ End of Term at month 37
Terms: 12 payments of FMV
Comments: Lessee has option to renew for 12 months at end of term.

☐ Lessee must notify lessor of any material change in asset condition or location within days

*Required

Result

LeaseAccelerator summarizes all the Mid-Term and/or End-of-Term options at the bottom of the Terms tile of the Schedule Entry.

Expenses

This tile enables the user to add ancillary expenditures that are required by the lease agreement or that have a direct impact on the accounting for a lease and are incremental to the base rent. The data required in this tile varies based on the category and subcategory of expense.

Expense Type is a general grouping of expenses such as CAMS, Other Rent, Initial Direct Costs (IDC), Lease Incentives, Deposits, or Late Fees. Expense SubType defines the specific type of expense such as for CAMS – Landscaping, Security; IDC – Commissions or Payments to Prior Tenants; Other Rent – Property Tax, Property Insurance, etc. (See the detail validation values).

Type :*

ARO-End of Life Cost

ARO Type :*

Cost to Dismantle or Remove (per Agreement)

Description:

Payee :*

Payment Frequency :*

Monthly

First Payment Date :*

Jul 14 2022

Currency:

United States dollar (USD)

Amount Paid (USD) :

Is Interest-bearing?

☒

Late Fee Interest Rate (%) :

Escalation Cap (%) :

Based on Benchmark Amount Of (USD) :

Maximum Payment (USD) :

Applicable To :*

All Assets

Comments:

*Required

Add

It should be noted that Scheduled Related Expenses create actual accounting activities for specific Expense Types and accounting may differ based on the Expense SubType (i.e., ARO/End of Life has different treatment depending on the selection). Other Expense Types entered here are for forecasting/reporting purposes only. Actual accounting is only generated when an Invoiced or Paid amount is entered.

Additionally, Lease Incentives may only be added at lease inception and not once a lease has been booked.

For each expense, click plus sign to add a new expense and populate all the relevant fields. Those in red are Required.

Field	Description
Type	Indicate the type of related expense specified in the contract as the responsibility of the Lessee. Payment may be made to the lessor/landlord or directly to the vendor.
Expense SubType	A grouping of expenses within a category by function. Choices vary depending on Type of expense indicated above.

Field	Description
Payee	A company providing services related to the leased asset. Often used for providers of IDCs, Lease Incentives, or other real estate expenses such as Insurance. The drop down will be populated with all eligible Vendors which you have loaded during your configuration process.
Payment Frequency	Recurring timing of expense.
First Payment Date	Date the first payment of expense is due. May not be prior to the lease start date.
Currency	Currency associated with the initial payment amount.
Amount Paid	First payment amount from which escalation caps are applied.
Late Fee Interest Rate	Interest Rate applied to payments to determine Late Fees.
Escalation Cap (%)	Maximum amount of increase in related expense each year.
Based on Benchmark Amount of	Amount, if any, included in the base rent for the Expense Type/SubType.
Maximum Payment	Maximum amount of total expense allowable to be charged.
Applicable To	Indicate whether this is applicable to all assets on a schedule or a specific product category only.
Comments	Add any relevant comments.

After each expense has been entered, click the **Add** button. Once all expenses have been entered, you may hit the **Save** button located at the bottom of each tile.

Booking the Schedule

After you complete and save the schedule, LeaseAccelerator displays the Deal History workspace, which shows a pending action to book the schedule.

Note: Each client may customize the steps in the workflow to determine what roles are to be responsible for different actions. The standard workflow assigns this action to the Order Administrator role.

If you do not see a pending action to book the schedule, users may enqueue this ToDo manually by following these steps:

Step	Action
1	On the Next Steps tile, select Book Deal from the Event Type drop-down.
2	Choose the appropriate Participant Type for the person who will be booking the new deal.

Step	Action
3	If there is a specific person that should be booking the new deal, you may select their name from the Assign To drop-down. This field is not required.
4	Click Save.

Deal History

Next Steps
History
Documents
E-mails
Q & A
Related Deals

Add To-Do

Event Type: Book Deal

For: Lease Schedule Acme Mod Test-A001

Participant Role: Order Administrator

Assign To:

Save

There are no outstanding events for this deal.

Follow the steps below to book the deal:

Step	Action
1	<p>Click Book in the Pending Actions.</p> <p>Result: The Book Deal workspace opens.</p> <div> <div>Book Deal</div> <div> Book using assets listed on: Lease Schedule CR 04 created from [Enter Schedule/Import] 09/29/2021 04:10 PM </div> <div> Commencement Date: Jan 1 2020 </div> <div> Fiscal period in which the event occurs is closed. Adjusting entries will be created in the first open period, July 2022 (01-Jul-2022). </div> <div> Ledger(s): Acme 16 ; Acme 17 </div> <div> Expected Disposition: Impairment </div> <div> Expected Holding Period (Reasonably Certain): 36 months </div> <div> Expected IBR based on loaded rates: 3.00 </div> <div> IBR at Inception: 3 Use Default IBR </div> <div> Estimated Guaranteed Residual Value (GRV): USD </div> <div> *Required </div> <div> Book </div> </div>

Step	Action
4	Select the appropriate fiscal period from the Ledger Date drop-down, if applicable. Some Commencement Dates will automatically choose appropriate Ledger Date and drop-down will not appear.
5	Select the Ledgers that you want this lease booked to.
6	Select the Expected Disposition or Reasonably Certain EOT Option from the drop-down.
7	Enter the Expected Holding Period (Reasonably Certain)
8	Enter the appropriate IBR at Inception. If you would like to use the Default IBR, which is the Expected IBR based on loaded rates listed above this field, click the Use Default IBR button and this field will auto-populate.
9	Enter the Estimated Guaranteed Residual Value (GRV)
10	Click Book . Result: LeaseAccelerator displays the Deal Summary workspace, which displays the results of booking for you to review.

Classifying the Deal

After you book the schedule, LeaseAccelerator displays the Deal Summary workspace, which shows new fields on the Participants tile.

Deal Summary

Participants
Details
Terms
Expenses
Notifications
Related Deals
Summary

Make Changes Effective:

⚠ Backdated changes to any Asset Level or Allocation Level attribute on this screen that pre-date a previously recorded change to the same Participant will overwrite those values.

BU*
Entity:
Tenant*
Ship To*
Geographic Area*
Analyst:
Order Administrator:
Asset Owner*
Asset User:
Vendor:
Landlord*
Treasury Approver*
Sourcing Contact:
LAS Staff:
Reporting Area:
Developer:

Acme Business Solutions
Acme Communications Corporation
Acme, Inc.
[OBSOLETE] Chandler [1234 Anywhere Place]
US
Corinna Rost
Nothing selected -- select from available options
A1 Leasing
Enola Turner
Corinna Rost
Acme Arizona
Corinna Rost

Click in selector to see suggested options.
Click in selector to see suggested options.
Click in selector to see suggested options.
Click in selector to see suggested options.

*Required

Fields in red with an asterisk are required by the system.

Once all necessary fields have been populated and you've indicated a Make Changes Effective date, navigate to the Summary tile and click **Save** at the bottom of that workspace to save your participants.

Also on the Summary tile, you will see a line for Accounting Classification that indicates that the lease has not yet been classified.

Deal Summary

Participants
Details
Terms
Expenses
Notifications
Related Deals
Summary

Deal Id: 50483
Transaction #: CR 04
Booking Ledger Date: July 2021
Commencement Date: 01/01/2020
Original Lease End Date: 12/31/2022
Effective Lease End Date: 12/31/2022
Status: Active
Deal Tags:
IBR at Inception: 3
Accounting Classification: Not yet classified
Reasonably Certain EOT Option: Return @ month 36; lessee must provide notice of intent to exercise at least 0 days before EOT; Lessee has option to return asset at end of term
Reasonably Certain Holding Period: 36

Lessee: Acme, Inc.
Funder: A1 Leasing
Ship To: 1234 Anywhere Place / Chandler / US_AZ / US / 85249
Ledger(s): Acme 17, Acme 16
Deal Functional Currency: USD

Recalculate Accounting

Scroll down until you see the **Save** and **Generate Accounting Classification** buttons. Select **Generate Accounting Classification** to be taken to the Accounting Classification Analysis workspace, where there are three sections, as shown below.

Summary of Tests

The first section is the Summary of Tests used to determine the accounting classification.

Accounting Classification Analysis

Summary of Tests

Accounting Classification tests have not been performed. You must select the appropriate Reclassify Effective date and click on the Refresh Classification button before saving.

All classification tests will be performed for all standards by default.

ASC 840		IAS 17		ASC 842		IFRS 16	
Materiality Threshold:	No	Materiality Threshold:	No	Materiality Threshold:	No	Materiality Threshold:	No
Short Term Lease:	No	Short Term Lease:	No	Short Term Lease:	No	Short Term Lease:	No
Cancellable:	No	Cancellable:	No	Cancellable:	No	Cancellable:	No
90% of Lease Payments:	No	PV of Lease Payments:	No	PV of Lease Payments:	No	Ownership Transfer:	No
75% of Economic Life:	No	75% of Economic Life:	No	Economic Life:	No	Interrelated Assets:	No
Ownership Transfer:	No	Ownership Transfer:	No	Ownership Transfer:	No	Small Value:	No
Bargain Purchase:	No	Bargain Purchase:	No	Likely Purchase:	No	Classification:	Not Yet Classified
Classification:	Not Yet Classified	Specialized Assets:	No	Specialized Assets:	No		
		Classification:	Not Yet Classified	Classification:	Not Yet Classified		

Reclassify Effective: Select

Refresh Classification

Classification results are displayed based on the last analysis performed and saved, this is what is used by the accounting engine and reports. If you would like to refresh the results click on the Refresh Classification button and then on the Save Accounting Classification button to apply refreshed classification to accounting calculations.

This section shows the tests run for each Accounting Standard to determine the classification of a lease. Next is a section that shows the classification by category.

▼ Analysis by Category											
Lease Treatment	Category	Net Cost	Is Major Part of Economic Life?			Purchase Option		PV is Substantially All Value?			
Lease Component	Building	€60,000.00	No ▼	Contractual Term:	359	<input type="checkbox"/> Bargain <input type="checkbox"/> Likely	Lease Terms:	Not Set	Yes ▼	Contractual Lease Terms:	4386.84%
				Expected Term:	36		Bargain Purchase Threshold:	10% PV		Expected Lease Terms:	4386.84%
				Economic Life:	480		Reasonable Certainty Threshold:	10% PV		Policy Threshold:	90%
				Contractual % of Economic Life:	74.79%						
				Expected % of Economic Life:	7.5%						
				Policy Threshold:	75%						

Finally, there is a section that displays the characteristics of the deal.

Deal Characteristics

Is the lease cancellable before end of term?

No

Is ownership guaranteed to transfer to lessee at end of term?

No

Are the assets specialized for lessee use?

No

Are the assets dependent on or interrelated with other leased assets?

No

Does the commencement date fall at or near the end of the economic life of the underlying asset?

No

Land Only:

No

PV at Rate:

3.342903

Use Default IBR

Expected Holding Period:

36

months

Contractual Guaranteed Residual Value (GRV):

0

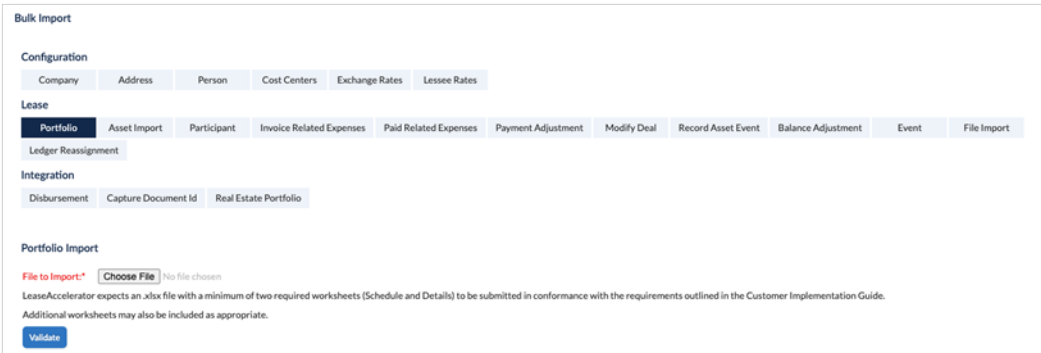
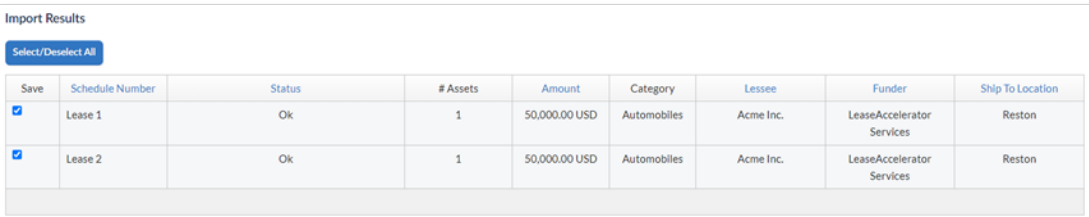
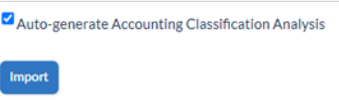
EUR




Comment(s):

After reviewing the classification, scroll down and select the Save Account Classification button.

Bulk Importing the Schedule

The other method of capturing leases in LeaseAccelerator is through the Bulk Import function. Using this method, you populate a Portfolio Intake Workbook (PIW) with the necessary and relevant lease, asset and accounting information and then import that file into LeaseAccelerator through the UI.

Step	Action
1	<p>Navigate to the Bulk Import workspace of LeaseAccelerator by clicking on Bulk Import on the Left NavBar.</p> 
2	Ensure you are on the Portfolio tile.
3	Choose your appropriate PIW file.
4	<p>Click the Validate button. Once the file has been validated, you may see Red errors or Yellow warnings appear, depending on the accuracy of your import file. Red errors must be addressed before leases can be imported into LeaseAccelerator. Yellow warnings alert you to possible issues but will not prevent you from importing.</p> 
5	<p>If you would like LeaseAccelerator to automatically classify the leases, you may check the box directly above the Import button.</p> 
6	<p>Once you have corrected any Red errors and addressed any Yellow warnings, ensure that the boxes for the leases you want to import are checked, then hit Import. This will start the process of importing your leases into the system. The time this will take varies depending on how many schedules/assets you have in your import file. The more you have, the longer it will take to process.</p>

Step	Action							
7	Save	Schedule Number	Status	# Assets	Amount	Category	Lessee	Funder
		ACC11	Saved	1	8,500.00 USD	Servers	Acme, Inc.	A1 Leasing
		ACC12	Saved	1	15,000,000.00 USD	Building	Acme, Inc.	A1 Leasing
		ACC13	Saved	1	65,000.00 USD	Automobiles	Acme, Inc.	A1 Leasing
		ACC14	Saved	4	34,000.00 USD	Servers	Acme, Inc.	A1 Leasing
		ACC15	Saved	1	15,000,000.00 USD	Building	Acme, Inc.	A1 Leasing
		ACC16	Saved	1	65,000.00 USD	Automobiles	Acme, Inc.	A1 Leasing
When the import is complete your results will be listed, and each Schedule Number is a hyperlink to navigate directly to that schedule's Deal History.								

Entering a Lease with Approve/Reject Workflows

If you opted to have the approve/reject workflows enabled for Enter Schedule and PIW, then there will be additional required steps after the booking and classification of your leases. These steps may include review and approval, or review, rejection, correction, and review and approval. Please refer to the LA User Guide to Segregation of Duties to learn more about the approve/reject workflows available.

Version Summary

Version	Changes/ Updates	Date
21R1	Created Version Summary	12/24/2020
21R1	Updated screenshots for Enter Schedule, Details, Asset Details	01/20/2021
21R4	Updated several screenshots	08/03/2021
21R4	Added the section on approve/reject workflows	08/27/2021
22R3	Updated verbiage for classification, replaced screenshots.	07/15/2022
23R2	Updated screenshots for Step Payment Calculator	04/25/2023