Users Guide
LoanMaker 23a iPhone App

Overview

Carrier 📶	10:41 AM

LoanMaker 23a   Done

Payment is 412.31

− +	Loan	12000.00
	Fees	37.00
	Fees2	125.00
− +	Term	36
	Interest Rate (%)	11.750
	Prepaid Chg / %	50.00

Reset Dates

April	15	2019
May	15	2019

Life | None | Single | Joint

A&H | None | Single | Joint

Buy Rate % | 8.250

? | Clear | ⚙

Compute Loan

The LoanMaker 23a is a Loan Calculator Application for the Apple iPhone and iPad.

It calculates loan and mortgage payments and provides full Regulation Z and SCRA (see below) disclosures.

The generated disclosures can be emailed, sent by message, or copied and pasted into any document.

The app includes capabilities for long or short days to the first payment, a selection of calendars to calculate the interest, prepaid finance charges, and credit insurance.

Download on the App Store

Using the Main Page

Done

Tap the Done button when you've finished entering a value to drop the pop-up keyboard and calculate the payment.

Status Field

The Status Field will display a calculated payment or an error message if an error is detected. To recover from an error, simply correct the reported value and press Done to recalculate the payment.

Loan

Enter the loan amount in this field. Amounts can be entered up to $10,000,000,000.00. You can also use the + and - buttons to the left to increase or decrease the loan amount. The payment is calculated and displayed each time you change the loan amount field.

Fees

The Fees field is for official fees paid to public officials, things like filing and recording fees. The entry here is added to the loan amount to calculate the note amount.

Fees2

The Fees2 field is similar to the Fees field except that entries here affect the S.C.R.A. Interest Rate calculation. This field is designed for charges related to insurance and insurance-like charges such as extended warranties. (It is not to be used for credit insurance.)

Term

Enter the loan term in months in the field. You can also use the + and - buttons to the left to increase or decrease the term in 3-month steps. The payment is calculated and displayed each time you change the term field. The maximum term is 480 months (a 40-year loan).

Interest Rate (%)

Enter the loan interest rate as a percentage, e.g., enter 7.9 for a 7.9% interest rate.

Prepaid Chg / %

(This field may have to be enabled in the Setup Page.) Enter the amount of a prepaid finance charge that is $5 or more. Or you can enter an origination fee as a percentage up to 4.00%, e.g., for a loan or mortgage with 1.25 points, enter 1.25 in this field. The origination fee amount will be calculated and presented in the full disclosure.

Loan Date

The displayed loan date will be today, but you can change it by sliding the month, day and year up or down.

First Due Date

      The displayed first due date will be one month from today, and it can be changed in the same manner as the Loan Date.

Reset Dates

      Tap the Reset Dates button to quickly set the dates to their default values (today, and one month from today).

Life Insurance

      (The Life Insurance field will only appear if a credit insurance plan has been installed.) Tap the box for the desired coverage.

A&H Insurance

      (The A&H/disability Insurance field will only appear if a credit insurance plan that includes A&H/disability insurance has been installed.) Tap the box for the desired coverage. Note that some plans do not offer joint coverage.

Buy Rate %

      (This field may have to be enabled in the Setup Page - select Enable Dealer Reserve to activate it.) Enter the interest rate that the lender is buying the loan at. The program will calculate the portion of the finance charge that the lender requires, and shows the balance as the Dealer Reserve (the portion of the finance change that the loan originator retains).

      Typically this rate is lower than the loan interest rate but it doesn't have to be. If a loan originator wants to offer a 'teaser rate' of say 1% and the lender requires a rate of 8%, the App will calculate the supplement that the loan originator has to remit to the lender. The loan is calculated at 1% and the Buy Rate is entered as 8%. In the full disclosure, the loan originator's contribution will show as a negative Dealer Reserve.

Clear

      Tap the Clear button to set all inputs to a simple loan.

Help

      Tap the ? mark in a circle for detail help on the input fields and App in general.

Setup Page

      Tap the gear symbol to enter the Setup Page (see below).

Compute Loan

      Tap the Compute Loan at the bottom of the page to generate a complete detailed disclosure of the loan.   The loan disclosure can be longer than the size of your screen; you can scroll down to see the entire disclosure.

      Using the Share button at the upper-right corner you can email or copy the full disclosure. Tap the left arrow at the upper-left corner to return to the Main Page.

36 Payments @	412.31

Fed Box

A.P.R.	12.03%
Finance Charge	2,434.54
Amount Financed	12,408.62
Total of Payments	14,843.16

Payment schedule

Loan on	Apr 15 2019
36 Payments @	412.31
Starting on	May 15 2019
Last payment due	Apr 15 2022

Amount Financed Itemization

Proceeds	11,950.00
Fees	37.00
Fees2	125.00
Life 1 Prem	109.60
A&H 1 Prem	187.02
Amount Financed	12,408.62

Note Rate & Amount

Note	12,458.62
Prepaid Charge	50.00
Interest Charge	2,384.54
Amount Financed	12,408.62
Interest Rate	11.750%

Insurance details

Life Benefit	12,458.62
A&H Benefit	412.31

SCRA Rate

SCRA Rate	14.45%
SCRA Amt Fin	11,987.00
SCRA Charges	2,856.16

Dealer Reserve

Buy Rate	8.250%
Bank Retention	1,697.85
Dealer Reserve	736.69
Dealer Advance	13,145.31

LoanMaker® 23a 1.1.18 db 1.0.7 ○

2019-03-21 11:49 AM EDT

MA30E FedUS

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Using the Setup Page

Carrier 🛜	10:36 AM	🔋 ⚡
◀ Back	LoanMaker Setup	Done

MA30E	Install Plan

Single Life	0.450
Joint Life	0.720
A&H Dev %	100.000

Setup can be edited

Reset to Standard Plan

Select interest calendar

Federal	Actual-to-1st	Actual/365

🟢 Enable Dealer Reserve?

🟢 Enable SCRA Rate?

🟢 Enable Prepaid Charge?

⚪ Show Plan Details?

1.1.18 db 1.0.7 ∘

Lock Setup

To open the Setup page, tap the gear symbol on the main page.

Tapping the Lock Setup button on the Setup page will lock this page which prevents users from accidentally making unwanted changes. When locked, one can read the page but cannot make any changes.[1]

To close the Setup page and return to the main page, tap the "<Back" button at the upper left corner.

Installing a Plan[2]

If your lender or administrator has specified a plan for you to use, enter the plan name in the field next to the 'Install Plan' button and then tap the button. Confirm the installation to complete the process.

If your organization has a PROM Group Number, you can enter that number to see a list of the plans available to you. Select the desired plan from the list and then confirm its installation.

If you've installed a plan for your lender or administrator, it is recommended that after installing you tap the Lock Setup button to prevent any accidental changes to the installed plan.

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[1] To unlock the Setup page, go to Settings | LoanMaker 23a.

[2] To remove a plan, tap the Reset to Standard Plan button.

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Details on Setup Options

The default plan is 'STD' for Standard. This is the plan that is used when the App first starts. It contains no credit insurance but sets other options so the App will calculate installment loans.

To compute credit life and disability premiums, you have to install a plan. A plan contains the insurance specifications, life and A&H (disability) rates, and other underwriting methods and limits. For full details on credit insurance, contact your administrator or credit-insurance agent[3].

Select Interest Calendar[4]

Federal Calendar: This is the calendar described in Federal Regulation Z for the counting of days in the first period of an installment loan. For mortgage payments, this is the recommended calendar.

Actual-to-1st: This hybrid method was used for years in the preparation of payment books. It counts the actual number of days between the loan date and the first payment due date and charges 1/365th of the annual interest rate for each day in the first period. Thereafter every payment is assumed to be one month apart and 1/12th of the annual interest rate is charged.

Actual/365: This method is more precise than the Actual-to-1st method and counts the actual number of days between each payment and the next, charging 1/365th of the annual interest rate for each day.

Enable Dealer Reserve[5]

The Dealer Reserve (Dealer Participation) option enables the entry of a second interest rate which is used to discount the stream of loan payments. This is commonly used for indirect loans initiated by a dealer (commonly an automobile dealer but it can be any type of originator). If the option is enabled and a "Buy Rate" is entered, the App recomputes the loan at the entered Buy Rate to determine the interest charge the bank requires (the "Bank Retention") and the "Dealer Reserve" (the portion of the interest charge earned by the dealer)[6].

The Buy Rate can be higher than the loan contract rate, in which case the dealer will pay an extra amount (a negative Dealer Reserve), to supplement the Bank Retention.

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[3] Refer them to the *LoanMaker 23a Guide for Credit Insurance* available from PROM Software.

[4] All calendar options accrue interest by the United States Escrow Rule which does not compound interest-on-interest when the monthly payment is insufficient to pay all the accrued interest which can occur on loans with long first periods (i.e., when the there is more than one month between the loan date and the first payment due date). See http://promsoft.com/usrule_ex.htm for more information.

[5] See http://promsoft.com/dlr_reserve.htm for a more complete discussion of Dealer Reserve.

[6] The method described here is the "Difference in Charges". Other dealer reserve methods are available.

The Dealer Advance is the net amount paid to the dealer for the contract. From a lender's point of view, the Dealer Advance is the investment in the loan, and the Bank Retention is the interest to be earned on that investment over the life of the loan.

Enable SCRA Rate Calculation

For loans made to active military personnel, the SCRA (Servicemembers Civil Relief Act) requires lenders to calculate an SCRA Interest Rate. There are limits to the maximum SCRA Interest Rate that a lender can charge (6% in 2019).[7]

(The SCRA Interest Rate is calculated similarly to the Reg. Z A.P.R. except that credit life & disability premiums, as well as certain types of fees (to be entered in the Fees2 field on the input page) that are insurance-like products (extended warranties, for example) are included as part of the finance charge.)

Enable Prepaid Charge

Enabling this allows the entry of a prepaid finance charge. The amount entered is deducted from the Loan amount and is added to the interest when calculating the finance charge. It affects both the Reg. Z A.P.R. and SCRA Interest Rate.

For mortgage calculations, you can enter the number of points (up to 4.000%) and the origination fee will be calculated.

Show Plan Details

Turn this switch on to have detailed plan information appear in the loan disclosure. Then when you compute and disclose a loan additional information about the plan will appear in the disclosure. If the loan has credit insurance, the App will show the Life Rate and A&H Rate used to calculate the premiums in the Insurance Details section. And under the Plan Details section a brief summary of the plan currently in effect will be shown.

(The Show Plan Details option will always be off when you enter the Setup page. If you turn it on it will show the extra insurance details for the next five loan calculations and then turn itself off.)[8]

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[7] See SCRA Interest Rate Limits and CFPB SCRA Factsheet for more information.

[8] This is to prevent it from accidentally being left on. You can turn it back on as often as you like.

Sample Plan Details using the SHOWPLAN option

11:25

< **LoanMaker 23a** ↑

Current Plan Details

PlanName:	MA30E
llCalType:	Act1
RndPmt:	false
PpdChg:	false
LimitDays:	100
MilAPR:	true
ResType:	chgDiff
ResCalSame:	false

Life Plan Details

LifeType:	7
LifeSR:	0.4500
LifeJR:	0.7200
LifeIM:	0.0000
LifeCap:	40000
LifeOAI:	false
LifeTermCap:	180
LifeTab:	6

A&H Plan Details

AhDev:	1.0000
AhJntFtr:	0.0000
AhCap:	40000
AhCapOnAf:	true
AhCapMo:	0
AhTermCap:	180
AhTab:	6
AhMethodB:	false
AhTableName:	MA30E
AhBracket:	false

Rates per $100

0-months	0.0000
6-months	0.2100
12-months	0.4200

To view the details[9] of the current plan, you can enter 'SHOWPLAN' in the Install Plan field and then tap the Install Plan button.

The A&H/disability rates are shown in 6-month steps.   Rates for terms in between steps are calculated, either interpolated or bracketed based on the plan specs.

The plan shown here is typical for one state.

The App has dozens of plans available, and can accommodate hundreds of custom plans for any U.S. State or Territory.

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[9] Explanations of these details can be found in '*LoanMaker 23a Guide for Credit Insurance*'

Rates per $100

0-months	0.0000
6-months	0.2100
12-months	0.4200
18-months	0.6300
24-months	0.8400
30-months	1.0500
36-months	1.2600
42-months	1.4700
48-months	1.6800
54-months	1.8300
60-months	1.9800
66-months	2.1300
72-months	2.2800
78-months	2.4300
84-months	2.5800
90-months	2.6550
96-months	2.7300
102-months	2.8050
108-months	2.8800
114-months	2.9550
120-months	3.0300
126-months	3.1050
132-months	3.1800
138-months	3.2550
144-months	3.3300
150-months	3.4050
156-months	3.4800
162-months	3.5550
168-months	3.6300
174-months	3.7050
180-months	3.7800

Sample list of plans available for a State

11:40

Credit Insurance Plans

MA-SBLI-01

MA-SBLI-01 [0], Act1 Trun
T7 0.511/0.818/$40k/180m
MA30E/80.40%/$0k/500/72m

MA30E

MA30E [1], Act1 Trun
T7 0.450/0.720/$40k/180m
MA30E/100.00%/$40k/0/180m

MA30E-4

MA30E-4 [2], Act1 Trun
T7 0.450/0.720/$40k/180m
MA30E/100.00%/$40k/0/180m

MA30E-FED

MA30E-FED [3], FedUS Trun
T7 0.450/0.720/$40k/180m
MA30E/100.00%/$40k/0/180m