635A User's Guide

LoanMaker®

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Description

The 635A system computes and discloses mortgage loans with monthly payments. Both the monthly payment and available loan proceeds can be computed. Credit-life insurance, if desired, can be included for all or a portion of the loan term. Document fees and intangible taxes can be calculated.
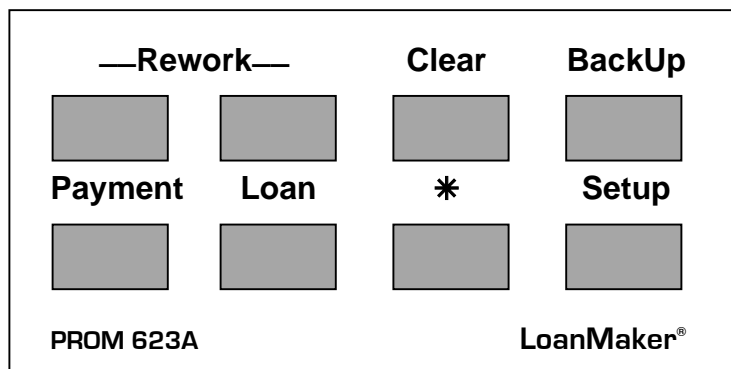
All payments are considered due on the same day of each month and the monthly interest earned is computed by applying 1/12th of the annual interest rate to the outstanding balance for each month. If desired, the number of odd days in the first period may be entered.

The payment routine finds the monthly payment. The loan proceeds routine reverses the process and computes the available loan proceeds from the monthly payment. Starting either routine clears the previous input items except for interest rate and origination fee.

The calculator features a [Backup] function key which allows you to back up in the prompting routine to correct an entry, and to backup in the disclosure section to review an item. Both the Payment and Loan routine can be reentered using the [Rework] function key -- this does not clear the previous loan and displays the values previously used while allowing any of them to be changed.

In response to a prompt, enter a value and press [ENTER]. Incorrect entries may be cleared by pressing the red [C·CE] key unless you have already pushed [ENTER], in which case you should use the [Backup] key. You can also use a [Rework] key to start over.

Use of the [Clear] function key is not generally required; it clears all the parameters, including interest rate and origination fee.

—Rework—		Clear	BackUp
Payment	**Loan**	**✳**	**Setup**

PROM 623A   LoanMaker®

Loan Routine – [Payment] & [Loan] Function Keys

Prompt	User Response
	Press the [Payment], [Loan], or [Rework] function key to start these routines.
PRCDS xxxxxx.xx?_	(Appears if computing the payment.) If the loan proceeds amount shown is correct, press [ENTER]; otherwise enter the desired proceeds amount.
PMT xxxxx.xx?_	(Appears if computing the proceeds amount.) If the monthly payment shown is correct, press [ENTER]; otherwise input the payment and press [ENTER].
ORG F x.xx%?_ ORG F $xxxx.xx?_	If the origination fee percentage or dollar amount shown is correct, press [ENTER]; otherwise enter the desired origination fee. A value of 10 or less is assumed to be a percentage, a value greater than 10 is assumed to be a dollar amount. (Some versions do not have on origination fee input.)
ATTRNY F xxx.xx?_	(Does not appear in all versions.) If the attorney fee shown is correct, press [ENTER]; otherwise enter the correct amount.
APPRSL F xxx.xx?_	(Does not appear in all versions.) If the appraisal fee shown is correct, press [ENTER]; otherwise enter the correct amount.
RECORD F xxx.xx?_	If the recording fee shown is correct, press [ENTER]; otherwise enter the correct amount.
TIT INS xxx.xx?_	(Does not appear in all versions.) If the title insurance shown correct, press [ENTER]; otherwise, enter the correct amount.
OTHER F xxx.xx?_	If other fees amount is correct, press [ENTER]; otherwise, enter the correct amount.
TERM xxx?_	If the term in months shown is correct, press [ENTER]; otherwise enter the term (3 or more months).
RATE xx.xxx%?_	If the interest rate shown is correct, press [ENTER]; otherwise enter the interest rate.
ODD DAYS?_	To compute a loan without odd days, make no entry here (or enter a 0) and press [ENTER].

If the number of odd days date shown are correct, press [ENTER]; otherwise, enter the desired number of odd days.

LIFE 1?_ (Appears only if enabled.) If the life insurance code shown is correct, press [ENTER]; otherwise enter the desired life insurance code. Valid life codes are:

- 0 No insurance
- 1 Single life
- 2 Joint life

INS TERM xxx?_ (Appears only if life insurance was selected above.) If the insurance term displayed is correct, press [ENTER]; otherwise enter the desired insurance term. See note in Computational Methods.

L BENFT xxxxxx?_ (Not available is some versions, and only appears if life insurance was selected above.) If the life benefit amount shown is correct, press [ENTER]; otherwise enter the desired benefit. A "0" entry will insure the note amount of the loan, unless limited by the maximum benefit in setup.

DOC FEES Y/N?_ (Appears only if enabled for document fees.) Press [YES] to include document fees in the loan; press [NO] to calculate without regard to document fees. Not available in all versions.

INTG TAX Y/N?_ (Appears only if enabled for intangible taxes.) Press [YES] to include intangible taxes in the loan; press [NO] to calculate without regard to intangible taxes. Not available in all versions.

The monthly payment or available loan amount will appear in the display. To disclose the loan, continue to press [ENTER]. To change any of the loan parameters push either the [Backup] or [Rework] function key. To start the routine again (or another routine), press the appropriate key.

Sample Disclosure

```
APR        xx.xx%          A.P.R.
FIN CG  xxxxx.xx           Finance charge
AMT F   xxxxxx.xx          Amount financed
TOT P   xxxxxx.xx          Total of payments

xxx PT@  xxxx.xx           Term and payment amount
xx ODD DAYS<xxx>           Number of odd days and calendar base

LOAN    xxxxxx.xx          Loan amount
ORIG F  -xxxx.xx           Origination fee[1]
ODI       -xxx.xx          Odd day interest amount
        --------
AMT F   xxxxxx.xx          Amount financed
ATTRNY F -xxx.xx           Attorney fees (not in all versions)
APPRSL F -xxx.xx           Appraisal fees (not in all versions)
RECORD F -xxx.xx           Recording fees
TIT INS  -xxx.xx           Title insurance (not in all versions)
OTH FEES -xxx.xx           Other financed fees
DOC FEES -xxx.xx           Doc fees (not in all versions)
INTG TAX -xxx.xx           Intangible tax (not in all versions)
LIFE y  -xxxx.xx           Life code and premium amount
        --------
PRCDS   xxxxxx.xx          Net proceeds to borrower

INTRST xxxxxx.xx           Interest charge on loan
ORIG F   xxxx.xx           Origination fee[2]
ODI       xxx.xx           Odd day interest
FIN CH xxxxxx.xx           Total of all finance charges

RATE     xx.xxx%           Loan rate
L BEN   xxxxx.xx           Credit life insurance benefit
LIFE TERM    xxx           Term of life insurance
COPR 1999 PROM             vvv = Program Version Number
635A/vvv
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[1] In some versions, a Service Charge will appear in place of the Origination Fee line.

[2] In some versions, Service Charge and Maintenance Fee lines will appear here.

Continue to press [ENTER] to review the disclosure; press the [Backup] key to back up in the disclosure; press the appropriate key to start a routine. If you wish to use a printer, see the section on "LoanMaker Printer Systems."

Calculation Notes

In the payment routine, the 635A system rounds payments upwards to the next whole cent.

In the loan proceeds routine, the loan amount is rounded to the nearest whole cent.

The credit life insurance premiums are calculated by applying a premium rate to the life benefit. In some versions the premium rate is computed on a net pay-off basis, in which case the life benefit is based on the loan amount. Some versions have a premium rate computed on a gross basis, in which case the life benefit is based on the total of payments. In either case, the benefit may be limited by the maximum benefit amount in the setup.

Credit-life insurance can be provided for all or a portion of the loan term. If life insurance is requested, the user will be prompted for the desired term of insurance. Default is the loan term (or maximum life term, if it is less than the loan term).

Year 2000 Compliant

This program is not date aware and therefore will operate properly in the Year 2000 and beyond.

Reserve Calculation - Star [*] Function Key

The 635A calculator will compute the present value dealer reserve on the current loan. The reserve is the difference between the present value of the stream of payments discounted at the buy rate and the loan amount.

The reserve computation utilizes information stored in the calculator from the last mortgage calculation. In order to determine the reserve, one must first calculate the mortgage using the payment or loan keys.

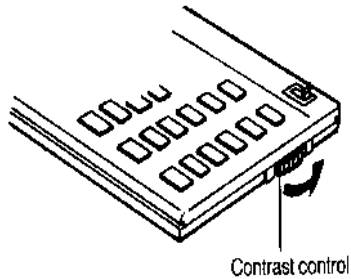| Prompt	User Response
	Press the Star Function Key to compute the present value reserve.
BUY AT xx.xx%?_	If the bank buy rate shown is correct, press [ENTER]; otherwise enter the desired buy rate as a percentage.

The dealer reserve will be computed and displayed on the calculator.

Battery Replacement & Maintenance

Adjusting the Display Contrast

The calculator is equipped with a control to adjust the contrast of the LCD (liquid crystal display). While looking at the display from a position about 70 degrees above the keyboard, first increase the contrast until black squares are clearly visible behind the characters and then decrease the contrast slowly until the squares just disappear.

If the display contrast becomes too dim, the batteries should be replaced.

Contrast control

Battery Replacement

To replace the batteries, you should first have replacement batteries at hand. Two lithium type CR2032 batteries and a small screwdriver are required.

1) Make sure the calculator is turned off. Place the calculator face down on a table with the contrast control in the upper left-hand corner (the writing on the back of the calculator will be right side up).

Battery cover

Stopper
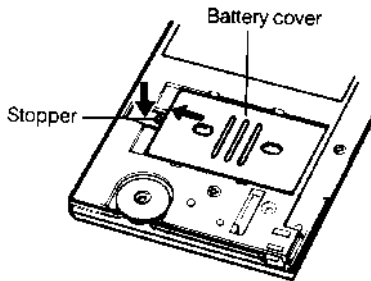
2) Remove the Software Cartridge from the calculator.

3) Using a small screwdriver, remove the two screws holding the back. While lifting the edge of the calculator's back cover closest to you, slide it up to remove it.

4) Slide the silver-colored battery compartment cover upwards to open the compartment; remove the cover. The batteries are now disconnected; remove and discard them.
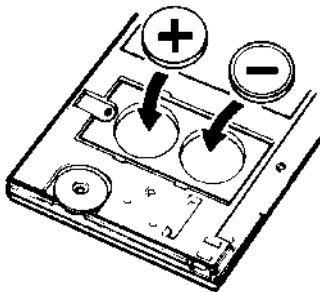
5) Install the new batteries, making sure the polarity (+ and -) is correct, and replace the battery compartment cover. (Make sure to replace the battery compartment cover--the batteries are not connected unless the battery compartment cover is in place.) Replace the back of the calculator by first hooking the 3 tabs on the top and then lowering the edge closest to you so you can replace the 2 screws.

6) Replace the Software Cartridge in the calculator. If it has been out of the calculator for more than about 5 minutes, you will have to initialize it. See below.

Initializing the Software Cartridge

After replacing the batteries or if you remove the Software Cartridge from the calculator, you may need to initialize the Software Cartridge with the following steps. Software Cartridges have a label on the back side (the side that faces the calculator) which has instructions similar to the following.)
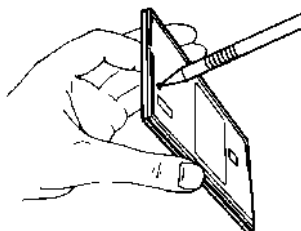
1) Install the Software Cartridge in the calculator. With a pencil or straightened paper clip and the calculator ON, push the "ALL RESET" button on the left side of the back of the calculator. You should see 4 stars in the display (2 on the left, 2 on the right). (On some calculators, there may be a white label over the "ALL RESET" button. If so, gently lift up the lower left corner to reveal it)

2) Push [ENTER]. You should now see a single star at the right edge of the display.

3) Turn the calculator off, wait a few seconds, and then turn it back on. You should see "0." in the display. The calculator is now ready to be configured.

4) Push the [Setup] key. Respond with [Yes] if the message INITIALIZE Y/N? appears. After several seconds, the calculator will display "INITIALIZED."

LoanMaker Printer Systems

If you purchased your LoanMaker system with a printer, the disclosure information will be printed instead of appearing in the calculator's display. To use the printer, turn the calculator off and then slide it into the printer.

If the printer "Power" switch is turned off, turn it on before you turn on the calculator. Make sure there are good batteries in the printer. If the printer batteries are low, the calculator may not operate when connected to the printer and will report ERROR 8 (in xxx). The printer is furnished with an AC cord which should be used whenever possible.

If you purchased your system with a printer, you can still use the calculator without the printer -- simply disconnect the calculator from the printer.

Setup Routine - [Setup] Function Key

The [Setup] function key accesses several setup routines to configure the calculator. All are started by pushing the [Setup] key and then entering the appropriate code number.

Review Rates and Parameters

CODE?_   Enter the code number 222

The calculator will display (or print, if connected to a printer) the insurance rates and other parameters.

Enabling the Printer

CODE?_   Enter the code number 1.

PRINTER <N/Y>?   Push [Yes] to enable the printer, or [No] to disable it..

Changing the Insurance Rates

CODE?_   Enter 97249 and press the [ENTER] key.

ENABLE INS Y/N?_   Press "YES" to enable credit-life insurance, or "NO" to disable it. If life insurance is disabled, the following two prompts will not appear and the prompts related to credit-life insurance will not appear in the main loan routine.

SINGLE LR x.xx?_   If the value for the single life rate shown is correct,
SGL DEC LR x.xx?_   press [ENTER]; otherwise, enter the single-life rate per $1000 per month or per $100 per year.

JOINT LR x.xx?_   If the value for the joint life rate shown is correct, or
JNT DEC LR x.xx?_   press [ENTER]; otherwise, enter the joint-life rate per $1000 per month or per $100 per year.

SGL LEV LR x.xx?_   In some versions, level life insurance is available. If the correct single level life rate shown is correct, press [ENTER]; otherwise enter the single level life rate per $100 per year.

JNT LEV LR x.xx?_   In some versions, level life insurance is available. If the correct joint level life rate shown is correct, press [ENTER]; otherwise enter the joint level life rate per

$100 per year.

`MAX BEN xxxxx?_`	If the value of the maximum life benefit shown is correct, press [ENTER]; otherwise, enter the maximum life benefit.
`MAX TERM xxx?_`	If the value of the maximum insurance term shown is correct, press [ENTER]; otherwise, enter the maximum insurance term, in months.
`CALENDAR  xxx?_`	The daily odd-day interest factor is computed by dividing the annual interest rate by 365 or 360. Enter the desired calendar base (365 or 360) here. (If this parameter is set to any value other than 360, the program will use 365 as the calendar base.)
`SERV CHG x.xx%?_`	In some versions a Gross Service Charge is available instead of an origination fee. Enter the service charge percentage in this register. For example, to use a 4% gross service charge, enter a "4" in this register. A non-zero service charge percentage will cause the program to prompt "SERV CHRGE Y/N?".
`MAINT F $x.xx?_`	In some versions a "maintenance fee" per payment is collected as well as a Gross Service Charge. If the fee amount shown is correct, press [ENTER]; otherwise, enter the correct fee amount. A non-zero maintenance fee percentage will cause the main program to prompt "MAINT FEE Y/N?".
`DOC F/100 x.xx?_`	In some versions, the cost of document stamps can be calculated. If the rate per $100 shown is correct, press [ENTER]; otherwise, enter the correct rate. Note: a rate of 0 will disable this feature.
`INT TX/100 x.xx?_`	In some versions, an "intangible tax" can be calculated. If the rate per $100 shown is correct, press [ENTER]; otherwise, enter the correct rate. Note: a rate of 0 will disable this feature.