Mortgage Master for Microsoft Windows

Quick and Accurate Mortgage Calculation and Amortization Schedules

Mortgage Master (c) 1991 MaeDae Enterprises

Welcome to the **Mortgage Master** on-line documentation and help file.   **Mortgage Master** is a Windows 3.x application and uses standard Windows techniques.   This document covers areas that are specific to **Mortgage Master**.   If you need information about using Windows, please refer to your Microsoft Windows documentation.

Mortgage Master helps you make informed decisions on what probably will be the largest investment of your life--your home.   **Mortgage Master** is the quickest way to calculate all aspects of home mortgage loans.   Don't depend on the real estate agent or mortgage company to choose the best loan for you.   Remember, they don't really work for you or have your best interests in mind!

Procedures

To make best use of **Mortgage Master**, your first step is to select the *File* menu, *Edit Mortgage Info* command.   Enter the principal, interest rate, term of the loan (in years), payment options (how often payments are made), and start date.   Then press the *Payment* button to display the normal payment required for the loan.   If you want to save these loan parameters for future use, select the *File* menu, *Save Default Info* command.   Each time you start **Mortgage Master**, these default loan parameters are read from the initialization file (MM.INI) if it exists.

Once you've entered the basic mortgage parameters, you can calculate the loan's remaining balance (if you've been paying on it for a while) by selecting the *Calculate* menu, *Remaining Balance* command.   To find the cost of the mortgage over its full term, select the *Calculate* menu, *Cost of Loan* command.   You can have **Mortgage Master** compute any one of the four parameters of a loan by selecting the *Calculate* menu, *Missing Variable* command.

Mortgage Master will display or output amortization schedules by selecting the *Reports* menu, *Amortization Schedule* command.   In addition to viewing them on the screen, you can optionally send amortization schedules to a file or printer.   To perform "what if" analyses of different mortgages, use the *Reports* menu, *Mortgage Comparisons* command.

Help

Help for **Mortgage Master** is accessed two ways:

- Pressing F1 (when no menu is highlighted)

- Using the *Help* pulldown menu

General help areas are listed in the index.

Notes: **Mortgage Master** will calculate *any* type of loan (not just mortgages) as long as the term of the loan is in years.   Use it to analyze your car loan, your business loan, or any situation where you are borrowing or lending money.   In any case, **Mortgage Master** can *save you money* and make you an informed consumer.

Mortgage Master is compatible with Microsoft Windows versions 3.0 and has been tested with the beta 3.1 version (expected to be released to the public in late '91 or early '92).

Mortgage Master Index

To display a topic, click on the underlined title.

Commands
Help
Menus
Procedures

Mortgage Information Help

In the Mortgage Information dialog box you must enter the various parameters of the loan.

Principal   Enter the full amount of the loan principal, up to 9 digits.   Do not enter a dollar sign ("$") or commas.   Principals from $100.00 to $500,000,000 are supported at all interest rates and loan lengths.

Interest Rate   Enter the annual interest rate as a percentage.   For example, if the annual interest on the loan is 9 3/4%, type in 9.75.   Do not enter a percent sign ("%").   Interest rates from 0.10% to 25.00% are allowed.

Mortgage Length   Enter the term of the loan in years.   The term must be a number from 1 to 30 years.

Payment Options   Select the frequency of payments, either every two weeks, twice a month, or once a month.

Loan Starts   Enter the date the loan starts.   Date format is MM/DD/YYYY. Example: for 1 Dec 1991 enter 12/01/1991.   The loan start date must be between   1 Jan 1900 and 31 Dec 2100.

When all the parameters of the loan have been entered, press the *Payment* button or the *Enter* key to calculate and display the payment amount.   To close the Mortgage Information dialog box, press the *Done* button.

Calculate Remaining Balance Help

When you have entered the number of payments made, press the *Calculate* button or the *Enter* key to calculate and display the payment amount, principal paid, interest paid and loan balance.   To close the Analysis dialog box, press the *OK* button or the *Enter* key.   You may change the number of payments made and press *Calculate* or *Enter* as often as you wish to see the effect on your loan balance.   To close the Calculate Remaining Balance dialog box, press the *Done* button.

Calculate Equity vs Balance Help

When you have entered the number of payments made and the current estimated value, press the *Calculate* button or the *Enter* key.   A dialog box will appear with a total picture of where you stand on the mortgage.   To close the Analysis dialog box, press the *OK* button or the *Enter* key.   You may change the number of payments made/current value and press *Calculate* or *Enter* as often as you wish to see the effect on your loan balance.   To close the Calculate Equity vs Balance dialog box, press the *Done* button.

Calculate Missing Variable Help

When the Mortgage - Find Missing Information dialog box is displayed, it will contain all the information available from the **Mortgage Master** default info file (MM.INI) if it exists.   To calculate a new value for any of the variables, perform the following steps:

1. Modify any three of the four variables (Principal, Interest Rate, Term, or Payment). You also have the option of specifying whether the payments are every two weeks, twice a month, or monthly by selecting the desired item.

2. Select the item you want **Mortgage Master** to calculate from the Missing Item group.

3. Press the *Calculate* button or the *Enter* key to calculate and display the new values for the modified parameters.

What if you want to compare multiple mortgage choices?   Use the Log to File option to save the different sets of data you generate.   The data will be saved in a file (What-Ifs.Log). You can then view the file or delete it and start over with a new group of options for comparison.   The size of the log file is limited only by available free disk space.   Since viewing a large number of items in a list box is difficult, we recommend deleting the old log file and starting a new one whenever you start working with a new group of options.

To close the Mortgage - Find Missing Information dialog box, press the *Done* button.

Note: It is not necessary to clear the value from the box containing the variable you want to calculate. **Mortgage Master** will ignore the contents of that box when it calculates the item selected in the Missing Item group.

Amortization Schedule Help

An amortization schedule shows at a glance exactly how much of your every two weeks, twice a month,   or monthly mortgage payment goes to principal and interest, and the remaining balance on the loan for each payment.   It also summarizes the loan amount, term, interest rate and normal payment. This option in **Mortgage Master** complements the *Calculate* menu, *Remaining Balance* command, which calculates and displays only the principal, interest and remaining balance for any single payment period.

When the amortization schedule is displayed, the main menu of **Mortgage Master** will change.   The following new commands will be available:

Done!	Returns to the main menu when you are done viewing the amortization schedule.
Next Page!	Displays the next page of the amortization schedule. When you reach the last page, this menu option will be grayed.
Previous Page!	Displays the previous page of the amortization schedule. When the schedule is first displayed, this menu option will be grayed because you are on the first page.
Output	Displays an Output Destination dialog box that lets you select where to send the output (printer or file), and which payments to include.
Help!	Displays this page of help.

Notes:

1.   The final payment will be different than the normal payment to compensate for the normal payment being rounded to the nearest cent.   To calculate the final payment, add or subtract (as appropriate) the remaining balance at the end of the schedule from the normal payment.

2.   Payment dates are determined differently based on the type of loan you select.

**   a.   Every two weeks - Each payment will be 14 days from the last one.   The first payment will be due 14 days after the loan start date.**

**   b.   Twice a month - The dates are shown as the 1st and 15th of the month.   The first payment month is the month following the loan start date.**

**   c.   Monthly - The payments will fall on the same day each month unless there aren't that many days in the month.   In that case, the payment will be due the last day of the month.   February is considered to always have 28 days for purposes of payment due dates.   This avoids the problem of leap years where sometimes the payment would be due February 28th and sometimes February 29th.**

Output Destination Help

The Output Destination dialog box allows you to specify where to send output and which payments to include in the output.

<u>Output To?</u>   Selecting Printer will send the amortization schedule to your current printer.   If you have more than one printer installed in Windows, or if you wish to customize the format of the output, you may use the Printers option in the Windows Control Panel application to select or setup your printer.

Selecting File will send an amortization schedule to a file of your choice.

<u>Which Payments?</u>   This selection defaults to include all payments.   If you wish to output only a subset of the amortization schedule, select First, then Last, entering the range of payments you want included.

After selecting the destination and range of payments to output, press the *OK* button or the *Enter* key to send the amortization schedule to the printer or file.   If you selected Output to File, a dialog box will display to allow entering a filename.   After entering a filename (or accepting the default), press the *OK* button or the *Enter* key to begin sending the amortization schedule to the selected file.   To close the Output to File dialog box without saving the schedule to a file, press the *Cancel* button.   This action will also close the Output Destination dialog box and return you to the main window.   To close the Output Destination dialog box without taking any action, press the *Cancel* button.

Mortgage Master Commands

To get help with a particular command, choose the appropriate menu.

<u>File Menu Commands</u>
> Edit Mortgage Info...
> Save as Default Info
> Exit

<u>Calculate Menu Commands</u>
> Remaining Balance...
> Equity vs Balance...
> Cost of Loan
> Missing Variable...

<u>Reports Menu Commands</u>
> Amortization Schedule
> Mortgage Comparisons

<u>Tax Time   Menu Command</u>
> Yearly P and I...

<u>F1 = Help Menu Commands</u>
> Index
> Commands
> Print Invoice
> About Mortgage Master

File Menu Help

The *File* menu allows you to enter and save information about your mortgage.   All other menu commands in **Mortgage Master** operate on the information you enter here about the parameters of your loan.

Edit Mortgage Info...   Displays the Mortgage Information dialog box.

Save as Default Info   Saves information entered in the Mortgage Information dialog box so that it may be recalled when **Mortgage Master** starts. The mortgage defaults which are shown under *Edit Mortgage Info* will be saved to a file called MM.INI in the default directory.

Exit   Exits **Mortgage Master**.

When you start **Mortgage Master**, it automatically recalls the information entered in the Mortgage Information dialog box, if it was previously saved using the *Save Default Info* command. To exit the *File* menu without taking any action, click or drag the mouse anywhere outside the menu, or press the *Esc* (escape) key.

Calculate Menu Help

The *Calculate* menu allows you to compute various aspects of your mortgage.

Remaining Balance... Displays the Calculate Remaining Balance dialog box.   Given how many payments have been made, this command provides the value of the normal payment, the investment in principal and interest, and the balance due on the mortgage.

Equity vs Balance... Displays the Calculate Equity vs Balance dialog box.   Given how many payments have been made and the estimated value of the property, this command provides an estimated overall value for the property.   It takes into account the paid down principal and estimated market value for the property.

Cost of Loan Displays the Cost of Loan dialog box containing the total of all payments, the original loan principal, and the difference between the two.

Missing Variable Displays the Mortgage - Find Missing Information dialog box. Given any three of the four parameters needed to calculate a loan, this command calculates the missing parameter.

To exit the *Calculate* menu without taking any action, click or drag the mouse anywhere outside the menu, or press the *Esc* (escape) key.

Reports Menu Help

The *Reports* menu allows displaying an amortization schedule of your mortgage or comparing mortgage options by varying different parameters of the loan.

Amortization Schedule Displays a complete <u>amortization schedule</u> for your mortgage. The **Mortgage Master** main menu is replaced by a new menu to allow navigating to all pages of the schedule and to output the schedule to a destination of your choice.

Mortgage Comparisons Displays a table comparing the principal and interest you entered in the Mortgage Information dialog box with four variations on both.

Principal is listed at the top of the each of the five columns on the right.   Your original principal is in the center column. Values for plus and minus 5% and 10% are shown in the two columns on either side of the original principal.

Interest is listed in the left column.   Your original interest is in the center row.   Values for plus and minus 0.5% and 1% are shown in the two rows above and below the original interest rate.

To exit the *Reports* menu without taking any action, click or drag the mouse anywhere outside the menu, or press the *Esc* (escape) key.

F1 = Help Menu Help

The *F1 = Help* menu brings up various types of help which make up the on-line documentation for **Mortgage Master**.

Index   Displays the help index.

Commands   Displays the complete list of menu commands.

Print Invoice   Prints an invoice for registering **Mortgage Master**.   If you are evaluating the shareware version of the program, and you intend to make continued use of it, you are obligated to register the program.   Improvements to **Mortgage Master** can only be made if you support the shareware concept.   Shareware is **not** freeware or public domain software.   There are privileges and incentives to becoming a registered user.   Please read the README.DOC file for details.

About Mortgage Master   Displays a dialog box containing the current program version, copyright notice and obligatory head-swelling credits for the authors.

To exit the *F1 = Help* menu without taking any action, click or drag the mouse anywhere outside the menu, or press the *Esc* (escape) key.

Tax Time Menu Help

Mortgage Master will calculate the amount of interest and principal paid on a yearly basis. This takes into account the different repayment options.   The calculations are quite extensive and may take a few seconds.   After the interest and principal are calculated for each year of the loan, they will be displayed in a list box.

The list box which shows the information can be controlled by both the keyboard and mouse. Simply scroll through the listing until you find the year(s) you are looking for.

What is Shareware?

Shareware is copyrighted commercial software that you are allowed to try out before you make the purchase decision.   It is a marketing concept, not a type of software.

Shareware marketing is typically used when the author doesn't have a huge advertising budget.   High end software like Lotus 1-2-3, dBase IV, etc. may have advertising budgets of over a million dollars.   A full page advertisement in a magazine like PC Magazine can cost over $10,000 an issue.   Smaller software companies, like MaeDae Enterprises, usually don't have that type of advertising budget so shareware marketing is used.

Many people question whether software distributed via shareware is of as high a quality as the software they see advertised in commercial magazines.   Good commercial advertising can sell almost any software regardless of its quality.   Shareware must be of equal or higher quality than commercially available software for users to register.   You, the user, have the opportunity to evaluate the shareware and find the real gems.   With commercial software, you purchase the software and then hope it works as advertised.

Note: Don't feel guilty about passing around copies of shareware.   You are helping the author distribute his software.   Even though shareware is commercial software, you are encouraged to pass around evaluation copies!

Registration Benefits

Registration benefits include:

1. The latest version of   Mortgage Master with no additional information screens.
2. Unlimited support - written or by phone.
3. Low cost upgrades (only $10 plus $5 S&H).
4. Notification of enhancements.

Note: Shareware relies on you, the user, for its existence.   Your registration will help ensure Mortgage Master continues to improve.   When you register, please take the time to fill out the suggestion form.   We want Mortgage Master to evolve so it can better meet your needs.