LOANS Program for the HP-71B part of the LOANS System



LOANS Program for the HP-71B part of the LOANS System

program by

Software, Operations, & Systems Co. 1850 E. 17th St., Suite 102 Santa Ana, CA 92701 (714) 558-1806

from a concept by

Mortgage Originators, Inc.

Copyright 1988 All Rights Reserved

Table of Contents

Introduction
System Components
System Connection
Loading Paper into the ThinkJet Printer
ThinkJet Printer Operation & Recharging
ThinkJet Ink Cartridge Replacement
Battery Replacement
Overall Operation
Keyboard Layout
Starting the System - The First Time
Shutting the System OFF
Restarting the System
Menu Hierarchy
Quick Mode
Print Mode - Payments & Costs
Sample Printout - Payments & Costs, Amortization
Print Mode - Qualifier
Sample Printout - Qualifier, Amortization
Print Mode - Desired Payments
Sample Printout - Desired Payments, Amortization
Print Mode - Loan Programs
Sample Printout - Loan Programs
Print Mode - Factors, PMI, Presets
Sample Printout - Factors, PMI, Presets
Edit Mode - Loan Programs
Edit Mode - Loan Factors
Editing Mode - Loan Presets
Editing Mode - P.M.I
Editing Mode - Front/Back Ratios
Glossary
Index

HP-71B, HP-IL, and ThinkJet are trademarks of Hewlett-Packard Co.

Introduction

The LOANS system from Software, Operations, & Systems Co. was developed specifically for the professional Loan Officer or Real Estate Broker environment. This professionally designed system will provide immediate analysis of the property buyers requirements, and a detailed analysis and amortization schedule of the costs associated with purchasing a new home.

For the Loan Officer, the LOANS system will allow you to show your client how his needs can be met by the various loan packages offered by the Loan Officer. Rather than spending time doing calculations with the client, trying to play 'what-if' games on a calculator, the Loan Officer can let the LOANS System do the work for him. Several operating modes let the Loan Officer show the property buyer what his options are under different circumstances, and provide a much more detailed and accurate analysis than would otherwise by possible. For the buyer who is not sure how much he can afford to spend, the LOANS program allows input of the monthly income and debts, and can 'work back' to determine how much each loan package will allow him to borrow.

For the Real Estate Broker trying to make a sale, the LOANS System will allow a quick analysis, showing the buyer how much it will really cost him to close the deal. An added feature is the Amortization Printout, which allows the property buyer to see how equity will build up in the property as time goes by.

For the Property Buyer, the LOANS System can allow personal analysis of costs associated with property purchase.

For an overview of what the LOANS System is comprised of, the user may wish to skip to the "Overall Operation" section of this manual. All users should read the section on "System Components" in order to get an idea of what the system contains. The "System Components" also contains valuable information on such items as loading paper into the printer, changing the printer ink cartridge, changing the batteries in the computer, etc. Other sections give more detailed information on each of the various operating modes and options.

1

System Components

The LOANS System is a professional computer system which has been designed with the needs of the loan professional in mind. The hardware consists of top-quality Hewlett-Packard equipment.

The computer system is based upon the HP-71B, one of the most powerful portable computers on the market. The HP-71B contains a 64K operating system, including an extensive version of the BASIC language.

The HP-IL Interface used on the HP-71B allows for a simple-to-connect, fast, low-power method for the HP-71B to communicate with its other components.

For more detailed information on the specifics of each of these items, you may wish to refer to their individual manuals.

System Connection

The components of the LOANS System are connected together with an interface called the Hewlett-Packard Interface Loop, or HP-IL. The HP-IL interface uses cables with different connectors at each end, so that there is no danger of connecting cables together incorrectly. The connection from the computer to the printer is made by means of two of these special cables: one going from the computer to the printer, and the other going from the printer back to the computer. Once these cables are hooked up, the system connections are complete.

Loading Paper into the ThinkJet Printer

To load fanfold paper into the ThinkJet printer, open the front cover and pull back on the bail arm. Install the paper separator and raise it to the vertical position. Slide the paper into the slot under the paper separator and pull the top edge so that it is above the bail arm rollers. Align the holes in the left side of the paper with the left side pin wheel. Then slide the right-hand pin wheel to align its pins with the holes in the right side of the paper.

ThinkJet Printer Operation & Recharging

The HP-2225B ThinkJet Printer is one of the smallest, fastest, quietest 80-column printers available. The ink-jet technology used on the ThinkJet printer allows it to be used on-the-run. The battery pack of the ThinkJet will allow for approximately 200 full-size pages to be printed between battery charges. The ink-jet cartridge used on the ThinkJet eliminates the mess and fuss usually associated with other printers when changing ribbons. The ink-jet cartridge can literally be replaced in seconds, with one hand, and no mess.

The ThinkJet Printer uses a small, specialized Ni-Cad battery pack for its power supply. This battery pack, when fully charged, is capable of powering the printer through approximately 200 pages of printing. To get the best use out of your battery pack, observe the following precautions:

- 1. Don't leave the recharger plugged into the printer continuously.
- 2. <u>Do</u> connect the charger when the red POWER light on the printer begins to flash.
- 3. Don't store the printer or the battery pack in a hot place.
- 4. <u>Don't</u> incinerate or mutilate the battery pack. The battery pack may release toxic materials or burst under extreme heat.
- 5. <u>Don't</u> short circuit the terminals of the battery pack. The battery pack may melt or cause serious burns.

ThinkJet Ink Cartridge Replacement

Replacing the Ink Cartridge in the ThinkJet printer can be accomplished simply and easily. In fact, once you have the cartridge container opened, you can replace it with one hand. To replace the cartridge, follow these simple steps:

- 1. Open the lid of the ThinkJet printer.
- 2. Open the cartridge latch by flipping the lever towards the front of the ThinkJet printer.
- 3. Remove the Ink Cartridge and its absorber from their container.
- 4. Replace the absorber, making sure that the new absorber has the

white side facing towards the front of the ThinkJet printer.

- 5. Remove the old Ink Cartridge and insert the new Ink Cartridge into the cartridge holder.
- 6. Close the cartridge latch by flipping the lever towards the back of the ThinkJet printer.

Battery Replacement

The batteries within the HP-71 computer that controls the LOANS System will generally power it for several months. When the computer is not in use, the it will automatically shut itself off after 10 minutes of inactivity (note that this does not apply to the printer). When you notice the BAT indicator on the left side of the display turn on, or when the system says "LOW BATTERY!!!" in the display, it's time to install a fresh set of four AAA batteries (use alkaline batteries for best results).

Don't worry about retaining the contents of your computers memory when you replace the batteries--you have plenty of time to remove one set of batteries and replace them with another before you will lose your Data files. The LOANS System programs are stored in a type of memory that won't be lost even if you do take the batteries out for a while.

Keyboard Layout

Other than using the alphabetic or numeric keys to enter information into the LOANS System, only 5 keys on the keyboard are used to run the System.



ON Key This key performs several functions. If the LOANS System is turned OFF, this key will turn the System ON. If the System is ON and running, it will return the System to the idle mode. If the System is running, then pressing the ON key causes the program to 'back-up' one level from where it is currently.

- ENDLINE key The ENDLINE key has two similar functions. Pressing this key from any of the menus selects that function or subfunction. Pressing this key while entering data accepts the value in the display and 'ends' that entry.
- down-arrow key Moves down one entry in the current selection value, or selects the value in the display (same as ENDLINE key, above).

up-arrow key Moves up one entry in the current selection menu.

left-arrow key Erases the last character in the displayed value. If there has been no entry of characters by the user, it erases the entire value.

Starting the System - The First Time

When starting the LOANS System for the first time, it will be necessary for you to run a special program that will configure your system correctly. If you're not sure whether or not you need to run this program, run it anyway--no harm will be done.

For a complete, initial startup, spell the command "RUN FAST" on the keyboard and then press the large ENDLINE key (don't include the quotes when typing the command). The system will ask you to verify the date and time, and will then check for necessary system data files, creating those that don't exist.

Shutting the System OFF

There are two methods of shutting the LOANS System OFF. The first method is to press the ON key until you see a prompt (">" character) in the display. Then press the gold 'f' key, followed by the ON key. This shuts the Loans System OFF. Alternatively, the System will shut itself off approximately 15 minutes from the time that the last key was pressed.

Note: It is still necessary to manually turn the ThinkJet printer OFF with its Power switch.

Restarting the System

Once the LOANS System has been initialized (by typing the "RUN FAST" command, above), you should never have to manually start the system again. The LOANS System will automatically start up whenever the ON key is first pressed, or (if the system is already turned on) by pressing the RUN key. The LOANS System uses a scrolling menu to implement its operations. To choose the mode of operation, press either the up-arrow or down-arrow key until the selection that you want is in the display. Then press the ENDLINE key to select that mode of operation.

Once you have entered the selected mode from the Main Menu (Print, Quick, or Editing modes) you will be either be asked to select a sub-level Mode (from the Print or Editing mode options) or you will be ready to enter values to the program (Quick mode).



Main Menu

Quick Mode

Quick Mode allows the user to quickly determine the appropriate loan amount for a client. If the calculated payment is different (either greater or less than) the amount the client wishes to pay, the Quick Mode will allow the Loan Officer to modify the appropriate values to determine what is realistically available to the client. For example, if the client can only afford a certain monthly payment, the Quick Mode will allow the Loan Officer to determine the maximum Sales Price that the client can afford. If the client has a fixed Sales Price in mind, the user may modify the Loan-to-Value or Interest Rate percentages (among others), to determine what type of loan program the client must qualify for in order to meet their desired goal.

The following is a brief description of the values displayed by the LOANS System in the Quick Mode:

Screen Display

Screen Description

Sale Price \$ <u>100000</u>	Sale Price entered by user
Loan to Value % <u>80.00</u>	Loan to Value entered by user
Loan Amount \$ <u>80000</u>	Loan Amount calculated, changeable
Interest Rate % <u>12.00</u>	Interest Rate entered by user
# of Years <u>30</u>	Number of Years entered by user
P & I \$ <u>822</u>	Principal & Interest displayed only
Taxes \$ <u>104</u>	Taxes displayed only
Ins. Fee \$ <u>20</u>	Insurance Fee displayed only
P-I-T-I \$ <u>947</u>	P-I-T-I calculated, changeable
Assoc. Fee \$ <u>0.00</u>	Association Fee entered by user
Other Costs \$ <u>0.00</u>	Other Costs entered by user
Total \$ <u>947</u>	Total Amount calculated, changeable

<u>Sale Price \$</u> Enter the dollar amount of the purchase price of the property in question. This is the total amount of the purchase, not the amount of money being borrowed.

Loan to Value % Enter the percentage that the loan is of the total pur-

chase price. If this value is unknown, skip this section and enter the dollar amount of the loan at the next step.

- Loan Amount \$ Enter the dollar amount of the loan. If you entered a number at the "Loan to Value %" prompt, the default value of the loan amount will be the "Loan to Value" percent of the sale price.
- <u>Interest Rate %</u> Enter the Interest Rate that the loan program is expected to provide, as a percent.
- Number of Years Enter the number of years that the loan program is to run.

<u>Principal and</u> The amount of Principal and Interest is calculated and <u>Interest</u> displayed by the LOANS System.

- Taxes The amount of monthly taxes is calculated and displayed.
- Insurance Fee The monthly insurance fee is calculated and displayed.
- <u>P-I-T-I</u> The monthly total of Principal, Interest, Taxes, and Insurance is calculated and displayed. This amount may be changed by the user to cause an automatic recalculation of the Sales Price, based on the user input.
- <u>Assoc. Fee \$</u> Enter the Association Fee, if any, required of the purchased property. Examples of an Association fee are condominium associations, golf course fees, etc.
- <u>Other Costs</u> Enter the amount of other monthly costs associated with the purchase the property. Included here are any monthly costs which do not fit into any other category.
- <u>Total</u> The final monthly total amount, comprised of the Principal, Interest, Taxes, Insurance, Association Fees, and Other Costs is calculated and displayed. This amount may be changed by the user to cause an automatic recalculation of the Sales Price, based on the user input.

A client wishes to pay no more than \$1200 per month total for P-I-T-I, and is able to qualify for an 80% Loan-to-Value loan program. The property that he would like to purchase is priced at \$150,000. The current average interest rate is approximately 10.5%.

Start the program by either turning the LOANS System ON, or pressing the RUN button if it is not already running. Then:

Display shows Do the following Working... System initialization Print Mode Press the down-arrow key Quick Mode Press the ENDLINE key Sale Price \$ 100000 Enter the sale price of \$ 150000 Sale Price \$ 150000 Press the ENDLINE key to accept the value Press the ENDLINE key to accept the value Loan to Value % 80.00 Loan Amt. \$ 120000 The Loan Amount is calculated by the LOANS System, so press ENDLINE to accept it Enter the interest rate of 10.5 Interest Rate % 12.00 Interest Rate % 10.5 Press the ENDLINE key to accept the value # of Years 30 Press the ENDLINE key to accept the value P & I \$ 1097 This is a display-only value, so press ENDLINE to continue Taxes \$ 156 This is a display-only value, so press ENDLINE to continue Ins. Fee \$ 30 This is a display-only value, so press ENDLINE to continue This value is higher than the client can P-I-T-I \$ 1283 pay, so enter his desired value of 1200. We then determine what Sales Price the client can actually afford. P-I-T-I \$ 1200 Press the ENDLINE key to accept the value Sale Price \$ 140187 The LOANS System recalculates the Sale Price, based on the desired P-I-T-I Loan to Value % 79.96 The LTV may show a decimal value, since all Loan Amounts are rounded to \$50

10

this value The Loan Amount is calculated by the LOANS Loan Amt. \$ 112050 System, so press ENDLINE to accept it Press the ENDLINE key to accept the value Interest Rate % 10.50 Press the ENDLINE key to accept the value # of Years 30 P & I \$ 1024 This is a display-only value, so press ENDLINE to continue This is a display-only value, so press Taxes \$ 146 ENDLINE to continue Ins. Fee \$ 28 This is a display-only value, so press ENDLINE to continue P-I-T-I \$ 1199 We can now see that the client will only be able to afford a \$140000 property, given his ability to pay \$1200 each month. This amount can, of course, be modified by changing the interest rate, the length of the loan, etc. Assoc. Fee \$ 0.00 Any Association Fee may be entered here. Press ENDLINE to continue. Other Costs \$ 0.00 Any Other Costs may be entered here. Press ENDLINE to continue. The final monthly total payment by the Total \$ 1199 client is shown here. The user may now either press the ON key to exit the Quick Mode, or enter a new Total value to continue experimenting with payment values for the client in Quick

increments. Press ENDLINE to accept

Mode.

Print Mode

Payments & Costs

The "Payments & Costs" section of the Print Mode allows the user to evaluate up to 4 selected loan programs for the buyer, given the Sale Price and Loan-to-Value percent (or Loan Amount). Further, the program allows for other values to be input for 2nd Trust Loans, Association Fees, & other miscellaneous costs. The Close-of-Escrow date is calculated, and presented to the user for acceptance or modification. The Loan Preset and/or Loan Programs are selected, and the LOANS System will then calculate and present to the user the various costs associated with the purchase of the property in question. Optionally, an amortization schedule may be printed out as part of the Payments & Costs report.

Note: Before entering the value for the 'Number of Copies' prompt, be sure that the paper is aligned and that the printer is turned ON.

Prompts w/o 2nd Trust

Prompts with 2nd Trust

Sale Price \$ <u>100000</u>	Sale Price \$ <u>100000</u>
Loan to Value % <u>80.00</u>	Loan to Value % <u>80.00</u>
Loan Amount \$ <u>80000</u>	Loan Amount \$ <u>80000</u>
Down Payment \$ <u>20000</u>	Down Payment \$ <u>10000</u>
2nd Trust \$ <u>0</u>	2nd Trust \$ <u>10000</u>
Assoc. Fee \$ <u>0.00</u>	2nd Type <u>AM</u>
Other Costs \$ <u>0.00</u>	2nd Int. Rate % <u>12.00</u>
C.O.E. Date <u>02/24/88</u>	2nd Length (Mos) <u>60</u>
Costs Paid \$ <u>0</u>	Assoc. Fee \$ <u>0.00</u>
Preset # <u>1</u>	Other Costs \$ <u>0.00</u>
Loan #'s <u>1, 2, 3, 4</u>	C.O.E. Date 02/24/88
Report Title <u>BUYERS AND LISTING AGENTS</u>	Costs Paid \$ <u>0</u>
Amort. Schedule <u>Y</u>	Preset # <u>1</u>
Plant to Amort. <u>1</u>	Loan #'s <u>1, 2, 3, 4</u>
No. of Copies <u>1</u>	Report Title BUYERS AND LISTING AGENTS
	Amort. Schedule <u>Y</u>
	Plan to Amort. <u>1</u>
	No. of Copies <u>1</u>

- <u>Sale Price \$</u> Enter the dollar amount of the purchase price of the property in question. This is the total amount of the purchase, not the amount of money being borrowed.
- Loan to Value % Enter the percentage that the loan is of the total purchase price. If this value is unknown, skip this section and enter the dollar amount of the loan at the next step.
- Loan Amount \$ Enter the dollar amount of the loan. If you entered a number at the "Loan to Value %" prompt, the default value of the loan amount will be the "Loan to Value" percent of the sale price.
- <u>Down Payment \$</u> Enter the Down Payment amount in dollars. The default value that will be displayed is the "Sale Price" minus the "Loan Amount." You may change this value here to reflect the need for a 2nd Trust loan.
- <u>2nd Trust \$</u> Enter the dollar amount of the 2nd Trust loan. The default value will be the "Sale Price" minus the "Loan Amount", minus the "Down Payment." If you enter 0 for this value, the following three steps will be skipped.
- <u>2nd Type AM</u> The only acceptable values at this prompt are "AM" (for AMortized), or "IO" (for Interest Only). This determines the type of pay-back schedule for the 2nd Trust Loan. Any invalid response will toggle the value currently showing in the display.
- <u>Assoc. Fee \$</u> Enter the Association Fee, if any, required of the purchased property. Examples of an Association fee are condominium associations, golf course fees, etc.
- <u>Other Costs</u> Enter the amount of other monthly costs associated with the purchase the property. Included here are any monthly costs which do not fit into any other category.
- <u>C.O.E. Date</u> Enter the desired date for Close of Escrow. Normally this defaults to 45 days from the current date.

- <u>Costs Paid</u> Enter the Costs that will be paid by the seller (in dollars). This is the amount of Non-Recurring Costs that the seller has agreed to pay.
- <u>Preset #</u> Enter the number of the Preset that is to be used for determining this loan print-out. The each Preset contains up to 4 different loan programs that may be shown.
- Loan #'s The display will show the values of the current preset. The user may temporarily change these values by entering a new value at this point. For example, if the desired Preset contains loan programs 3, 5, 7, and 9, the user may change the program 3 to program 4; this print-out will then contain information derived from loan programs 4, 5, 7, and 9.
- <u>Report Title</u> Enter the name of the client for printing at the top of the report page. The default value is "BUYERS AND LISTING AGENTS".
- <u>Amort. Schedule</u> The display will ask whether or not you would like to print out an amortization schedule. Press "Y" for Yes, or "N" for No.
- <u>Plan to Amort.</u> The display will show which plan column is to be amortized. For example, if the display shows 3, then the Loan Program in the 3rd column will be amortized. Enter a number between 1 and 4, corresponding to the column of the Loan Program that you would like to show.
- <u>No. of Copies</u> Enter the number of copies to be printed. The default value is 1 copy. After entering this value, the System will begin printing the report. If the System beeps at this point, check the printer to make sure that it is turned on and connected.

14

		=================
David Erbas-White	S.O.S. Co.	(714) 558-1806
		=======================================

Report Title: 80.0% LTV OPTIONS FOR BUYERS AND LISTING AGENTS

Today's Date 01/10/88 Est. C.O.E. 02/24/88 1st Payment 04/01/88		100,000 Sale 80,000 Loar	es Price n Amount	
Sales Price/Value Loan AmountLTV 80.0% Down Payment 20.0% 2nd: AM 60 Mos 0.0%	I (#1) 100,000 80,000 20,000 0	II (#2) 100,000 80,000 20,000 0	III (#3) 100,000 80,000 20,000 0	IV (#4) 100,000 80,000 20,000 0
FIRST PAYMENT Note Rate Payment Rate 1st Trust Deed 2nd Trust Deed 12.000% Private Mortgage Ins Real Estate Taxes Hazard Ins. Premium Association Fees Other Costs	$ \begin{array}{r} 10.500 \\ 10.500 \\ 732 \\ 0 \\ 0 \\ 104 \\ 20 \\ 0 \\ 856 \\ \end{array} $	$ \begin{array}{c} 10.500\\ 10.500\\ 732\\ 0\\ 104\\ 20\\ 0\\ 856\\ \end{array} $	10.500 10.500 732 0 0 104 20 0 0 856	$ \begin{array}{r} 10.500 \\ 10.500 \\ 732 \\ 0 \\ 0 \\ 104 \\ 20 \\ 0 \\ 856 \\ \end{array} $
INCOME REQUIRED	2,594	2,594	2,594	2,594
NON-RECURRING COSTS Loan Origination Quote Loan Origination Costs Appraisal Credit Report Processing Fee Tax Service Contract PMI Premium Year-1 Escrow Settlement Title Insurance Recording Fees Misc. Adjustments	2.00+250 1,850 175 32 100 43 0 245 126 12 0 2,583	2.00+250 1,850 175 32 100 43 0 245 126 12 0 2,583	2.00+250 1,850 175 32 100 43 0 245 126 12 0 2,583	2.00+250 1,850 175 32 100 43 0 245 126 12 0 2,583
PREPAIDS/IMPOUNDS Interest for 5 Days Hazard Ins. Premium Tax Impounds (1 Mo) TOTAL	$ \begin{array}{r} 1 1 5 \\ 2 4 0 \\ 0 \\ 3 5 5 \\ \end{array} $	$\begin{array}{c}115\\240\\0\\355\end{array}$	$\begin{array}{c}115\\240\\0\\355\end{array}$	115 240 0 355
FUNDS FOR CLOSING Down Payment Non-Recurring Costs NRC Paid by Seller (-) Prepaids/Impounds TOTAL	20,000 2,583 (0) 355 22,938	20,000 2,583 (0) 355 22,938	20,000 2,583 (0) 355 22,938	20,000 2,583 (0) 355 22,938

INFORMATION IN THIS REPORT IS NOT GUARANTEED DUE TO CHANGING MARKET CONDITIONS

====	==	= =	==	==	==	= =	==	= =	==	==	==	==	==	= =	= =	=	= =	=	= =	==	==	==	==	=	= = :	= =	==	==	==	==	=	= =	==	==	===	==	==	=
Davi	d	Er	ba	s -	Wh	it	e								S.	0	. S		C	ο.										(7	14)	55	58-	18	806	5
====	==	==	==:	==	==	==	==	= = :	= =	= =	= :	= =	==	=	= =	=	= =	==	= =	==	==	==	==	==	===	= = :	= =	==	==	==	==	= =	==	= =	==	==	==	=

Report Title: AMORTIZATION SCHEDULE FOR BUYERS AND LISTING AGENTS

1st Trust Deed Amortization Schedule

Year	Start	Interest	Principal	Interest	Principal	Ending
#	Balance	Amount	Amount	to Date	to Date	Balance
1	80,000.00	696.80	34.99	8,381.09	400.40	79,599.60
2	79,599.60	692.95	38.84	16,718.06	844.93	79,155.07
3	79,155.07	688.67	43.13	25,006.04	1,338.45	78,661.55
4	78,661.55	683.91	47.88	33,239.64	1,886.35	78,113.65
5	78,113.65	678.64	53.15	41,412.85	2,494.64	77,505.36
6	77 , 505.36	672.78	59.01	49,519.02	3,169.96	76,830.04
7	76,830.04	666.28	65.52	57,550.78	3,919.70	76,080.30
8	76,080.30	659.06	72.74	65,499.91	4,752.07	75,247.93
9	75 , 247.93	651.04	80.75	73,357.31	5,676.17	74,323.83
10	74,323.83	642.14	89.65	81,112.87	6,702.11	73,297.89
11	73,297.89	632.26	99.53	88,755.37	7,841.10	72,158.90
12	72,158.90	621.29	110.50	96,272.34	9,105.62	70,894.38
13	70,894.38	609.12	122.68	103,649.97	10,509.50	69,490.50
14	69,490.50	595.60	136.20	110,872.88	12,068.08	67,931.92
15	67,931.92	580.59	151.20	117,924.03	13,798.43	66,201.57
16	66 , 201.57	563.92	167.87	124,784.49	15,719.47	64,280.53
17	64,280.53	545.42	186.37	131,433.24	17,852.21	62,147.79
18	62,147.79	524.89	206.91	137,846.96	20,219.99	59,780.01
19	59,780.01	502.08	229.71	143,999.74	22,848.70	57,151.30
20	57 , 151.30	476.77	255.02	149,862.83	25,767.11	54,232.89
21	54,232.89	448.66	283.13	155,404.30	29,007.14	50,992.86
22	50,992.86	417.46	314.33	160,588.71	32,604.23	47,395.77
23	47,395.77	382.82	348.97	165,376.70	36,597.73	43,402.27
24	43,402.27	344.37	387.43	169,724.60	41,031.33	38,968.67
25	38,968.67	301.67	430.12	173,583.90	45,953.53	34,046.47
26	34,046.47	254.27	477.52	176,900.76	51,418.17	28,581.83
27	28,581.83	201.64	530.15	179,615.39	57,485.03	22,514.97
28	22,514.97	143.22	588.57	181,661.44	64,220.49	15,779.51
29	15,779.51	78.36	653.43	182,965.21	71,698.21	8,301.79
30	8,301.79	6.35	725.44	183,444.92	80,000.00	00

Print Mode

Qualifier

The "Qualifier" section of the Print Mode allows the user to evaluate up to 4 selected loan programs for the buyer, given the Gross Income and Total Long-Term Debts of the buyer. Given this information, the LOANS System will calculate the maximum amount that may be borrowed by the buyer for use in purchasing property. This section of the LOANS System also allows for other values to be input for Association Fees & other miscellaneous costs. The Close-of-Escrow date is calculated, and presented to the user for acceptance or modification. The Loan Preset and/or Loan Programs are selected, and the LOANS System will then calculate and present to the user the various costs associated with the purchase of the property in question. Optionally, an amortization schedule may be printed out as part of the Qualifier report.

Note: Before entering the value for the 'Number of Copies' prompt, be sure that the paper is aligned and that the printer is turned ON.

Prompts with or w/o 2nd Trust

Monthly Income \$ 3000Monthly Debts \$ 500Loan to Value % 80.00Assoc. Fee \$ 0.00Other Costs \$ 0.00C.O.E. Date 02/24/88Costs Paid \$ 0Preset # 1 Loan #'s 1, 2, 3, 4 Report Title <u>BUYERS AND LISTING AGENTS</u> Amort. Schedule <u>Y</u> Plan to Amort. <u>1</u> No. of Copies <u>1</u>

<u>Monthly Income \$</u> Enter the dollar amount of the buyers monthly income. This is the gross dollar amount, not the net income.

- <u>Monthly Debts \$</u> Enter the dollar amount of the buyers monthly long-term debts. This includes items such as car payments, personal loans, etc.
- Loan to Value % Enter the percentage that the loan is of the total purchase price. If this value is unknown, skip this section and enter the dollar amount of the loan at the next step.
- <u>Assoc. Fee \$</u> Enter the Association Fee, if any, required of the purchased property. Examples of an Association fee are condominium associations, golf course fees, etc.
- <u>Other Costs</u> Enter the amount of other monthly costs associated with the purchase the property. Included here are any monthly costs which do not fit into any other category.
- <u>C.O.E. Date</u> Enter the desired date for Close of Escrow. Normally this defaults to 45 days from the current date.
- <u>Costs Paid</u> Enter the Costs that will be paid by the seller (in dollars). This is the amount of Non-Recurring Costs that the seller has agreed to pay.
- <u>Preset #</u> Enter the number of the Preset that is to be used for determining this loan print-out. The each Preset contains up to 4 different loan programs that may be shown.
- Loan #'s The display will show the values of the current preset. The user may temporarily change these values by entering a new value at this point. For example, if the desired Preset contains loan programs 3, 5, 7, and 9, the user may change the program 3 to program 4; this print-out will then contain information derived from loan programs 4, 5, 7, and 9.
- <u>Report Title</u> Enter the name of the client for printing at the top of the report page. The default value is "BUYERS AND LISTING AGENTS".

- <u>Amort. Schedule</u> The display will ask whether or not you would like to print out an amortization schedule. Press "Y" for Yes, or "N" for No.
- <u>Plan to Amort.</u> The display will show which plan column is to be amortized. For example, if the display shows 3, then the Loan Program in the 3rd column will be amortized. Enter a number between 1 and 4, corresponding to the column of the Loan Program that you would like to show.
- <u>No. of Copies</u> Enter the number of copies to be printed. The default value is 1 copy. After entering this value, the System will begin printing the report. If the System beeps at this point, check the printer to make sure that it is turned on and connected.

=======================================	=======================================	===============
David Erbas-White	S.O.S. Co.	(714) 558-1806
=======================================	=======================================	================

Report Title: 80.0% LTV OPTIONS FOR BUYERS AND LISTING AGENTS

Today's Date 01/10/88 Est. C.O.E. 02/24/88 1st Payment 04/01/88		4,000 Mon 400 Long	thly Income g Term Debts	
Sales Price/Value Loan AmountLTV 80.0% Down Payment 20.0% 2nd: AM 60 Mos 0.0%	I (#1) 130,812 104,650 26,162 0	II (#2) 130,812 104,650 26,162 0	III (#3) 130,812 104,650 26,162 0	IV (#4) 130,812 104,650 26,162 0
FIRST PAYMENT Note Rate Payment Rate 1st Trust Deed 2nd Trust Deed 12.000% Private Mortgage Ins Real Estate Taxes Hazard Ins. Premium Association Fees Other Costs	10.500 10.500 957 0 136 26 0 1,120	10.500 10.500 957 0 136 26 0 0 1,120	10.500 10.500 957 0 136 26 0 1,120	10.500 10.500 957 0 136 26 0 1,120
INCOME REQUIRED	3,999	3,999	3,999	3,999
NON-RECURRING COSTS Loan Origination Quote Loan Origination Costs Appraisal Credit Report Processing Fee Tax Service Contract. PMI Premium Year-1 Escrow Settlement Title Insurance Recording Fees Misc. Adjustments	2.00+250 2,343 175 32 100 43 0 291 145 12 0 3,141	2.00+250 2,343 175 32 100 43 0 291 145 12 0 3,141	2.00+250 2,343 175 32 100 43 0 291 145 12 0 3,141	2.00+250 2,343 175 32 100 43 0 291 145 12 0 3,141
PREPAIDS/IMPOUNDS Interest for 5 Days Hazard Ins. Premium Tax Impounds (1 Mo) TOTAL	151 314 0 464	151 314 0 464	151 314 0 464	151 314 0 464
FUNDS FOR CLOSING Down Payment Non-Recurring Costs NRC Paid by Seller (-) Prepaids/Impounds TOTAL	26,162 3,141 (0) 464 29,768	26,162 3,141 (0) 464 29,768	26,162 3,141 (0) 464 29,768	26,162 3,141 (0) 464 29,768
	-		-	-

INFORMATION IN THIS REPORT IS NOT GUARANTEED DUE TO CHANGING MARKET CONDITIONS

David Erbas-White	S.O.S. Co.	(714) 558-1806

Report Title: AMORTIZATION SCHEDULE FOR BUYERS AND LISTING AGENTS

1st Trust Deed Amortization Schedule

Balance 104,649.60 104,125.78 103,544.23 102,898.59 102,181.81 101,386.03	Amount 911.50 906.46 900.86 894.64 887.74	Amount 45.77 50.82 56.42 62.64	to Date 10,963.47 21,869.22 32,710.88	to Date 523.82 1,105.37	Balance 104,125.78 103,544.23
104,649.60 104,125.78 103,544.23 102,898.59 102,181.81 101,386.03	911.50 906.46 900.86 894.64 887.74	45.77 50.82 56.42 62.64	10,963.47 21,869.22 32,710.88	523.82 1,105.37	104,125.78 103,544.23
104,125.78 103,544.23 102,898.59 102,181.81 101,386.03	906.46 900.86 894.64 887.74	50.82 56.42 62.64	21,869.22 32,710.88	1,105.37	103,544.23
103,544.23 102,898.59 102,181.81 101,386.03	900.86 894.64 887.74	56.42 62.64	32,710.88	1 751 01	
102,898.59 102,181.81 101,386.03	894.64 887.74	62.64		1,/51.01	102,898.59
102,181.81 101,386.03	887.74		43,481.39	2,467.79	102,181.81
101,386.03		69.54	54,172.91	3,263.57	101,386.03
100 502 55	880.07	77.20	64,776.72	4,147.05	100,502.55
100,502.55	871.56	85.71	75,283.18	5,127.89	99,521.71
99,521.71	862.12	95.16	85,681.54	6,216.83	98,432.77
98,432.77	851.63	105.64	95 , 959.90	7,425.76	97,223.84
97,223.84	839.99	117.28	106,105.03	8,767.93	95,881.67
95,881.67	827.07	130.21	116,102.25	10,258.01	94,391.59
94,391.59	812.72	144.56	125,935.26	11,912.30	92,737.30
92,737.30	796.79	160.49	135,585.96	13,748.89	90,900.71
90,900.71	779.10	178.18	145,034.25	15,787.89	88,861.71
88,861.71	759.46	197.81	154,257.85	18,051.59	86,598.01
86,598.01	737.66	219.61	163,231.98	20,564.76	84,084.84
84,084.84	713.46	243.81	171,929.14	23,354.89	81,294.71
81,294.71	686.59	270.68	180,318.83	26,452.50	78,197.10
78,197.10	656.76	300.51	188,367.15	29,891.48	74,758.12
74,758.12	623.65	333.63	196,036.48	33,709.44	70,940.16
70,940.16	586.88	370.40	203,285.06	37,948.16	66,701.44
66,701.44	546.06	411.22	210,066.51	42,654.00	61,995.60
61,995.60	500.74	456.53	216,329.37	47,878.44	56,771.16
56,771.16	450.43	506.84	222,016.48	53,678.63	50,970.97
50 , 970.97	394.57	562.70	227,064.38	60,118.02	44,531.58
44,531.58	332.56	624.71	231,402.64	67,267.05	37,382.55
37,382.55	263.72	693.56	234,953.06	75 , 203.94	29,445.66
29,445.66	187.29	769.99	237,628.80	84,015.49	20,634.11
20,634.11	102.43	854.84	239,333.48	93,798.11	10,851.49
10,851.49	8.22	949.05	239,960.07	104,658.81	-9.21
	101,386.03 100,502.55 99,521.71 98,432.77 97,223.84 95,881.67 94,391.59 92,737.30 90,900.71 88,861.71 86,598.01 84,084.84 81,294.71 78,197.10 74,758.12 70,940.16 66,701.44 61,995.60 56,771.16 50,970.97 44,531.58 37,382.55 29,445.66 20,634.11 10,851.49	102, 181.81 887.74 $101, 386.03$ 880.07 $100, 502.55$ 871.56 $99, 521.71$ 862.12 $98, 432.77$ 851.63 $97, 223.84$ 839.99 $95, 881.67$ 827.07 $94, 391.59$ 812.72 $92, 737.30$ 796.79 $90, 900.71$ 779.10 $88, 861.71$ 759.46 $86, 598.01$ 737.66 $84, 084.84$ 713.46 $81, 294.71$ 686.59 $78, 197.10$ 656.76 $74, 758.12$ 623.65 $70, 940.16$ 586.88 $66, 701.44$ 546.06 $61, 995.60$ 500.74 $56, 771.16$ 450.43 $50, 970.97$ 394.57 $44, 531.58$ 332.56 $37, 382.55$ 263.72 $29, 445.66$ 187.29 $20, 634.11$ 102.43 $10, 851.49$ 8.22	102, 181.81 887.74 69.54 $101, 386.03$ 880.07 77.20 $100, 502.55$ 871.56 85.71 $99, 521.71$ 862.12 95.16 $98, 432.77$ 851.63 105.64 $97, 223.84$ 839.99 117.28 $95, 881.67$ 827.07 130.21 $94, 391.59$ 812.72 144.56 $92, 737.30$ 796.79 160.49 $90, 900.71$ 779.10 178.18 $88, 861.71$ 759.46 197.81 $86, 598.01$ 737.66 219.61 $84, 084.84$ 713.46 243.81 $81, 294.71$ 686.59 270.68 $78, 197.10$ 656.76 300.51 $74, 758.12$ 623.65 333.63 $70, 940.16$ 586.88 370.40 $66, 701.44$ 546.06 411.22 $61, 995.60$ 500.74 456.53 $56, 771.16$ 450.43 506.84 $50, 970.97$ 394.57 562.70 $44, 531.58$ 332.56 624.71 $37, 382.55$ 263.72 693.56 $29, 445.66$ 187.29 769.99 $20, 634.11$ 102.43 854.84 $10, 851.49$ 8.22 949.05	102, 181.81 887.74 69.54 $54, 172.91$ $101, 386.03$ 880.07 77.20 $64, 776.72$ $100, 502.55$ 871.56 85.71 $75, 283.18$ $99, 521.71$ 862.12 95.16 $85, 681.54$ $98, 432.77$ 851.63 105.64 $95, 959.90$ $97, 223.84$ 839.99 117.28 $106, 105.03$ $95, 881.67$ 827.07 130.21 $116, 102.25$ $94, 391.59$ 812.72 144.56 $125, 935.26$ $92, 737.30$ 796.79 160.49 $135, 585.96$ $90, 900.71$ 779.10 178.18 $145, 034.25$ $88, 861.71$ 759.46 197.81 $154, 257.85$ $86, 598.01$ 737.66 219.61 $163, 231.98$ $84, 084.84$ 713.46 243.81 $171, 929.14$ $81, 294.71$ 686.59 270.68 $180, 318.83$ $78, 197.10$ 656.76 300.51 $188, 367.15$ $74, 758.12$ 623.65 333.63 $196, 036.48$ $70, 940.16$ 586.88 370.40 $203, 285.06$ $66, 701.44$ 546.06 411.22 $210, 066.51$ $61, 995.60$ 500.74 456.53 $216, 329.37$ $56, 771.16$ 450.43 506.84 $222, 016.438$ $50, 970.97$ 394.57 562.70 $227, 064.38$ $44, 531.58$ 332.56 624.71 $231, 402.64$ $37, 382.55$ 263.72 693.56 $234, 953.06$ $29, 445.66$ 187.29 769.99	$\begin{array}{cccccccccccccccccccccccccccccccccccc$

Print Mode

Desired Payments

The "Desired Payments" section of the Print Mode allows the user to evaluate up to 4 selected loan programs for the buyer, given the Desired Monthly Payment of the buyer. Given this information, the LOANS System will calculate the maximum amount that may be borrowed by the buyer for use in purchasing property. This section of the LOANS System also allows for other values to be input for Association Fees & other miscellaneous costs. The Close-of-Escrow date is calculated, and presented to the user for acceptance or modification. The Loan Preset and/or Loan Programs are selected, and the LOANS System will then calculate and present to the user the various costs associated with the purchase of the property in question. Optionally, an amortization schedule may be printed out as part of the Qualifier report.

Note: Before entering the value for the 'Number of Copies' prompt, be sure that the paper is aligned and that the printer is turned ON.

Prompts with or w/o 2nd Trust

Desired Pmt. \$ 1000Loan to Value % 80.00Assoc. Fee \$ 0.00Other Costs \$ 0.00C.O.E. Date 02/24/88Costs Paid \$ 0Preset # 1 Loan #'s 1, 2, 3, 4 Report Title <u>BUYERS AND LISTING AGENTS</u> Amort. Schedule <u>Y</u> Plan to Amort. <u>1</u> No. of Copies <u>1</u>

<u>Desired Pmt.</u> Enter the dollar amount of the desired monthly P-I-T-I. This will be used as the target value to determine what the sale price of a property may be, based on the selected loan programs.

- Loan to Value % Enter the percentage that the loan is of the total purchase price. If this value is unknown, skip this section and enter the dollar amount of the loan at the next step.
- <u>Assoc. Fee \$</u> Enter the Association Fee, if any, required of the purchased property. Examples of an Association fee are condominium associations, golf course fees, etc.
- <u>Other Costs</u> Enter the amount of other monthly costs associated with the purchase the property. Included here are any monthly costs which do not fit into any other category.
- <u>C.O.E. Date</u> Enter the desired date for Close of Escrow. Normally this defaults to 45 days from the current date.
- <u>Costs Paid</u> Enter the Costs that will be paid by the seller (in dollars). This is the amount of Non-Recurring Costs that the seller has agreed to pay.
- <u>Preset #</u> Enter the number of the Preset that is to be used for determining this loan print-out. The each Preset contains up to 4 different loan programs that may be shown.
- Loan #'s The display will show the values of the current preset. The user may temporarily change these values by entering a new value at this point. For example, if the desired Preset contains loan programs 3, 5, 7, and 9, the user may change the program 3 to program 4; this print-out will then contain information derived from loan programs 4, 5, 7, and 9.
- <u>Report Title</u> Enter the name of the client for printing at the top of the report page. The default value is "BUYERS AND LISTING AGENTS".
- <u>Amort. Schedule</u> The display will ask whether or not you would like to print out an amortization schedule. Press "Y" for Yes, or "N" for No.

<u>Plan to Amort.</u> The display will show which plan column is to be amortized. For example, if the display shows 3, then the Loan Program in the 3rd column will be amortized. Enter a number between 1 and 4, corresponding to the column of the Loan Program that you would like to show.

<u>No. of Copies</u> Enter the number of copies to be printed. The default value is 1 copy. After entering this value, the System will begin printing the report. If the System beeps at this point, check the printer to make sure that it is turned on and connected.

=======================================		================
David Erbas-White	S.O.S. Co.	(714) 558-1806
=======================================		=================

Report Title: 80.0% LTV OPTIONS FOR BUYERS AND LISTING AGENTS

Today's Date 01/10/88 Est. C.O.E. 02/24/88 1st Payment 04/01/88		1,000 Des	ired Payment	
Sales Price/Value Loan AmountLTV 80.0% Down Payment 20.0% 2nd: AM 60 Mos 0.0%	I (#1) 116,812 93,450 23,362 0	II (#2) 116,812 93,450 23,362 0	III (#3) 116,812 93,450 23,362 0	IV (#4) 116,812 93,450 23,362 0
FIRST PAYMENT Note Rate Payment Rate 1st Trust Deed 2nd Trust Deed 12.000% Private Mortgage Ins Real Estate Taxes Hazard Ins. Premium Association Fees Other Costs	10.500 10.500 855 0 122 23 0 0 1,000	10.500 10.500 855 0 122 23 0 0 1,000	10.500 10.500 855 0 122 23 0 0 1,000	10.500 10.500 855 0 122 23 0 0 1,000
INCOME REQUIRED	3,030	3,030	3,030	3,030
NON-RECURRING COSTS Loan Origination Quote Loan Origination Costs Appraisal Credit Report Processing Fee Tax Service Contract PMI Premium Year-1 Escrow Settlement Title Insurance Recording Fees Misc. Adjustments TOTAL	2.00+250 2,119 175 32 100 43 0 270 136 12 0 2,887	2.00+250 2,119 175 32 100 43 0 270 136 12 0 2,887	2.00+250 2,119 175 32 100 43 0 270 136 12 0 2,887	2.00+250 2,119 175 32 100 43 0 270 136 12 0 2,887
PREPAIDS/IMPOUNDS Interest for 5 Days Hazard Ins. Premium Tax Impounds (1 Mo) TOTAL	134 280 0 415	134 280 0 415	134 280 0 415	134 280 0 415
FUNDS FOR CLOSING Down Payment Non-Recurring Costs NRC Paid by Seller (-) Prepaids/Impounds TOTAL	23,362 2,887 (0) 415 26,665	23,362 2,887 (0) 415 26,665	23,362 2,887 (0) 415 26,665	23,362 2,887 (0) 415 26,665

INFORMATION IN THIS REPORT IS NOT GUARANTEED DUE TO CHANGING MARKET CONDITIONS

***************************************		========================
David Erbas-White	S.O.S. Co.	(714) 558-1806
=======================================		==================

Report Title: AMORTIZATION SCHEDULE FOR BUYERS AND LISTING AGENTS

1st Trust Deed Amortization Schedule

Year	Start	Interest	Principal	Interest	Principal	Ending
#	Balance	Amount	Amount	to Date	to Date	Balance
1	93,449.60	813.95	40.88	9,790.12	467.76	92,981.84
2	92,981.84	809.44	45.38	19,528.69	987.08	92,462.52
3	92,462.52	804.44	50.38	29,210.04	1,563.62	91,885.98
4	91,885.98	798.89	55.93	38,827.84	2,203.70	91,245.90
5	91,245.90	792.73	62.10	48,375.11	2,914.33	90,535.27
6	90,535.27	785.88	68.94	57,844.06	3,703.26	89,746.34
7	89,746.34	778.29	76.54	67,226.07	4,579.14	88,870.46
8	88,870.46	769.85	84.97	76,511.55	5,551.54	87,898.06
9	87,898.06	760.49	94.34	85,689.88	6,631.10	86,818.50
10	86,818.50	750.09	104.73	94,749.23	7,829.63	85,619.97
11	85,619.97	738.55	116.27	103,676.50	9,160.25	84,289.35
12	84,289.35	725.74	129.09	112,457.13	10,637.51	82,812.09
13	82,812.09	711.51	143.31	121,074.96	12,277.56	81,172.04
14	81,172.04	695.72	159.11	129,512.05	14,098.36	79,351.24
15	79,351.24	678.18	176.64	137,748.49	16,119.81	77,329.79
16	77,329.79	658.71	196.11	145,762.15	18,364.03	75,085.57
17	75,085.57	637.10	217.72	153,528.49	20,855.58	72,594.02
18	72,594.02	613.11	241.71	161,020.26	23,621.70	69,827.90
19	69,827.90	586.47	268.35	168,207.18	26,692.66	66,756.94
20	66,756.94	556.90	297.93	175,055.68	30,102.05	63,347.55
21	63,347.55	524.07	330.76	181,528.45	33,887.16	59,562.44
22	59,562.44	487.61	367.21	187,584.09	38,089.41	55,360.19
23	55,360.19	447.15	407.68	193,176.63	42,754.76	50,694.84
24	50,694.84	402.22	452.60	198,255.03	47,934.24	45,515.36
25	45,515.36	352.34	502.48	202,762.63	53,684.53	39,765.07
26	39,765.07	296.97	557.86	206,636.54	60,068.51	33,381.09
27	33,381.09	235.49	619.34	209,806.90	67,156.03	26,293.57
28	26,293.57	167.23	687.59	212,196.20	75,024.62	18,424.98
29	18,424.98	91.46	763.36	213,718.35	83,760.36	9,689.24
30	9,689.24	7.33	847.49	214,277.79	93,458.81	-9.21

Print Mode

Loan Programs

This option allows the user to print out the full set of 25 Loan Programs that have been entered into the LOANS System. To invoke this option, from the Print Mode display, press the ENDLINE key, then scroll down to the Loan Programs display, and press the ENDLINE key once again. The Loan Program listing will begin printing immediately.

- **Note:** Before pressing the ENDLINE key to begin printing, be sure that the paper is aligned and that the printer is turned ON.
- <u>Plan Number</u> The Plan Number is the number that is used to choose the Loan Programs that you wish to base a clients print-out upon.
- <u>Plan Name</u> The Plan Name is a description that you can give to the Loan Program, in order to make it easier to identify that plan.
- Note Rate The rate of the loan, expressed as an average, over the life of the loan. Loans whose note rate is different from the payment rate will be re-evaluated at periodic intervals during the life of the loan, so that the payment rate reflects the then-current principal value.
- Payment Rate The rate at which, initially, the loan is repaid.
- Loan Points The percentage amount of the loan this is paid as a charge for making the loan. This can be thought of as a type of additional interest charge for borrowing the money that is paid at the beginning of the loan.
- <u>Loan Plus</u> The dollar amount that is paid as a charge for making the loan, in addition to the Loan Points charge.

- <u>Front Ratio</u> The percent that the monthly Principal & Interest may be of the buyers Gross Monthly Income.
- <u>Back Ratio</u> The percent that the monthly Principal & Interest, plus monthly long term debts, are of the buyers Gross Monthly Income.
- <u>Minimum % Down</u> The minimum Down Payment required for the loan, expressed as a percent.
- Maximum % LTV The maximum Loan-to-Value amount, expressed as a percent.

Maximum Loan Amount The maximum Loan Amount, in dollars.

- Term of Loan (Yrs) The term of the loan, expressed in years.
- <u>Fixed/Adjstble PMI</u> Selects whether the Loan Program uses Fixed or Adjustable PMI rates.
- <u>PMI Percent</u> Determines at point at which PMI is charged. For example, for a PMI percent of 80, PMI must be paid as long as the outstanding principal is greater than 80% of the Sales Price of the property. If set to zero, uses default values for all PMI calculations.
- <u>1st Yr PMI Charge</u> The rate at which PMI is charged in the non-recurring cost calculations.

<u>Renewal PMI Charge</u> The rate at which PMI is charged in the recurring cost calculations.

Impounds over % Tax Impounds are required over this percentage amount.

Note/Payment Rate	Pts.+Fee Charge	Frt/Bk Ratio	Min Dwn	Max LTV	Max Loan Amount	Trm Yrs	F/A PMI	PMI %	lst Yr PMI	Ren PMI	Imp %
#1 DIAN #1											
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500 #5 PLAN #5	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500 #6 PLAN #6	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500 #7 PLAN #7	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
#20 PLAN #20 10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500 #25 DIAN #25	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80
10.500/10.500	2.00+250	0/ 0	10	90	175,000	30	F	0	0.000	0.000	80

Print Mode

Factors, PMI, Presets

- **Note:** Before pressing the ENDLINE key to begin printing, be sure that the paper is aligned and that the printer is turned ON.
- <u>Tax Rate</u> This value (entered as a decimal number) is the multiplier used to determine tax payments. This number, multiplied by the Sale Price, determines the monthly Property Tax amount.
- <u>Ins. Rate</u> This value (entered as a decimal number) is the multiplier used to determine Hazard Insurance payments. This number, multiplied by the Loan Amount, determines the monthly Insurance amount.
- Escrow Points The percentage portion of the Escrow fee, expressed as a decimal number. This number, multiplied by the Loan Amount, determines the amount that the borrower will pay for the Escrow fee.
- Escrow Plus The dollar portion of the Escrow fee. This number is added to the amount determined from multiplying the Escrow Points by the Loan Amount to arrive at the total Escrow fee.
- <u>Processing Fee</u> This is the fee charged by the Loan Officer for processing the paperwork related to the loan application.
- <u>Tax Service Fee</u> This is the fee charged for the Tax Service Contract, a requirement of most Real Estate transactions. This fee is used to pay for a service to notify the lender if the borrower should default on his tax payments.
- <u>Appraisal Fee</u> This fee is the amount charged to have the property in question evaluated by a professional appraiser. This is a requirement of most Real Estate transactions.

- <u>Credit Report Fee</u> This fee is the amount charged by the Credit Bureau for supplying information on the credit worthiness of the borrower. Generally, this information is supplied by companies such as TRW, NCR, etc.
- <u>Misc. Adjustments</u> This is a 'catch-all' category, to allow for inclusion of values that are not currently included in the LOANS program calculation. For example, if the Loan Officer is offering a 'discount' or 'rebate' on a loan, the dollar amount could be entered here as a negative value, and would be subtracted from the other non-recurring costs.
- <u>Recording Fee</u> This fee is paid to the local government agency responsible for legally recording the Real Estate property transfer.
- <u>2nd Type</u> This allows the user to choose between an Interest Only or Amortized loan as the default value for the 2nd Trust Deed.
- <u>2nd Trust Rate</u> The default payment rate on the 2nd Trust loan. This value may be changed at the time of print-out.
- <u>2nd Term (Months)</u> The default length of the 2nd Trust loan in months. This value may be changed at the time of print-out.
- <u>Number of Copies</u> The default number of copies to print. This value may be changed at the time of print-out. For example, the Loan Officer may elect to print-out two copies, one for the client, and one for the Loan Officers use.
- Loan Officer The name of the Loan Officer, for printing at the top of report (in the title section).
- <u>Phone Number</u> The phone number of the Loan Officer, for printing at the top of the report (in the title section).
- <u>Company Name</u> The Company Name of the Loan Officer, for printing at the top of the report (in the title section).

- <u>Report Title</u> The default title for the report. This title may be changed at the time of print-out.
- <u>Standard Ratios</u> The default standard ratios (front ratio and back ratio) for use by the Loan Programs. If the Loan Program value is zero, the default values for front and back ratio are used instead.
- <u>PMI Fixed Rate</u> The default standard rate for PMI on Fixed Rate loans, for use by the Loan Programs. If the Loan Program value is zero, the default values for PMI fixed rate are used instead.
- <u>PMI Adjustable Rate</u> The default standard rate for PMI on Adjustable Rate loans, for use by the Loan Programs. If the Loan Program value is zero, the default values for PMI adjustable rate are used instead.
- Loan Plan Presets This is a listing of the various Loan Presets (groups) that have been assigned by the Loan Officer. The Loan Presets allow the Loan Officer to automatically choose a group of 4 loans for print-out, to fit different circumstances. For example, the Loan Officer may choose to group loans together that have a low fixed rate, or a low points charge, or some other factor that will facilitate correct evaluation of the clients needs.

Tax Rate (* S.P.) Escrow Points (* S.P.) Processing Fee \$ Appraisal Fee \$ Misc. Adjustments 2nd Type 2nd Term (Months)	.001041667 .00150 100.00 175.00 \$ 0.00 AMortized 60	Ins. Rate (* L. Escrow Plus Tax Service Fee Credit Report F Recording Fee 2nd Trust Rate Number of Copie	A.) \$ ee \$ \$ s	.0002 95.00 43.00 32.00 12.00 12.000 1	50 %
Loan Officer Phone Number Company Name Report Title		David Erbas-Whi (714) 558-1806 S.O.S. Co. BUYERS AND LIST	te ING AGE	ENTS	
	Standard Rati	0 S			
0.1-80.0 Front Ratio 80.1-90.0 Front Ratio 90.1-95.0 Front Ratio	33% 28% 25%	0.1-80.0 Back 80.1-90.0 Back 90.1-95.0 Back	Ratio Ratio Ratio		38% 36% 33%
	PMI Fixed Rat	е			
80-90% Up-Front 90-95% Up-Front	.50 1.00	80-90% Renewal 90-95% Renewal			.25 .40
	PMI Adjustable	Rate			
80-90% Up-Front 90-95% Up-Front	1.00 1.50	80-90% Renewal 90-95% Renewal			.40 .40
	Loan Plan P	resets			
		I 	I I	III	I V
Preset # 1 Set #1 Preset # 2 Set #2 Preset # 3 Set #3 Preset # 4 Set #3 Preset # 5 Set #4 Preset # 5 Set #5 Preset # 6 Set #6 Preset # 7 Set #6 Preset # 7 Set #7 Preset # 8 Set #8 Preset # 9 Set #10 Preset #10 Set #10 Preset #11 Set #11 Preset #12 Set #12 Preset #13 Set #13 Preset #14 Set #14 Preset #15 Set #15 Preset #16 Set #16 Preset #17 Set #18 Preset #18 Set #18		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	333333333333333333333333333333333333333	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
Preset #19 Set #19 Preset #20 Set #20		1 1	2 2	3	4 4

Edit Mode

Loan Programs

Working	(system start-up)					
Print Mode	(system running)					
Quick Mode	(down arrow key pressed once)					
Editing Mode	(down arrow key pressed twice)					
Loan Programs	(ENDLINE key pressed)					
Program Number <u>1</u>	(ENDLINE key pressed again)					
	(a Program Number may be entered here)					
Program Name <u>PLAN #1</u>	(down arrow key pressed once)					
Note Rate <u>11.5</u>	(down arrow key pressed again)					
Payment Rate <u>11.5</u>	(down arrow key pressed again)					
Points <u>2</u>	(down arrow key pressed again)					
Plus Charge <u>250</u>	(down arrow key pressed again)					
Front Ratio <u>O</u>	(down arrow key pressed again)					
Back Ratio <u>O</u>	(down arrow key pressed again)					
Min. % Down <u>10</u>	(down arrow key pressed again)					
Max. % LTV <u>90</u>	(down arrow key pressed again)					
Max. Loan Amount <u>133250</u>	(down arrow key pressed again)					
Length of Loan <u>30</u>	(down arrow key pressed again)					
PMI <u>FIX</u>	(down arrow key pressed again)					
PMI over % <u>O</u>	(down arrow key pressed again)					
PMI 1st Year <u>O</u>	(down arrow key pressed again)					
PMI Renewal <u>O</u>	(down arrow key pressed again)					
Impounds over % <u>80</u>	(down arrow key pressed again)					
Program Number <u>2</u>	(down arrow key pressed again)					
	(either a Program Number may be					
	entered here, or the ON key may be					
	pressed to exit Program Edit mode)					
Editing Mode	(ON key pressed, system running)					

Edit Mode

Loan Factors

This mode allows the user to print out a one-page list of all default factors involved in the loan calculations.

- <u>Tax Rate</u> This value (entered as a decimal number) is the multiplier used to determine tax payments. This number, multiplied by the Sale Price, determines the monthly Property Tax amount.
- <u>Ins. Rate</u> This value (entered as a decimal number) is the multiplier used to determine Hazard Insurance payments. This number, multiplied by the Loan Amount, determines the monthly Insurance amount.
- <u>Escrow Points</u> The percentage portion of the Escrow fee, expressed as a decimal number. This number, multiplied by the Loan Amount, determines the amount that the borrower will pay for the Escrow fee.
- Escrow Plus The dollar portion of the Escrow fee. This number is added to the amount determined from multiplying the Escrow Points by the Loan Amount to arrive at the total Escrow fee.
- <u>Processing Fee</u> This is the fee charged by the Loan Officer for processing the paperwork related to the loan application.
- <u>Tax Service Fee</u> This is the fee charged for the Tax Service Contract, a requirement of most Real Estate transactions. This fee is used to pay for a service to notify the lender if the borrower should default on his tax payments.
- <u>Appraisal Fee</u> This fee is the amount charged to have the property in question evaluated by a professional appraiser. This is a requirement of most Real Estate transactions.

35

- <u>Credit Report Fee</u> This fee is the amount charged by the Credit Bureau for supplying information on the credit worthiness of the borrower. Generally, this information is supplied by companies such as TRW, NCR, etc.
- <u>Misc. Adjustments</u> This is a 'catch-all' category, to allow for inclusion of values that are not currently included in the LOANS program calculation. For example, if the Loan Officer is offering a 'discount' or 'rebate' on a loan, the dollar amount could be entered here as a negative value, and would be subtracted from the other non-recurring costs.
- <u>Recording Fee</u> This fee is paid to the local government agency responsible for legally recording the Real Estate property transfer.
- <u>2nd Type</u> This allows the user to choose between an Interest Only or Amortized loan as the default value for the 2nd Trust Deed.
- <u>2nd Trust Rate</u> The default payment rate on the 2nd Trust loan. This value may be changed at the time of print-out.
- <u>2nd Term (Months)</u> The default length of the 2nd Trust loan in months. This value may be changed at the time of print-out.
- <u>Number of Copies</u> The default number of copies to print-out. This value may be changed at the time of print-out. For example, the Loan Officer may elect to print-out two copies, one for the client, and one for the Loan Officers use.
- Loan Officer The name of the Loan Officer, for printing at the top of report (in the title section).
- <u>Phone Number</u> The phone number of the Loan Officer, for printing at the top of the report (in the title section).
- <u>Company Name</u> The Company Name of the Loan Officer, for printing at the top of the report (in the title section).

- <u>Report Title</u> The default title for the report. This title may be changed at the time of print-out.
- <u>Standard Ratios</u> The default standard ratios (front ratio and back ratio) for use by the Loan Programs. If the Loan Program value is zero, the default values for front and back ratio are used instead.
- <u>PMI Fixed Rate</u> The default standard rate for PMI on Fixed Rate loans, for use by the Loan Programs. If the Loan Program value is zero, the default values for PMI fixed rate are used instead.
- <u>PMI Adjustable Rate</u> The default standard rate for PMI on Adjustable Rate loans, for use by the Loan Programs. If the Loan Program value is zero, the default values for PMI adjustable rate are used instead.
- Loan Plan Presets This is a listing of the various Loan Presets (groups) that have been assigned by the Loan Officer. The Loan Presets allow the Loan Officer to automatically choose a group of 4 loans for print-out, to fit different circumstances. For example, the Loan Officer may choose to group loans together that have a low fixed rate, or a low points charge, or some other factor that will facilitate correct evaluation of the clients needs.

Editing Mode

Loan Presets

The Loan Preset Mode allows the user to set up several 'sets' of Loan Programs for immediate evaluation by the client. To enter these values, select the Preset number, and press ENDLINE. Then you may either view or change the description of that Preset. Finally, you will be asked to enter the Loan Program numbers for columns I, II, III, and IV of the print-out sheet. A sample of the Loan Presets is shown below.

Loan Plan Presets

				Ι	II	III	ΙV
Preset	# 1	Set	#1	1	2	3	4
Preset	# 2	Set	#2	1	2	3	4
Preset	# 3	Set	#3	1	2	3	4
Preset	# 4	Set	#4	1	2	3	4
Preset	# 5	Set	#5	1	2	3	4
Preset	# 6	Set	#6	1	2	3	4
Preset	# 7	Set	#7	1	2	3	4
Preset	# 8	Set	#8	1	2	3	4
Preset	#9	Set	#9	1	2	3	4
Preset	#10	Set	#10	1	2	3	4
Preset	#11	Set	#11	1	2	3	4
Preset	#12	Set	#12	1	2	3	4
Preset	#13	Set	#13	1	2	3	4
Preset	#14	Set	#14	1	2	3	4
Preset	#15	Set	#15	1	2	3	4
Preset	#16	Set	#16	1	2	3	4
Preset	#17	Set	#17	1	2	3	4
Preset	#18	Set	#18	1	2	3	4
Preset	#19	Set	#19	1	2	3	4
Preset	#20	Set	#20	1	2	3	4

Editing Mode

P.M.I.

The P.M.I. Editing Mode allows the user to modify the default values that are applied to different loan programs. If the loan program specifies a value other than zero, the loan program P.M.I. values will be used.

There are two separate P.M.I. rate structures, one for Fixed loans and the other for Adjustable loans. For each P.M.I. structure, there is an upfront rate and a renewal rate. These rates are further divided as those which apply to 80-90% loans, and those which apply to loans greater than 90%. A sample table of P.M.I. rates is as follows:

PMI Fixed Rate

80-90% Up-Front	.50	80-90% Renewal	.25
90-95% Up-Front	1.00	90-95% Renewal	.40

PMI Adjustable Rate

80-90% Up-Front	1.00	80-90% Renewal	.40
90-95% Up-Front	1.50	90-95% Renewal	.40

To modify the P.M.I. values, starting from the initial menu, the user simply scrolls down (down-arrow key) to the 'Editing Mode', presses the ENDLINE key, then scrolls down to 'P.M.I.' pressing the ENDLINE key once again. The system display will first show 'PMI Fixed Rate', to inform the user which values will be modified. Pressing the down-arrow key will then scroll through the various options, as shown below:

Working	(system start-up)
Print Mode	(system running)
Quick Mode	(down arrow key pressed once)
Editing Mode	(down arrow key pressed twice)
Loan Programs	(ENDLINE key pressed)

39

Loan Factors Loan Presets P.M.I. PMI Fixed Rate 80-90% Up-Front .5 90-95% Up-Front 1 80-90% Renewal .25 90-95% Renewal .4 PMI Adjustable Rate 80-90% Up-Front 1 90-95% Up-Front 1.5 80-90% Renewal .4 90-95% Renewal .4 Editing Mode

(down arrow key pressed once) (down arrow key pressed twice) (down arrow key pressed thrice) (ENDLINE key pressed) (down arrow key pressed once) (down arrow key pressed again) (down arrow key pressed again) (down arrow key pressed again) (ENDLINE key pressed) (down arrow key pressed again) (down arrow key pressed again)

Editing Mode

Front/Back Ratios

A sample table of P.M.I. rates is as follows:

Standard Ratios

0.1-80.0 Front	Ratio	33%	0.1-80.0	Back	Ratio	38%
80.1-90.0 Front	Ratio	28%	80.1-90.0	Back	Ratio	36%
90.1-95.0 Front	Ratio	25%	90.1-95.0	Back	Ratio	33%

To modify the Front/Back Ratio values, starting from the initial menu, the user simply scrolls down (down-arrow key) to the 'Editing Mode', presses the ENDLINE key, then scrolls down to 'Front/Back Ratios' pressing the ENDLINE key once again. Pressing the down-arrow key will then scroll through the various options, as shown below:

Working	(system start-up)
Print Mode	(system running)
Quick Mode	(down arrow key pressed once)
Editing Mode	(down arrow key pressed twice)
Loan Programs	(ENDLINE key pressed)
Loan Factors	(down arrow key pressed once)
Loan Presets	(down arrow key pressed twice)
P.M.I.	(down arrow key pressed thrice)
Front/Back Ratios	(down arrow key pressed again)
0-80% Front Ratio <u>33</u>	(ENDLINE key pressed)
0-80% Back Ratio <u>38</u>	(down arrow key pressed once)
80-90% Front Ratio <u>28</u>	(down arrow key pressed again)
80-90% Back Ratio <u>36</u>	(down arrow key pressed again)
90 - 95% Front Ratio <u>25</u>	(down arrow key pressed again)
90-95% Back Ratio <u>33</u>	(down arrow key pressed again)
Editing Mode	(back to system running)

Glossary

- Amortized Loan A loan whose principal is reduced during the life of the loan. Payments consist of an interest portion and a principal portion.
- Appraisal Fee The amount charged to cover professional evaluation of the actual worth of a property.
- Association Fees Fees paid by the borrower on a monthly basis to Condominium or Homeowners Association. Other local monthly fees that are required can also be inserted in this category.
- Back Ratio The maximum amount that P-I-T-I plus other long-term debts may be of the borrowers monthly income, expressed as a percent.
- Credit Report Fee The fee charged to determine the credit-worthiness of a borrower, through such agencies as TRW, etc.
- Down Payment The amount of cash that the buyer pays up front against the total cost of the property.
- Front Ratio The maximum amount that the P-I-T-I may be of the borrowers monthly income, expressed as a percent.
- Hazard Insurance Covers the lender against loss from fire and other hazards.
- Impounds An up-front payment that must be made against assessed property taxes.
- Interest Only Loan A loan whose principal is <u>not</u> reduced during the life of the loan. Payments consist solely of the interest due on the loan, and the principal comes due at the end of the loan period.

42

- Loan Origination Generally given as a "points plus dollars" amount. The Quote point value is the percentage amount of the Loan amount, plus the dollar amount.
- Loan Plan Preset A grouping of loans that may be used to estimate payments for different situations. Loan Plan Presets are userdefinable, and may be grouped in whatever manner suits the user. For example, groups may be defined by similar interest rates, qualifying amounts, or maximum loan amounts.
- Loan to Value The percentage that the 1st Trust mortgage is of the total sale price.
- Loan Term The length of time of the loan agreement, expressed in years.
- LTV see Loan to Value.
- Note Rate The rate of the loan, expressed as an average, over the life of the loan. Loans whose note rate is different from the payment rate will be re-evaluated at periodic intervals during the life of the loan, so that the payment rate reflects the then-current principal value.
- Payment Rate The rate at which, initially, the loan is repaid.
- P-I-T-I Refers to the total monthly payment paid by the borrower, consisting of the <u>Principal</u>, <u>Interest</u>, <u>Taxes</u>, and <u>Insurance</u>.
- Private Mortgage Covers the lender against loss for loans of more than 80% Insurance of the Sales Price.
- Processing Fee A fee charged by the loan origination office to cover the cost of processing papers involved in the transaction.
- Real Estate Taxes The current property tax fees, calculated using (user modifiable) industry standard values.

- Recording Fee The fee charged by the local government for officially recording the transfer of title.
- Sale Price The cost of real estate, in dollars.
- Second Trust A loan (generally granted by the seller) that is second in precedence to the 1st Trust mortgage.

Index

1st Yr PMI Charge, 28 2nd Term, 31, 36 2nd Trust, 13 2nd Trust Rate, 31, 36 2nd Type, 13, 31, 36 Amortized Loan, 42 Appraisal Fee, 30, 35, 42 Assoc. Fee, 9, 13, 18, 23 Association Fees, 42 Back Ratio, 28, 42 BASIC, 2 Battery Replacement, 4 C.O.E. Date, 13, 18, 23 Company Name, 31, 36 Copies, 31, 36 Costs Paid, 14, 18, 23 Credit Report Fee, 31, 36, 42 Desired Payments, 7, 22 Desired Pmt., 22 Down Payment, 13, 42 Edit Mode, 34, 35 Editing Mode, 7, 38, 39, 41 Escrow Plus, 30, 35 Escrow Points, 30, 35 Example, 10 Factors PMI, Presets, 7, 30 Fixed/Adjstble PMI, 28 Front Ratio, 28, 42 Front/Back Ratios, 7, 41

Hazard Insurance, 42 Hewlett-Packard, 2 Hierarchy, 7 HP-71B, 2 HP-IL, 2 Impounds, 42 Impounds over %, 28 Ink Cartridge, 3 Ins. Rate, 30, 35 Interest Only Loan, 42 Interest Rate, 9 Keyboard Layout, 5 Loan Amount, 9, 13 Loan Factors, 7, 35 Loan Officer, 31, 36 Loan Origination Quote, 43 Loan Plan Preset, 43 Loan Plan Presets, 32, 37 Loan Plus, 27 Loan Points, 27 Loan Presets, 7, 38 Loan Programs, 7, 27, 34 Loan Term, 43 Loan to Value, 8, 13, 18, 23, 43 LTV, 43 Maximum % LTV, 28 Maximum Loan Amount, 28 Minimum % Down, 28 Misc. Adjustments, 31, 36 Monthly Debts, 18 Monthly Income, 17

Note Rate, 27, 43

45

```
Other Costs, 9, 13, 18, 23
P-I-T-I, 43
P.M.I., 7, 39
Payment Rate, 27, 43
Payments & Costs, 7, 12
Phone Number, 31, 36
Plan Name, 27
Plan Number, 27
PMI Adjustable Rate, 32, 37
PMI Fixed Rate, 32, 37
PMI Percent, 28
Print Mode, 7, 12, 17, 22, 27, 30
Printer Operation, 3
Private Mortgage Insurance, 43
Processing Fee, 30, 35, 43
Qualifier, 7, 17
Quick Mode, 7, 8
Real Estate Taxes, 43
Recording Fee, 31, 36, 44
Renewal PMI Charge, 28
Report Title, 14, 18, 23, 32, 37
Sale Price, 8, 13, 44
Second Trust, 44
Standard Ratios, 32, 37
Starting the System, 6
System Connection, 2
Tax Rate, 30, 35
Tax Service Fee, 30, 35
Term of Loan (Yrs), 28
ThinkJet, 2, 3
```