### PAPER POWER



BONUS MODULE #3

CALCULATING

FOR

SUCCESS



#### **The Financial Calculator**

- Figure Payments
- Determine Yields to the Investor
- Find What's Owed on the Note
- Figure Partials & Splits
- Calculate Personal High Returns



#### We Recommend...

### Hewlett Packard 10-B II

- Inexpensive
- Durable
- Reliable



# **Keys to Success**

### Primary Keys

- Financial Row [N, I/YR, PV, PMT, FV]
- [+/-] Key
- [RCL] Key

### Secondary Keys

- [XP/YR]
- [P/YR]
- [DISP]
- [BEG/END]
- [CLEAR ALL]



#### Parts of a Note

- •Term (N)
- •Interest Rate (I/YR)
- Present Value (PV)

(Loan Amount)

- Payment (PMT)
- Future Value (FV)



# **Canister Theory**

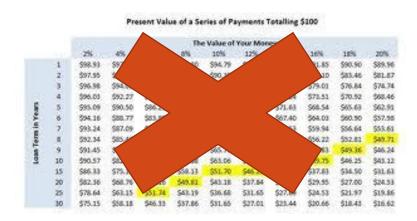




Paper Power
Bonus Module – Calculator

### Sample Note

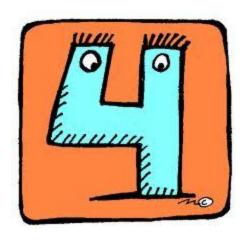
- \$100K @ 11.99% for 30 years
- 60 Month Balloon
- 28 Months Have Elapsed
- Seller Wants As Much as Possible
- Investor Wants a 15% Yield





# Four Calculator Steps

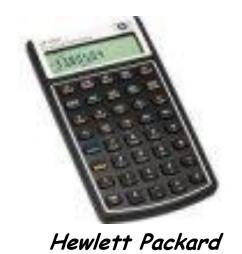
- Figure PAYMENT
- Is there a BALLOON?
- Current BALANCE
- Investor's YIELD



Mandatory Steps for Every Deal



### **Preparation Tasks**



10B II

- Print & Read the Money Machine
- •Learn the 5 Parts of a Note
- •Perform the 4 Calculation Steps:
  - •Calculate Payment
  - •Calculate Balloon
  - •Calculate Present Balance
  - Calculate Yield
- •Practice, Practice!

