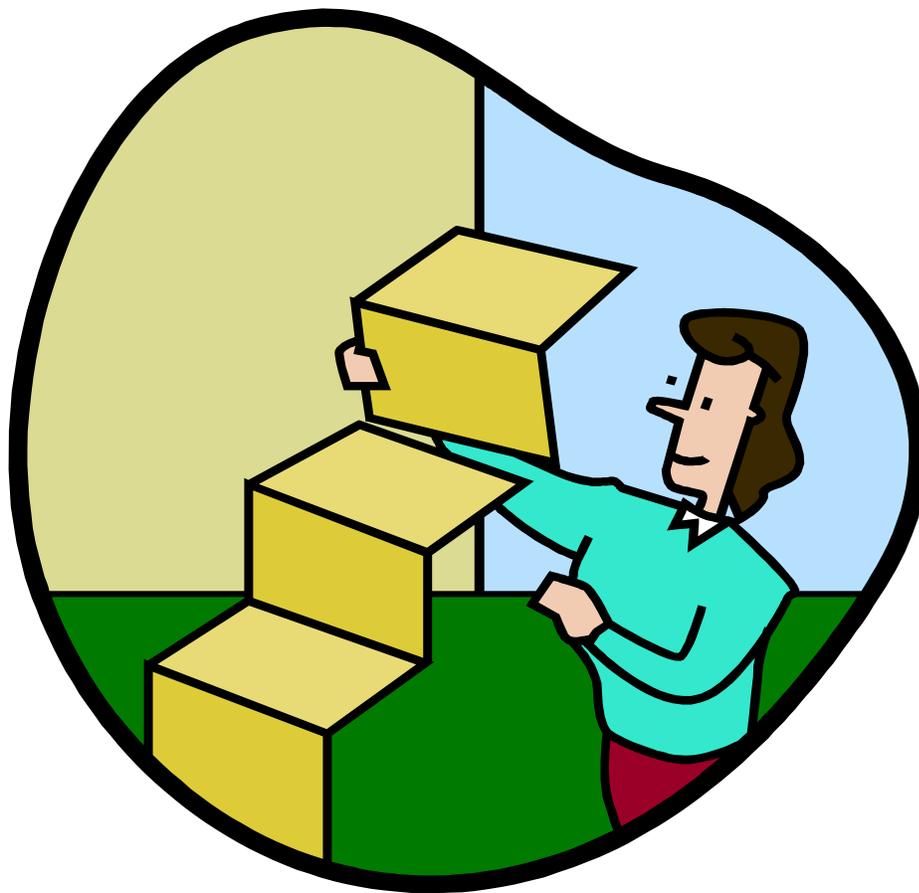


Mortgage Amortization



The TorontoMLS system allows you to quickly calculate the maximum mortgage amount your clients may qualify for, determine whether they will qualify for a specific mortgage amount based on their current financial situation, and give them an idea of what their monthly amortization payments will be like.

In the first section of this article, you will learn how to use the mortgage amortization calculator to determine your client's monthly (or other) mortgage payments. A schedule of payments will be based on the principal amount, length of loan, and interest rate. The calculator will also take into account any optional anniversary payments to the principal amount that the clients may wish to make. Once you have obtained the amortization schedule, you will learn how to print it.

Accessing the mortgage amortization calculator

To access the mortgage amortization calculator:

1. At the top of any TorontoMLS page, select the **Financial** tab.
2. Click the **Mortgage Amortization** link.



Now that you have accessed the mortgage amortization data entry screen, go to the next section to learn how to complete the fields.

Completing the mortgage amortization fields



TIP: You may move from field to field by pressing the **Tab** key on your keyboard.

To complete the mortgage amortization fields:

1. Access the mortgage amortization calculator (for instructions, see the preceding section).
2. In the Prepare For field, type the name of your client(s).

The screenshot shows a window titled "Mortgage Amortization" with a "Help" button in the top right corner. The form contains the following fields and controls:

- Prepare For:** Text input field containing "William Buy".
- Principal:** Text input field containing "115000".
- Interest Rate (%):** Text input field containing "6.5" followed by a "%" symbol.
- Amortization:** Text input field containing "25" followed by "Years".
- Start Date (mm/dd/yyyy):** Text input field containing "5/7/2003".
- Term:** Text input field containing "5" followed by a "Years" dropdown menu.
- Payment Method:** Dropdown menu with "Monthly" selected.
- Accelerated?:** Dropdown menu with "No" selected.
- Anniversary Amount:** Text input field followed by a "Dollars" dropdown menu.
- Payment Amount:** Text input field.
- Force Custom Payment Amount**
- Calculate Amortization** button
- Clear** button

3. In the Principal field, type the principal loan amount. In our example, the loan amount is \$115, 000, so we entered *115000*.



TIP: When typing a dollar amount, do not use any commas or \$ symbols. You may, however, include a decimal place.

4. In the Interest Rate field, type the interest rate offered by the lender. In our example, we entered *6.5*.
5. If desired, replace the year in the Amortization field with a more suitable year. The default amortization period is 25 years.



NOTE: A loan's amortization refers to the life of the loan in years. The system will automatically re-calculate the amortization if the client wishes to make an anniversary payment to the principal or chooses an accelerated payment method.

6. If desired, replace the loan's Start Date with a more suitable date, using the *mm/dd/yyyy* format. The default start date is today.

7. If desired, replace the loan's term with a more suitable number of years. The default term is five years; however, to replace this value, type another number into the Term field and click the drop-down arrow to select either **Months** or **Years**.



NOTE: A mortgage term describes how long the loan will last until it must be re-negotiated with the lender.

8. If desired, replace the payment method with a more suitable payment frequency. The default payment method is monthly; however, to replace this frequency, click the drop-down arrow to select either **Weekly**, **Bi-Weekly**, **Monthly**, **Semi-Monthly**, **Quarterly**, or **Annually**.

Payment Method:	Monthly
- Accelerated?	Weekly
Anniversary Amount:	Bi-Weekly
Minimum Payment Amount:	Monthly
	Semi-Monthly
	Quarterly
	Annually



NOTE: A bi-weekly payment is made every two weeks throughout the year, while a semi-monthly payment is made twice a month regardless of how many weeks are in a particular month. Quarterly payments are made four times a year.

9. If the payment method has been set to Weekly or Bi-Weekly payments, go to the Accelerated field, and indicate whether you want the payments to accelerate the paydown of the mortgage by choosing either **Yes** or **No**.



NOTE: If your client chooses to accelerate the mortgage payments, the amortization period will automatically be reduced in the calculated payment schedule.

Payment Method:	Bi-Weekly
- Accelerated?	Yes

10. If desired, type a value into the Anniversary Amount field which will go towards repaying the principal loan in excess of the regular payments. Click the drop-down arrow to select either dollar or percentage. In our example, we entered \$1000.00 as the Anniversary Amount.

Anniversary Amount:	1000	Dollars
		Dollars
		Percent

11. If desired, place a check mark in the Forced Custom Payment Amount box and enter a dollar value into the Payment Amount field. This amount can be entered if your client wishes to see whether his or her projected maximum payment can be met over the course of the loan. Otherwise, the system will automatically calculate a regular payment amount based on the other information already entered into the form.

Payment Amount:	400	<input checked="" type="checkbox"/> Force Custom Payment Amount
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Now that you have completed the mortgage amortization form, you may go to the next section to obtain the schedule.

Obtaining a mortgage amortization schedule

To obtain a mortgage amortization schedule:

1. Complete the mortgage amortization form (for instructions, see the preceding section).
2. Click **Calculate Amortization** to display the payment schedule.

Payment Amount:	400	<input checked="" type="checkbox"/> Force Custom Payment Amount
<input type="button" value="Calculate Amortization"/> <input type="button" value="Clear"/>		
Date	Interest	Principal



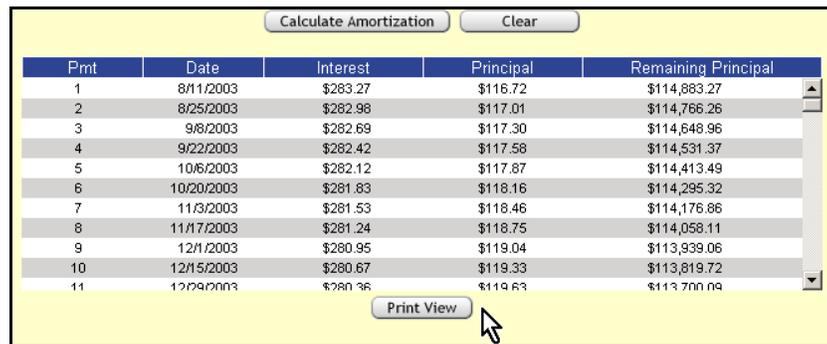
TIP: Now that you have calculated an amortization schedule, you may wish to adjust the entry fields to explore the effects of a higher or lower principal amount, interest rate, etc. This will allow you to present several payment scenarios to your client.

If you are satisfied with the current mortgage amortization schedule and wish to print it out for your clients, go to the next section.

Printing the mortgage amortization schedule

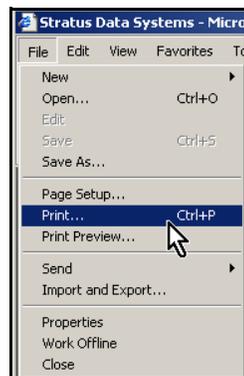
To print the mortgage amortization schedule:

1. While viewing the amortization schedule (for instructions, see the previous section), click **Print View**. TorontoMLS displays the amortization schedule in a printable format in a secondary browser window.

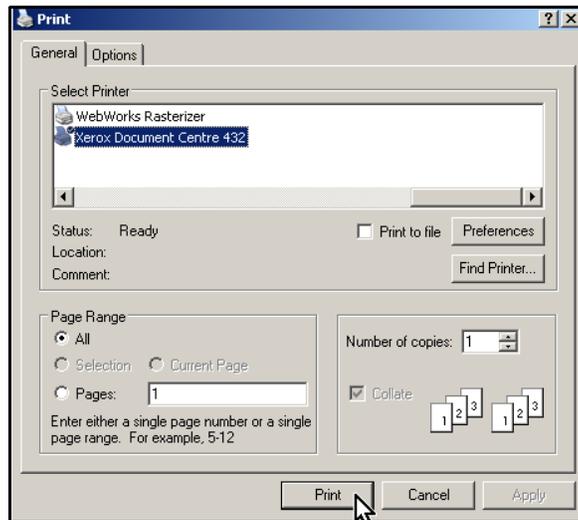


Pmt	Date	Interest	Principal	Remaining Principal
1	8/11/2003	\$283.27	\$116.72	\$114,883.27
2	8/25/2003	\$282.98	\$117.01	\$114,766.26
3	9/8/2003	\$282.69	\$117.30	\$114,648.96
4	9/22/2003	\$282.42	\$117.58	\$114,531.37
5	10/6/2003	\$282.12	\$117.87	\$114,413.49
6	10/20/2003	\$281.83	\$118.16	\$114,295.32
7	11/3/2003	\$281.53	\$118.46	\$114,176.86
8	11/17/2003	\$281.24	\$118.75	\$114,058.11
9	12/1/2003	\$280.95	\$119.04	\$113,939.06
10	12/15/2003	\$280.67	\$119.33	\$113,819.72
11	12/29/2003	\$280.38	\$119.63	\$113,700.09

2. In the browser's Menu bar, click **File**, then **Print**.



3. Specify the printer options, then click **Print**.



4. To return to TorontoMLS, close the secondary browser window by clicking the **X** in the upper right corner.