REIZoom Sanity Check

**Creative financing calculations**

Estimated value: {ESTIMATED\_VALUE}

Which may have been overridden by user to:

ARV: {MARKET\_VALUE}

For financing offers, the offer price is discounted from market value: {MARKET\_VALUE} (ARV) \* {CF\_DISCOUNT\_PERCENTAGE} (discount multiple) = {CF\_LOAN\_START\_BEFORE\_REPAIRS} (offer before repairs)

Then repairs are subtracted: {CF\_LOAN\_START\_BEFORE\_REPAIRS} (offer before repairs) - {REPAIRS} (repairs) = {CF\_LOAN\_START\_AFTER\_REPAIRS} (offer after repairs are subtracted)

Which gives us an offer of {CF\_OFFER\_PRICE}

The loan balance is then figured by subtracting the down payment from the offer price.

*If the down payment is given as a percentage…*

* Down payment is calculated as {CF\_OFFER\_PRICE} (offer price) \* {DOWN\_PAYMENT\_PERCENTAGE} (down payment percentage) = {DOWN\_PAYMENT} (down payment);

*If the down payment is given as a constant…*

* Down payment is {DOWN\_PAYMENT\_CONST} (down payment as a constant)

The starting balance is then set as the offer price minus down payment: {CF\_OFFER\_PRICE} (offer price) – {DOWN\_PAYMENT} (down payment) = {CF\_LOAN\_START} (Loan start)

Then, the amortization schedule is calculated according to the following variables:

* Starting balance: {CF\_LOAN\_START}
* Amortization term (months): {TERM\_LENGTH}
* Balloon term (months): {BALLOON\_TERM}
* Interest rate: {INTEREST\_RATE}

Which will make the monthly payments: {CF\_MONTHLY\_PAYMENT}

After {BALLOON\_TERM} months, the remaining balance of {CF\_BALLOON\_BALANCE} will be due

The total interest paid will be {CF\_TOTAL\_INTEREST}

The total principal paid will be {CF\_TOTAL\_PRINCIPAL}

The effective total paid upon the balloon is: {EFFECTIVE\_TOTAL\_PRICE}

Amortization Check

Compare the terms described in the last section with the results from a mortgage calculator

First 7 months of amortization (Monthly payment of: {CF\_MONTHLY\_PAYMENT})

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **M** | **Principal applied** | **Interest applied** | **Total interest** | **Balance** | **Payoff total** | **Total paid** |
| **1**  | {CF\_M1\_PRINCIPAL} | {CF\_M1\_INTEREST} | {CF\_M1\_TOTAL\_INTEREST} | {CF\_M1\_BALANCE} | {CF\_M1\_PAYMENT\_TOTAL} | {CF\_M1\_TOTAL\_PAID} |
| **2** | {CF\_M2\_PRINCIPAL} | {CF\_M2\_INTEREST} | {CF\_M2\_TOTAL\_INTEREST} | {CF\_M2\_BALANCE} | {CF\_M2\_PAYMENT\_TOTAL} | {CF\_M2\_TOTAL\_PAID} |
| **3** | {CF\_M3\_PRINCIPAL} | {CF\_M3\_INTEREST} | {CF\_M3\_TOTAL\_INTEREST} | {CF\_M3\_BALANCE} | {CF\_M3\_PAYMENT\_TOTAL} | {CF\_M3\_TOTAL\_PAID} |
| **4** | {CF\_M4\_PRINCIPAL} | {CF\_M4\_INTEREST} | {CF\_M4\_TOTAL\_INTEREST} | {CF\_M4\_BALANCE} | {CF\_M4\_PAYMENT\_TOTAL} | {CF\_M4\_TOTAL\_PAID} |
| **5** | {CF\_M5\_PRINCIPAL} | {CF\_M5\_INTEREST} | {CF\_M5\_TOTAL\_INTEREST} | {CF\_M5\_BALANCE} | {CF\_M5\_PAYMENT\_TOTAL} | {CF\_M5\_TOTAL\_PAID} |
| **6** | {CF\_M6\_PRINCIPAL} | {CF\_M6\_INTEREST} | {CF\_M6\_TOTAL\_INTEREST} | {CF\_M6\_BALANCE} | {CF\_M6\_PAYMENT\_TOTAL} | {CF\_M6\_TOTAL\_PAID} |
| **7** | {CF\_M7\_PRINCIPAL} | {CF\_M7\_INTEREST} | {CF\_M7\_TOTAL\_INTEREST} | {CF\_M7\_BALANCE} | {CF\_M7\_PAYMENT\_TOTAL} | {CF\_M7\_TOTAL\_PAID} |
| **8** | {CF\_M8\_PRINCIPAL} | {CF\_M8\_INTEREST} | {CF\_M8\_TOTAL\_INTEREST} | {CF\_M8\_BALANCE} | {CF\_M8\_PAYMENT\_TOTAL} | {CF\_M8\_TOTAL\_PAID} |
| **9** | {CF\_M9\_PRINCIPAL} | {CF\_M9\_INTEREST} | {CF\_M9\_TOTAL\_INTEREST} | {CF\_M9\_BALANCE} | {CF\_M9\_PAYMENT\_TOTAL} | {CF\_M9\_TOTAL\_PAID} |
| **10** | {CF\_M10\_PRINCIPAL} | {CF\_M10\_INTEREST} | {CF\_M10\_TOTAL\_INTEREST} | {CF\_M10\_BALANCE} | {CF\_M10\_PAYMENT\_TOTAL} | {CF\_M10\_TOTAL\_PAID} |
| **11** | {CF\_M11\_PRINCIPAL} | {CF\_M11\_INTEREST} | {CF\_M11\_TOTAL\_INTEREST} | {CF\_M11\_BALANCE} | {CF\_M11\_PAYMENT\_TOTAL} | {CF\_M11\_TOTAL\_PAID} |
| **12** | {CF\_M12\_PRINCIPAL} | {CF\_M12\_INTEREST} | {CF\_M12\_TOTAL\_INTEREST} | {CF\_M12\_BALANCE} | {CF\_M12\_PAYMENT\_TOTAL} | {CF\_M12\_TOTAL\_PAID} |
| **13** | {CF\_M13\_PRINCIPAL} | {CF\_M13\_INTEREST} | {CF\_M13\_TOTAL\_INTEREST} | {CF\_M13\_BALANCE} | {CF\_M13\_PAYMENT\_TOTAL} | {CF\_M13\_TOTAL\_PAID} |
| **14** | {CF\_M14\_PRINCIPAL} | {CF\_M14\_INTEREST} | {CF\_M14\_TOTAL\_INTEREST} | {CF\_M14\_BALANCE} | {CF\_M14\_PAYMENT\_TOTAL} | {CF\_M14\_TOTAL\_PAID} |
| **15** | {CF\_M15\_PRINCIPAL} | {CF\_M15\_INTEREST} | {CF\_M15\_TOTAL\_INTEREST} | {CF\_M15\_BALANCE} | {CF\_M15\_PAYMENT\_TOTAL} | {CF\_M15\_TOTAL\_PAID} |

Schedule to use for marketing:

Amortization Schedule

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Year | Remaining Principal | Interest Paid | Total Paid | Effective price by year |
| 1 | {CF\_M12\_BALANCE} | {CF\_M12\_TOTAL\_INTEREST} | {CF\_M12\_TOTAL\_PAID} | {CF\_M12\_PAYMENT\_TOTAL} |
| 2 | {CF\_M24\_BALANCE} | {CF\_M24\_TOTAL\_INTEREST} | {CF\_M24\_TOTAL\_PAID} | {CF\_M24\_PAYMENT\_TOTAL} |
| 3 | {CF\_M36\_BALANCE} | {CF\_M36\_TOTAL\_INTEREST} | {CF\_M36\_TOTAL\_PAID} | {CF\_M36\_PAYMENT\_TOTAL} |
| 4 | {CF\_M48\_BALANCE} | {CF\_M48\_TOTAL\_INTEREST} | {CF\_M48\_TOTAL\_PAID} | {CF\_M48\_PAYMENT\_TOTAL} |
| 5 | $0.00 | {CF\_TOTAL\_INTEREST} | {EFFECTIVE\_TOTAL\_PRICE} | {EFFECTIVE\_TOTAL\_PRICE} |

**Cash offer calculations**

Estimated value: {ESTIMATED\_VALUE}

Which may have been overridden by user to:

ARV: {MARKET\_VALUE}

For cash offers, the cash buyer price is calculated as {MARKET\_VALUE} (ARV) \* {CF\_DISCOUNT\_PERECENTAGE} (discount) – {REPAIRS\_CONST} (repairs) = {CASH\_BUYER\_PRICE} (Cash buyer price).

The wholesale offer is the cash buyer price, {CASH\_BUYER\_PRICE} – {ASSIGNMENT\_FEE\_CONST} (assignment fee) = {WHOLESALE\_PRICE} (wholesale price)