CAPSTONE INSTITUTE OF MORTGAGE FINANCE

Education of Excellence Since 1986

HP12C Practice

Calculations

LET'S REVIEW – ANSWER THE FOLLOWING QUESTIONS

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1.   A contract signed August 1, 2002 will expire in 90 days.   What is the expiration date?_____.

2.   A loan application is taken on August 15, 2002 and the rate locked in for 45 days.   What is the expiration date? _____.

3.   A loan application was taken on June 3, 2002 and closed on July 11, 2002. How many days did it take to process the loan? _____.

4.   A purchaser has stated he must be in his new home no later than September 10, 2002.   How many days from August 7, 2002 is that?_____.

COMPUTE THESE BASIC MATH PROBLEMS

100 + 100 = _____   1,200 ÷ 7   = _____

875 - 432 = _____   10 X 8 ÷ 2 + 4 - 1   = _____

12 X 50   = _____   500 - 10 + 20   = _____

COMPUTE THE FOLLOWING LOAN AMOUNTS
USING THE "%" KEY

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1.   Compute a 95% loan on a sales price of $89,900   _____

2.   Compute a 90% loan on a sales price of $150,000   _____

3.   What is 80% of $159,000?   _____

4.   What is 75% of $50,000?   _____

5.   What is 25% of each of the following?

        A.   500   _____
        B.   849   _____
        C.   763   _____
        D.   378   _____

COMPUTE THESE PROBLEMS
USING THE "△%" AND "%T" KEYS

1.   A lot was purchased for $20,000 and sold for $25,000. What was the mark-up as a percentage increase?

      Mark-Up Value Increase   _____

2.   A property was listed for $149,000 and sold for $145,000. What was the percentage reduction in the asking price?

      Percentage Reduction   _____

3.   What percent of 800 is 24?   _____

4.   What percent of 1,000 is 50?   _____

5.   A parcel of land was purchased for $50,000 and sold for $57,500. Calculate the percentage increase in value.

      Percentage Increase In Value   _____

COMPUTE THESE PROBLEMS

Sales Price	Loan-to-Value	Loan Amount	Down Pmt.
$ 90,000	95%	$_____	$_____
$ 99,000	90%	$_____	$_____
$125,000	90%	$_____	$_____
$142,000	90%	$_____	$_____
$150,000	80%	$_____	$_____
$165,000	80%	$_____	$_____

COMPUTE THESE PROBLEMS

Sales Price	LTV	Un-Rounded Loan	Subtract Difference	Rounded Loan	Down Payment
$ 78,900	95%	$_____	$_____	$_____	$_____
$ 89,900	90%	$_____	$_____	$_____	$_____
$ 93,450	90%	$_____	$_____	$_____	$_____
$ 98,950	90%	$_____	$_____	$_____	$_____
$105,200	80%	$_____	$_____	$_____	$_____
$126,900	80%	$_____	$_____	$_____	$_____

COMPUTE P & I FOR THESE LOAN AMOUNTS

INTEREST RATE: 7%
TERM OF LOAN: 30 YEARS/360 PAYMENTS

$ 90,000 Loan Amount	$_____	Switch to 7.5% Rate	$_____
$ 79,500 Loan Amount	$_____	Using Same Loan	$_____
$125,000 Loan Amount	$_____		$_____
$179,900 Loan Amount	$_____		$_____
$136,950 Loan Amount	$_____		$_____
$129,900 Loan Amount	$_____		$_____

CLEAR YOUR CALCULATOR BEFORE GOING TO THE NEXT PAGE. TO CLEAR, HIT "f" "CLX".

COMPUTE THE FOLLOWING PROBLEMS

1. Loan amount of $95,000, rate of 7.5%, 30 years. If $50.00 is added to the monthly payment, how quickly will the loan be paid off?

   _____

2. Loan amount of $125,000, 6.75% rate, 30 years. One additional mortgage payment per year. In how many years would the loan be paid off?

   _____

3. Loan amount of $189,900, 7.25% rate, 30 years. Loan term reduced to 20 years. How much is the new monthly payment?

   _____

CALCULATE THE UNPAID PRINCIPAL BALANCE ON THE FOLLOWING LOANS

Original Loan	Interest Rate	First Payment	Last Payment	No. Pmts. Made to Date	Unpaid Balance
$99,900	8.25%	4-1-94	5-1-02	_____	_____
$169,400	7.75%	11-1-95	5-1-02	_____	_____
$186,500	8.125%	6-1-96	5-1-02	_____	_____
$125,000	7.50%	3-1-97	5-1-02	_____	_____
$156,800	7.25%	5-1-98	5-1-02	_____	_____

CREATE AN AMORTIZATION SCHEDULE

Create an amortization schedule for the following loan for the first 5 months of the loan:

Loan Amount: $112,500
Rate/Term: 7.5%/30 Years

Payment No.	Interest Paid	Principal Paid	Unpaid Balance
1	$ _____	$ _____	$ _____
2	$ _____	$ _____	$ _____
3	$ _____	$ _____	$ _____
4	$ _____	$ _____	$ _____
5	$ _____	$ _____	$ _____

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│  │   COMPUTE THE FOLLOWING PROBLEMS             │   │
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(Hit *"f"* *"CLX"* first to clear your calculator.)

1. Loan Amount $98,000
    Interest Rate/Paid Monthly   7%
    Compute Monthly P & I $_____
    5 Year Balloon - Compute Unpaid Balance $_____

2. Loan Amount $143,000
    Interest Rate/Paid Quarterly   7.25%
    Compute Quarterly P & I $_____
    5 Year Balloon - Compute Unpaid Balance $_____

3. Loan Amount $95,000
    Interest Rate/Paid Bi-Monthly   7.50%
    Compute Bi-Monthly P & I $_____
    5 Year Balloon - Compute Unpaid Balance $_____

4. Loan Amount $135,000
    Interest Rate/Paid Annually   7.75%
    Compute Annual P & I $_____
    5 Year Balloon - Compute Unpaid Balance $_____