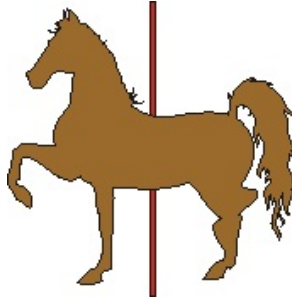


Self Financing Module
Version 2.010 August 2014



This program is designed to help those dealers that self finance (Buy Here Pay Here) cars from their lot.

The goals of the program are to:

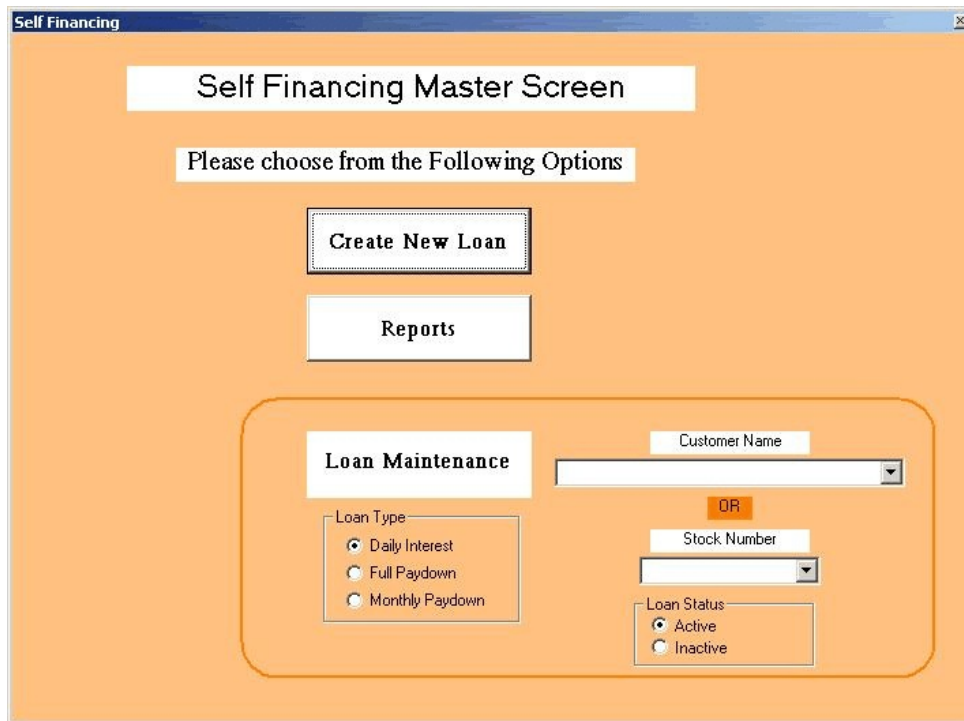
- 1) generate a payment schedule
- 2) print payment coupons for the client
- 3) print receipts for payments made by the client
- 4) keep track of payments
- 5) allow for entry of late payment fees
- 6) warn you when a client is getting late with his payments
- 7) generate a letter to the client when they are late
- 8) let you know exactly what kind of a balloon payment would be needed if the client wants to pay off early.
- 9) Provide a series of reports.

I have gone through several iterations of this program, and finally arrived at a version that I find satisfying and correct, and that my clients seem to like. It is based on the idea that all calculations will be made on a daily basis. That is, the interest calculations are updated every day, and the payment information is updated every day. If a client decides to make an early payment, that will reduce their interest requirements a bit. If they want to make two or three payments per month, we can deal with that. If they are late, not only do we charge them daily interest on the remaining principle for the duration of their late time, but we allow you to assess them a late payment charge.

I do keep track of what the interest component of each payment is, and if a client should want to pay off a loan early, can tell you what that payoff would be, that is, what the remaining principle on the loan is, taking into account interest payments made during the life of the loan.

There is a Salesman version of this program. It differs only in that a) you cannot close an account, and b) you cannot run reports. The full version can be passworded.

The Master Screen



Self Financing

Self Financing Master Screen

Please choose from the Following Options

Create New Loan

Reports

Loan Maintenance

Customer Name

OR

Stock Number

Loan Type

- Daily Interest
- Full Paydown
- Monthly Paydown

Loan Status

- Active
- Inactive

When this program first starts up, you have three options:

- 1) to add a new car to the self financing tracking
- 2) to print out a series of reports
- 3) to deal with the details of an individual customer.

This latter can be selected by either a customer's name, or the stock number of the car they bought. The customer name will also contain the stock number of the car, in case the customer bought two cars. The other functions are selected by clicking on their buttons.

The Create Screen

Create a new Loan

Populate Combo box over X months: 1

No Data Found for this Time Period. Please either enter a stock number manually, or select a longer time period.

Please Enter the Stock Number of the car that we are making the loan on: 5001

Mary Contrairy
222 2nd ave
Spokane, WA 99212
1998 Red Chrysler Seebring
23943484JDJH

Amount Financed	\$4,393.50
Loan PerCent Rate	24.000
Type of Loan (M,W,B,S)	Monthly
Total of Loan, including Interest	\$4,793.77
Monthly Payment	\$477.09
Number of Months	9
Date of Sale	1/12/2004
Date of First Payment	2/10/2004

Buttons: Delete, Update, Reset, Edit, Change

Clicking either of these buttons will close this screen.

This stock number has already been created. Click the Delete button if you wish to blow it away.

When this function is selected, you can either enter a stock number into the combo down box, or select from one of the cars in the drop down portion of that box. The little box at the upper right shows how many months back in time we will look for a sold car to populate this combo box. You can change that value to whatever you would like. It defaults to 1 month. It only searches for sold cars with an outstanding loan.

When a car is selected, it must be a sold car, with financing done. Otherwise you will get an error message. The information on the screen is currently only a display. If, after a car was created, you found that something changed about the deal (the monthly payment, for instance, or the term of the loan) you can go back to the Deal program, enter in the correct information, save this information (click Update in the Complete tab of the Deal program) and then go back to this Create screen and enter the stock ID. The system will reread the car deal information and use the latest version of the data. Any existing payments will be retained.

If you want to enter this data into the system, then click the aqua Update or Create button. To skip it, click "Cancel". Clicking either of these buttons closes the screen and gets you back to the master screen.

You can Delete this vehicle from the self finance system altogether. A blue Delete button will appear with the other buttons to let you do this. If you need to make major changes to the terms of the loan, this would probably be the best way to deal with it: delete it from the self finance

system, and then bring it back and start over.

New in 2014 – if you need to modify the characteristic of a new loan, you can now do that. Enter the changes you need to make into the appropriate entry boxes, and then click the green Save button. This feature is provided mostly for the cases where a dealer is taking in payments created by somebody else, using some other method or program. The chances are good that my calculations and that other method’s calculation, will not match up exactly. This will allow you to force the system to use the other method’s results. This will work for an existing loan also, but remember it will affect all existing payments entered into the system.

There is one other function provided for on this screen. It is quite complicated, but I will try to explain it. I mentioned above that you can change the terms of the original deal by fiddling with the Deal program and then reloading that information into the Self Finance program. But what if you want to modify the terms of the loan in mid stream? What if after three or four months, you want to modify the monthly payment, or the number of months? This could happen if your customer needed some major repairs to the car, you agreed to do it, but to add the cost to the loan. You don’t want to toss the existing loan details, but you do need to modify those detail from that point on.

That is what the pink Change button is for. If you click it, you will see the screen below, which allows you to change the principle, loan rate, monthly payment, number of months and when these changes occur. You do not need to change all of these values. The principle change is an Additive function – that is, you do not create the value of the new principle, but you add or

subtract this amount from the current value of the principle. You will see the results of this on the Loan Maintenance screen.

You can Add a new change, or Update an existing change. You can also delete all the changes already made on this vehicle.

The Maintenance Screen – Daily Interest

The maintenance screen is where we show the details of a particular loan, and apply payments received.

Loan Maintenance Declining Balance

Daily Interest

Loan Maintenance Screen

Ingmar Bergman
E1503 Hartford St 509 3238874
seattle, WA 99333

6877
1998 Red Audi quattro
20948823490

Close Account

Normal
 Early
 Repo

Loan Amount: \$5,272.85
Loan Rate: 8.000%
Months: 6

Schd Total Interest: \$142.21
Schd Total Payments: \$5,415.06
Pay Off as of Today: \$6,636.55

Date of Sale: 12/15/2003
1st Payment due: 1/28/2004
Monthly Payment: \$902.51

	date	Payment	principle	dly int	accum int	tot int	balance	acum princ
ALERT Payt Due	S 12/15/2003		\$0.00				\$5,272.85	\$0.00
Total Paymts \$1,910.00	P 1/28/2004	\$902.51	\$851.42	\$1.17	\$51.09	\$51.09	\$4,421.43	\$851.42
	P 2/28/2004	\$902.51	\$872.37	\$0.98	\$30.14	\$81.23	\$3,549.06	\$1,723.79
Sched Paymts \$4,207.53	P 3/28/2004	\$902.51	\$879.88	\$0.78	\$22.63	\$103.86	\$2,669.18	\$2,603.67
	C 4/17/2004	\$500.00	ch: \$0.00	8.000%	6mths		\$2,680.32	
	P 4/28/2004	\$500.00	\$481.80	\$0.59	\$18.20	\$122.06	\$2,187.38	\$3,085.48
Int/Fines \$2,264.13	P 5/28/2004	\$500.00	\$485.57	\$0.48	\$14.43	\$136.48	\$1,701.80	\$3,571.05
	P 6/28/2004	\$500.00	\$488.40	\$0.38	\$11.60	\$148.08	\$1,213.40	\$4,059.45
	S 12/15/2003						\$5,272.85	
Principle Paid (\$354.13)	PO 1/13/2004	\$500.00	\$466.36	\$1.16	\$33.64	\$33.64	\$4,806.49	\$466.36
	PO 1/22/2004	\$400.00	\$390.53	\$1.06	\$9.47	\$43.11	\$4,415.96	\$856.89
	C 4/17/2004	\$500.00	ch: \$0.00	8.000%	6mths		\$4,499.95	
Amt Owng Nw \$6,636.55	PO 8/21/2007	\$450.00 (\$1,014.67)		\$1.29	\$1,464.67	\$1,507.78	\$5,430.63	(\$157.78)
	PO 4/7/2009	\$560.00 (\$196.35)		\$1.36	\$756.35	\$2,264.13	\$5,626.98	(\$354.13)
Grace Days 5	E 4/30/2011	\$0.00	\$0.00	\$1.45	\$1,009.57	\$3,273.70	\$6,636.55	(\$354.13)

Next Due Date
3/25/2004

Enter Payment -> / /

Cash
 Check
 Card

Submit Reset

Close Screen

Print Screen

Print Coupons

Print Receipt

Delete

The top part shows the customer and the car details.

The middle part shows the schedule of the loan, and the actual payments made on the loan.

We treat these loans like a regular mortgage. You start with the amount of the loan (the principle). For each day till the first payment is made, you increase the principle by the daily interest of the loan, which in our example is about a buck a day. When a payment is made, you first apply the payment to the accumulated interest, and then the rest to the principle. Then the principle goes up again till the next payment is made.

You apply the payments at the bottom of the screen.. Select a date, and in the right hand box enter the value of the payment. The screen will redraw itself with the updated information, and the payment will show up in the Actual Payment screen. The second column indicates that the payment was in cash (0), check (1), or credit card (2). Note that you must click either the

Submit or Reset button now, because of this added information that is being gathered.

At the extreme left, you see the Most Recent Balance Due, for a date taking into account the Grace Period. This date is the date of the last time a payment was expected, plus the grace period, and what that balance should have been. The grace period is a default value that can be changed in the Admin program.

Below that is a Red area if the payments are delinquent, and a Green area if the payments are up to date.

In the middle of the top area (the field with the yellow background), I show the current payoff value, that is, the amount it would take to pay off the loan today. This is the value of the principle and all the interest accumulated to today, less the value of the payments already made.

There is a button at the bottom of the screen that will print all this information out in a report for this individual.

If you wish to delete a payment, double click the payment item. A Delete button will appear. Click this button and the payment goes away. If you enter a payment with the same date as an existing payment, the first payment is overwritten.

This screen allows you to print out a coupon book to give to the customer, that shows what the payment schedule should be. If the checkbox in the button is checked, then no running balance will be displayed on the coupon. This is so the client is not confused when their coupon book says they owe X, but because they did not make their payments on time or something, the actual value is Y.

You can also print a receipt for a payment. The receipt number will be the record number in the database that captures the payment. I was asked to disable the print receipt button until something was entered into the payment screen. Actually, all you have to do to enable the button is to move into the payment entry box. This is to prevent people taking money, printing a receipt, but not entering the payment information. The checkbox, if checked, does not print the amount owing on the receipt.

The Exclamation Point is a button that allows you to enter comments about this loan, and contains any comments entered about this car in the Inventory and Deal comment entries. If the first three characters of this comment is !!!, then the comment will automatically pop up when you bring up this screen. This is for the people who need certain information, but never bother to look for it. The word ATTENTION anywhere in the comment will do the same thing.

When the loan is paid off, click on the Close Account button to put this loan into historical status. You can now indicate if it was a normal, early payoff, or a repo. A timestamp for when this happens is logged. In the next release, I will modify the database to directly capture that

timestamp.

Payments made will be exported to Quickbooks, with a separation of the interest and the principle parts of the payment.

The Reports Screen

stkid	Customer	Tot	Paymts	Sched	PMts	status	last paymt	Nastygram	Payment
6877	Ingmar Bergman	\$1,910.00	\$4,207.53	Deliq	4/7/2009	never	\$902.51		
6879	Stan Bloomberg	\$0.00	\$953.64	Deliq	4/7/2009	never	\$158.94		
6884	Joe Blow	\$0.00	\$936.60	Deliq	4/7/2009	never	\$156.10		
5001	Mary Contrairy	\$0.00	\$4,793.81	Deliq	4/7/2009	never	\$477.09		
3683	Sammy Parquar	\$900.00	\$29,586.60	Deliq	9/22/2009	never	\$821.85		
5632	canouddle george	\$250.00	\$5,730.62	Deliq	5/30/2008	never	\$996.77		
7004	Larry Linville	\$5,033.84	\$8,363.84	Deliq	5/5/2009	never	\$585.96		
3680	Joe Schmieel	\$11,230.80	\$14,474.40	Deliq	6/25/2004	never	\$1,081.20		
6899C	Milli Vanilli	\$781.19	\$1,582.38	Deliq	11/17/2003	never	\$263.73		
totals	9	\$20,105.83	\$70,629.42				\$5,444.15		

I have created a series of reports for this function, and will probably generate some more in the future. What I have now is a list of customers with loans, a list of the active accounts, a list of only the delinquent accounts, a list of amounts owed (sort of) and a report of the amount of interest collected for a month. The above screen shot shows the active account list.

The reports can be sorted by customer name, or stock number. The default is customer name.

The active and delinquent account reports can be displayed as a one line report (shown) or a two line report, which contains address and phone number information for the customer.

When the delinquent account report is run, you can click on an account, and the Generate Nastygram button will become enabled. This will generate a short letter to the client, telling them that they are overdue, by how much, and please come in and get paid up. Or else.

The Y/N at the end of the line indicates that a comment exists for this vehicle (or not).

There are a bunch of Custom reports that specific clients have asked for. This will evolve over time. Three of the reports in the self finance report tool can now generate spreadsheets. After the report (customer, active accounts, delinquent accounts) is run, click on the spreadsheet button. When it goes gray, the spreadsheet will be on \temp\spreadsheet.csv (and .txt).

I have been asked to generate a report that displays the amount of interest income from the self finance function for a selected month. There is a button in the Reports screen of the self finance program. First add in the month and year you are reporting on, and then click the button. The report can be printed.