



How To Use The Usand Loan Analysis Tool

Successful companies are always analyzing where they have been and where they are currently before making key future planning decisions. Use our Loan Analysis tool to help you with that. It will help you gather the right information and then calculate the numbers most useful in guiding your company's next steps and new loan decisions.

Step 1: Go through the Loan Checklist

Step 2: Use the Payment Comparison to figure out loan costs

Step 3: Use numbers gathered from the Checklist and from the Payment Comparison to fill in the helpful chart provided

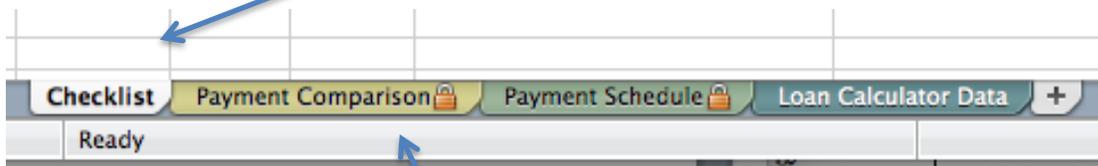
Step 4: Calculate the *Net Financial Benefit*

Step 5: Fill in the Payment Schedule to understand how quickly you will be able to pay your loan off.

Using the Results: Use the numbers in your analysis and decision making

The bottom of the tool shows the 4 tabs you have. Each with helpful information to use in your analysis.

For Step 1: Click on first tab: 'Checklist'. Answer question 'A'.



For Step 2: Look at question 'B' on the 'Checklist' tab. Click on the 'Payment Comparison' tab. Once in the tab (see picture below) you can use the tool to calculate the costs of your loan by changing values in the chart to reflect the loan you are considering. Fill in the **Loan Amount, Loan Period In Years, Payment Frequency and Annual Interest Rate**. The 'Scheduled Payment' and other fields will auto-fill.

PAYMENT COMPARISON

LOAN AMOUNT

| \$20,000.00 | SCENARIO 1 | SCENARIO 2 | SCENARIO 3 |
|----------------------|--------------------|--------------------|--------------------|
| LOAN PERIOD IN YEARS | 5 | 5 | 7 |
| PAYMENT FREQUENCY | Monthly | Bi-monthly | Monthly |
| ANNUAL INTEREST RATE | 5.00% | 5.00% | 4.00% |
| SCHEDULED PAYMENT | \$377.42 | \$188.54 | \$273.38 |
| TOTAL PAYMENTS | 60 | 120 | 84 |
| TOTAL INTEREST | \$2,645.48 | \$2,624.78 | \$2,963.59 |
| COST OF LOAN | \$22,645.48 | \$22,624.78 | \$22,963.59 |

Step 3: Fill in the Chart on the 'Checklist' page with the information from the 'Payment Comparison' tab's chart (as seen above). The 'Monthly Payment' information will automatically fill so you don't need to put anything in this column!

| Loan Amount | Interest rate on the Loan | Term (or open) of the loan | Purpose. Allows your company to... | Monthly Payment | Expected Revenue Gain per month (Increase in sales per month) | Expected net financial benefit* of the loan (monthly average) | |
|--------------|---------------------------|----------------------------|------------------------------------|-----------------|---|---|-----------|
| \$ 20,000.00 | 5% | 5 | Vehicle loan for deliveries | \$ 377.42 | | | per month |
| | | | | \$ 188.54 | | | |
| | | | | \$ 273.38 | | | |



Step 5: Fill in the 'Payment Schedule' by clicking on the tab below. This table will allow you to pick a 'start date' for your loan (what day you want the loan to take effect) and show the schedule of payments going forward for each of the 3 scenarios from the 'Payment Comparison' chart. Simply choose which scenario you want to see from the drop-down menu in the top right corner of the page:

PAYMENT SCHEDULE

LOAN SCENARIO

| | |
|------------------------|-------------|
| START DATE OF LOAN | 2014-06-10 |
| OPTIONAL EXTRA PAYMENT | \$0.00 |
| LOAN AMOUNT | \$20,000.00 |
| LOAN PERIOD IN YEARS | 5 |
| PAYMENT FREQUENCY | Monthly |
| ANNUAL INTEREST | 5.00% |

LOAN SUMMARY

| | |
|-------------------------|--------------------|
| SCHEDULED PAYMENT | \$377.42 |
| SCHEDULED # OF PAYMENTS | 60 |
| ACTUAL # OF PAYMENTS | 60 |
| TOTAL EARLY PAYMENTS | \$100.00 |
| TOTAL INTEREST | \$2,617.68 |
| COST OF LOAN | \$22,645.48 |



Select a Loan Scenario from the drop down.

(This tip will not print.)

| PMT # | PAYMENT DATE | BEGINNING BAL | SCHEDULED PMT | EXTRA PMT | TOTAL PMT | PRINCIPAL | INTEREST | ENDING BAL | CUMULATIVE INT |
|-------|--------------|---------------|---------------|-----------|-----------|-----------|----------|--------------|----------------|
| 1 | 2014-06-10 | \$ 20,000.00 | \$ 377.42 | \$ 100.00 | \$ 477.42 | \$ 394.09 | \$ 83.33 | \$ 19,605.91 | \$ 83.33 |
| 2 | 2014-07-10 | 19,605.91 | 377.42 | | 377.42 | 295.73 | 81.69 | 19,310.18 | 165.02 |

Then, if you plan on having any 'Extra Payments', fill in the amounts in the appropriate field. For example, if you are expecting an inheritance payment, or money from your tax return that you will put towards paying off you loan, fill this amount in:

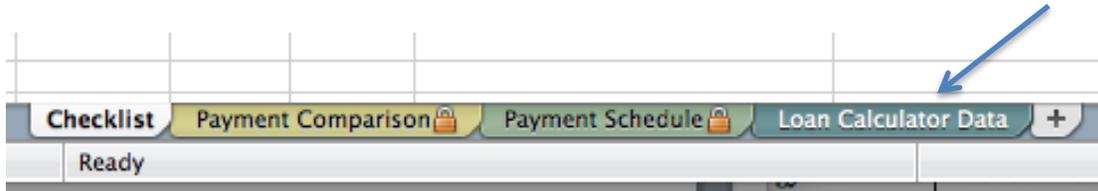
PAYMENT SCHEDULE

LOAN SCENARIO

| | |
|------------------------|-------------|
| START DATE OF LOAN | 2014-06-10 |
| OPTIONAL EXTRA PAYMENT | \$0.00 |
| LOAN AMOUNT | \$20,000.00 |
| LOAN PERIOD IN YEARS | 5 |
| PAYMENT FREQUENCY | Monthly |
| ANNUAL INTEREST | 5.00% |



Note: The 'Loan Calculator Data' is a tab that contains some simple information for the spreadsheet calculations. *You do not need to adjust or fill in anything in this tab.*



Using the Results: Use this information to better understand what the best loan for you could look like. It may be that you can afford higher payments per month to pay your loan off faster – *however*, you must keep in mind that this will reduce the amount of cash you have each month, as this money will be going towards loan payments. If you encounter a 'bad month' where revenues are not as high as you need them, then you may put yourself in a bad position by still having to pay the high loan payments. In other words, you may want to consider a longer loan, such as 7 years instead of 5 years, to give yourself some breathing room on the loan payments. Always try to anticipate surprise events and structure your loan to make sure you have room to weather these storms.