# TimeValue Software TValue

**Amortization Software** For Credit Unions



TimeValue Software TValue loan modification and amortization software version 5.11 is the industry standard for amortization. The TValue program is an excellent tool to do loan modifications and troubled debt restructurings (TDRs). Today, all of the Top 100 accounting firms and more than 500,000 financial professionals worldwide rely on its accuracy, flexibility, and ease of use.

### **Loan Modifications and TDR Calculations**

With TValue amortization software, you can easily and efficiently perform loan modifications and TDR calculations to meet the needs of your Credit Union members. TValue software helps you structure or restructure loans and then helps you minimize the loss by doing "what if" calculations to determine the best deal structure. To determine the appropriate provision for loan losses, you'll need to restructure the loan, prepare a present value calculation of the restructured cash flows at the effective interest rate, and calculate the difference between the restructured loan and the present value. TValue software is the perfect tool to handle these calculations.

# Modifying a Loan and TDR

TValue amortization software is unmatched when calculating "what if" scenarios. You can easily and quickly determine the right loan structure for your CU member. When restructuring a loan, TValue software allows for a combination and variety of variables to calculate a lower payment by:

- Lowering interest rate for the duration of the loan
- Discounting interest rates during the beginning of the term with a variable loan
- Reducing interest rate for a period and ballooning the loan
- Structuring a longer term loan

#### 🖟 TValue 5 - [John Smith - TDR.tv5] 🖻 File Edit View Compute Setup Window Help Cash Flow Data Amortization Schedule Label: John Smith - TDR >> Compounding: Monthly ▼ Nominal Annual Rate: 4.000 % >> 09/01/2010 150.000.00 Loan 09/61/2012 Payment 10/01/2010 716.12 24 Monthly

800.52

336

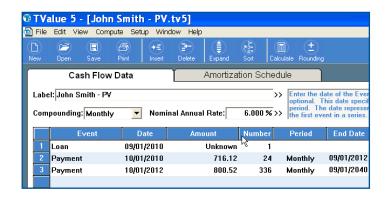
Monthly

09/01/2012 5.000%

10/01/2012

# Calculating the Allowance for Loan Losses (ALL)

TValue software easily calculates the present value of the future cash flows of the restructured loan at the effective interest rate. This is a key step in completing the TDR allowance for loan loss calculations. The difference between the carrying value of the restructured loan (TDR) and the present value calculation is the provision for loan loss subject to FAS 114. TValue software instantly produces and clearly presents all the amortization schedules needed to document your calculations to support the appropriate Allowance for Loan Losses.



In the above example, the TDR is structured with a rate increase after 24 months. In the Present Value (PV) schedule, the "unknown" is the future cash flows discounted at the effective interest rate. The difference in the loans between the TDR and the PV is the Allowance for Loan Loss.

09/01/2040



Rate Change

Payment

# The Definitive Amortization Standard

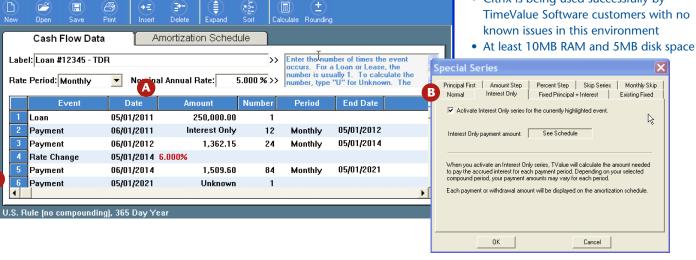
Nothing beats the amortization schedules produced by TValue amortization software. You can clearly see the interest and principal components of each payment and the remaining balance. TValue software gives Credit Unions the flexibility to show totals at selected intervals, print presentation-quality amortization schedules, and export into Microsoft Excel or Word.

# Other Applications for TValue Software

- Calculate present and future values
- Compute and track loans with irregular cash flows
- Solve for an unknown interest rate, loan amount, payment amount, or term
- Structure loans and leases
- Generate APR Truth in Lending (Reg. Z) disclosures
- Calculate savings requirements for future goals
- Prepare a schedule of principal payments for note disclosures



- Supports Windows XP and above (including Windows 7 32-bit and 64-bit), and Windows Server 2008, 2003, and **Terminal Services**
- Citrix is being used successfully by TimeValue Software customers with no known issues in this environment



#### A. Compute Any Unknown

• Present or future values

TValue 5 - [Schedule1]

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- Loan or payment amounts
- Deposit or withdrawal amounts
- Interest rate
- Number of payments
- Remaining balance
- Balloon payment
- Discounted value

## **B.** Account for Any Type of Payment

- Interest only
- Fixed principal plus interest
- Existing fixed
- Principal first
- Amount step
- Percentage step
- Monthly skip
- Skip series

### C. Choose the Appropriate **Computation Option**

- Normal amortization (compound interest)
- U.S. Rule (simple Interest)
- Rule of 78
- Canadian amortization
- 360, 364, or 365 days per year
- · Daily, exact days, weekly, bi-weekly, 4-week, monthly, half-month, 2-month, 4-month, quarterly, semi-annual, annual, and continuous compounding

#### D. Create & Print Custom Reports and Amortization Schedules

- Document irregular payments, balloons and rate changes
- Add APR Truth In Lending disclosures
- Insert headers and footers
- Customize event names
- View totals at selected frequency by calendar or fiscal year-end
- Export to Microsoft Excel or Word with one click

"TValue amortization software plays an important part in my business. My clients expect flexibility and precision and TValue amortization software helps me deliver!" - R. Smith

"What a fantastic product. I have not been able to find anything it cannot do!" - T. Young

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