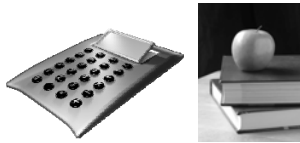


PowerPay

Calculators & Education Center

July 2009



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PowerPay

Calculators



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PowerPay Calculators
Web site
(Utah State University-Extension)



<https://powerpay.org>

4

Choose Montana

Welcome to PowerPay 5.0!

Please Choose a State from the table below to Enter the site.

Alaska	Georgia	Maryland	New Hampshire	South Carolina	Wyoming
Alabama	Hawaii	Maine	New Jersey	South Dakota	--OTHER--
Arkansas	Iowa	Michigan	New Mexico	Tennessee	
Arizona	Idaho	Minnesota	Nevada	Texas	
California	Illinois	Missouri	New York	Utah	
Colorado	Indiana	Mississippi	Ohio	Virginia	
Connecticut	Kansas	Montana	Oklahoma	Vermont	
District of Columbia	Kentucky	North Carolina	Oregon	Washington	
Delaware	Louisiana	North Dakota	Pennsylvania	Wisconsin	
Florida	Massachusetts	Nebraska	Rhode Island	West Virginia	

User Login

Welcome to PowerPay 5.0!

Below are a few exciting features of PowerPay 5.0. Login to the right and start gaining control of your financial future today!

- **PowerPay:** How soon can I be out of debt?
Eliminate debt faster by making power payments.
- **Spending Plan:** How much am I spending?
Compare what you spend to that recommended by financial experts.
- **PowerSave:** How much am I saving?
Project savings using the different PowerSave options.
- **Calculators:** How can I look at my finances quickly?
Calculate house and transportation costs, emergency savings and more.
- **Education Center:** How can I learn more?
View PowerPoint presentations, articles and fact sheets about various financial topics.

You must login before using PowerPay.

Username:

Password:

Go

Forgot Password?

New? Sign Up Now

- If new member, click [New? Sign up now]

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Enter New User Information, Click Submit

New User

First Name:
Last Name:
Email:

Login Information.

You may use any combination of letters and/or numbers. Your username and password must be at least 6 characters in length. Do not use special characters (*, #, @, etc.) or spaces.

Username:
Password:
Retype Password:

Preferences

Language:
 English
 Spanish

By default PowerPay reports are displayed in a new browser window (i.e. pop up window) for easy comparison. If you do not want reports to appear in a new window, please indicate below.
 Turn off pop up reports.

Click Calculators Tab

PowerPay Spending Plan PowerSave Calculators Education Ctr. My P

Eliminate debt faster by making power payments.

Profiles

Create a profile for a client or family member, or work with a new scenario for yourself without changing information.

Default Profile: Ker Hayes

New Profile
Name:
Email:
Create Profile

My Information

First Name:
Last Name:
Email:

Login Information.
You may use any combination of letters and/or numbers. Your username and password must be at least 6 characters in length. Do not use special characters (*, #, @, etc.) or spaces.

Calculator Options

1. Housing Expenses
2. Loan Qualifier
3. Mortgage Comparison
4. Transportation Expenses
5. Additional Monthly Payment on a loan
6. Emergency Savings

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PowerPay Spending Plan PowerSave Calculators Education Ctr. My Profile Español

Housing Loan Qualifier Mortgage Transportation Additional Payment Savings

Housing Expenses Calculator: This calculator shows the percentage of income going towards home costs per month.

Loan Qualifier Calculator: This calculator shows when a consumer will qualify for a home loan.

Mortgage Comparison Calculator: This calculator compares paying off a mortgage on a biweekly basis and a monthly basis.

Transportation Expenses Calculator: This calculator shows the percentage of income going towards overall transportation costs per month.

Additional Payment Calculator: This calculator shows the decreased payoff time, net effective interest rate, and interest savings from making an additional monthly payment on a loan.

Emergency Savings Calculator: This calculator shows the recommended emergency savings amount.

Housing Expense Calculator



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Housing Expense Calculator

- Percentage of monthly income spent on housing costs



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Click on Housing Expenses Calculator

Housing Expenses Calculator: This calculator shows the percentage of income going towards home costs per month.

Loan Qualifier Calculator: This calculator shows when a consumer will qualify for a home loan.

Mortgage Comparison Calculator: This calculator compares paying off a mortgage on a biweekly basis and a monthly basis.

Transportation Expenses Calculator: This calculator shows the percentage of income going towards overall transportation costs per month.

Additional Payment Calculator: This calculator shows the decreased payoff time, net effective interest rate, and interest savings from making an additional monthly payment on a loan.

Emergency Savings Calculator: This calculator shows the recommended emergency savings amount.

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Example 1: Housing Expenses Calculator

Monthly Take-Home Pay	5500
Monthly Mortgage (principal & interest) Payment/Rent	1200
Monthly Property Taxes	50
Monthly Home Owner's/Renter's Insurance	75
Monthly Maintenance	50
Monthly Utilities	300

Calculate

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Results (Example 1): Housing Expenses Calculator

Total Housing Expenses	\$1675.00
% of your total income:	30.455%
Recommended % of income	33-35%

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Housing Expenses Calculator

Enter the following information for all that apply:

Monthly Take-home Pay

Monthly Mortgage (principal and interest) Payment/Rent

Monthly Home and Property Taxes (yearly amounts /12)

Monthly Home Owner's or Renter's Insurance

Monthly Maintenance (yearly amounts /12 or 1% of loan recommended)

Monthly Utilities (gas, electric and landline phone)

Calculate

Housing Expenses Results

Total Housing Expenses: \$1675.00
% of your total income: 30.455 %
Recommended % of income: 33-35%

Screen Example

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Example 2: Housing Expenses Calculator

Monthly Take-Home Pay	\$4,000
Monthly Mortgage (principal & interest) Payment/Rent	\$1,400
Monthly Home/Property Taxes	\$150
Monthly Home Owner's/Renter's Insurance	\$100
Monthly Maintenance	\$50
Monthly Utilities	\$300

Calculate

17

Results (Example 2): Housing Expenses Calculator

Total Housing Expenses	\$2000.00
% of your total income:	50%
Recommended % of income	33-35%

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Housing Expenses Calculator

Enter the following information for all that apply:

Monthly Take-home Pay

Monthly Mortgage (principal and interest) Payment/Rent

Monthly Home and Property Taxes (yearly amounts /12)

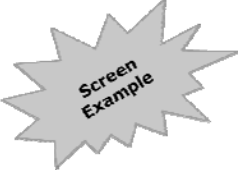
Monthly Home Owner's or Renter's Insurance

Monthly Maintenance (yearly amounts /12 or 1% of loan recommended)

Monthly Utilities (gas, electric and landline phone)

Housing Expenses Results

Total Housing Expenses: \$2000.00
 % of your total income: 50.0000 %
 Recommended % of income: 33-35%



Loan Qualifier Calculator

Loan Qualifier Calculator

- How much to reduce monthly debt obligations to qualify for a loan

Scroll to Top, Click Loan Qualifier

PowerPay | Spending | PowerSav | Calculator | Education | My Profile | Es

Housing | **Loan qualifier** | Mortgage | Transportation | Additional Payment | Sav

Are you "house poor?"
 What this calculator does: This calculator shows the percentage of income going towards home cost each month.

Housing Expenses Calculator

Enter the following information for all that apply:

Monthly Take-home Pay

Monthly Mortgage (principal and interest) Payment/Rent

Monthly Home and Property Taxes (yearly amounts /12)

Monthly Home Owner's or Renter's Insurance

Monthly Maintenance (yearly amounts /12 or 1% of loan recommended)

Lender requirement

- Borrowers debt must be less than given percentage of income to qualify for loan

Example

- 30% debt/income ratio
- No more than 30% of income is being used to pay creditors

Example 1: Loan Qualifier Calculator

Debt to Income Ratio	25
Monthly Take-Home Pay	\$5,500

Calculate

25

Results (Example 1): Loan Qualifier Calculator

- **Monthly Debt payment must be \$1,375 or less**

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Loan Qualifier Calculator Screen

Loan Qualifier Calculator

Choose a debt to income ratio (%)

Monthly Take-home Pay

Calculate

Screen Example

Loan Qualifier Results

Monthly debt payment must be \$1375.00 or less.

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Example 2: Loan Qualifier Calculator

Debt to Income Ratio	30
Monthly Take-Home Pay	\$4,000

Calculate

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Results (Example 2): Loan Qualifier Calculator

- **Monthly Debt payment must be \$1,200 or less**

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Loan Qualifier Calculator Screen

Loan Qualifier Calculator

Choose a debt to income ratio (%)

Monthly Take-home Pay

Calculate

Screen Example

Loan Qualifier Results

Monthly debt payment must be \$1200.00 or less.

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Mortgage Comparison Calculator



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Mortgage Comparison Calculator

- Compares paying off a mortgage:
 - Biweekly
 - Monthly



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Scroll to Top, Click Mortgage

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Housing | Loan qualifie **Mortgage** | Transportation | Additional Payment | Savings

What this calculator does: This calculator shows when a consumer will qualify for a home loan. Mortgage lenders require that the ratio of a borrower's debt be less than a given percentage of their income before they qualify for a home loan. (For example, a lender may require a 30% debt-to-income ratio to qualify for a home loan. This means no more than 30% of income is being used to pay creditors.) This calculator gives a general idea of how much to reduce monthly debt obligations in order to qualify for mortgage. Consumers should consult with their mortgage lender for specific details.

Loan Qualifier Calculator

Choose a debt to income ratio (%)

Monthly Take-home Pay

Calculate

Example 1: Mortgage Comparison Calculator

Loan Amount	\$155000
Loan Term (years)	30
Interest rate	6.5

Calculate

34

Results (Example 1): Mortgage Comparison Calculator

Monthly payment	\$979.71
Total Interest paid	\$197,693.96
Loan Term	30 years 0 months
Biweekly payment	\$489.85
Total Interest paid	\$152,164.37
Loan Term	24 years 2 months

35

Results (Example 1): Mortgage Comparison Calculator

Savings from biweekly payments	\$45,529.59
Repayment time reduction from making biweekly payments	5 years 10 months

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Mortgage Comparison Calculator

Enter the following information:

Loan Amount

Loan Term (in years)

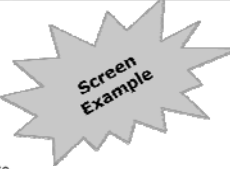
Interest Rate

Mortgage Comparison Results

Monthly payment: \$979.71
 Total Interest Paid: \$197693.96
 Loan Term: 30 years 0 months

Biweekly Payment: \$489.85
 Total Interest Paid: \$152164.37
 Loan Term: 24 years 2 months

Savings from making biweekly payments: \$45529.59
 Repayment time reduction from making biweekly payments: 5 years 10 months



Results (Example 2): Mortgage Comparison Calculator

Loan Amount	200000
Loan Term (years)	30
Interest rate	7

38

Results (Example 2): Mortgage Comparison Calculator

Monthly payment	\$1,330.60
Total Interest paid	\$279,017.80
Loan Term	30 years 1 month
Biweekly payment	\$665.30
Total Interest paid	\$210,092.51
Loan Term	23 years 9 months

39

Results (Example 2): Mortgage Comparison Calculator

Savings from biweekly payments	\$68,925.28
Repayment time reduction from making biweekly payments	6 years 4 months

40

Mortgage Comparison Calculator

Enter the following information:

Loan Amount

Loan Term (in years)


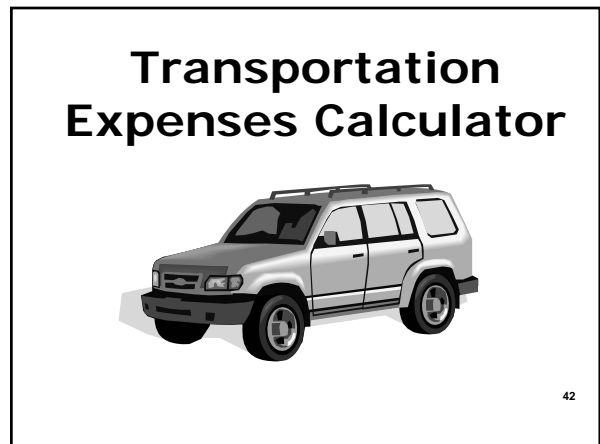
Interest Rate

Mortgage Comparison Results

Monthly payment: \$1330.60
 Total Interest Paid: \$279017.80
 Loan Term: 30 years 1 month

Biweekly Payment: \$665.30
 Total Interest Paid: \$210092.51
 Loan Term: 23 years 9 months

Savings from making biweekly payments: \$68925.28
 Repayment time reduction from making biweekly payments: 6 years 4 months

Transportation Expenses Calculator

- Percentage of income spent on overall transportation costs per month



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Scroll to Top, Click Transportation

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Housing Loan qualifier Mortgage **Transportation** Additional Payment Savings

What this calculator does: This calculator compares paying off a mortgage on a biweekly basis and a monthly basis.
 These calculations do not include any fees or penalties which may be charged by the lender for making biweekly payments.
 Also note that the savings in interest costs and the reduction in payment time are not calculated even though there is a place for these numbers to be presented.

Mortgage Comparison Calculator

Enter the following information:

Loan Amount

Loan Term (in years)

Interest Rate

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Example: Transportation Expenses Calculator

Monthly Take-Home Pay	5000
Monthly Vehicle Payment	385
Monthly Public Transportation/Taxies	0
Average Monthly Gasoline	300
Monthly State Vehicle Tax	40
Monthly Automobile Insurance	135
Monthly Maintenance	45

Calculate

45

Results: Transportation Expense Calculator

Total Transportation Expense	\$905.00
% of Total Income	18.1%
Recommended % of Total Income	18-20%

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Transportation Expenses Calculator

Enter the following information for all that apply:

Monthly Take-home Pay

Monthly Vehicle Payment (buying or leasing)

Monthly Public Transportation/Taxies

Average Monthly Gasoline

Monthly State Vehicle Tax (yearly amounts/12)

Monthly Automobile Insurance

Monthly Maintenance (yearly amounts/12)

Calculate



Transportation Expenses Results

Total Transportation Expenses: \$905.00
 % of your total income: 18.100 %
 Recommended % of income: 18-20%

Additional Payment Calculator



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Scroll to Top, Click Additional Payment

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Housing | Loan qualifier | Mortgage | Transportation | **Additional Payment** | Savings

Are your transportation costs driving you into the "poor house?"
 What this calculator does: This calculator shows the percentage of income going towards overall transportation costs per month.

Transportation Expenses Calculator

Enter the following information for all that apply:

Monthly Take-home Pay

Monthly Vehicle Payment (buying or leasing)

Monthly Public Transportation/Taxis


Average Monthly Gasoline

Monthly Public Vehicle Transport

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Additional Payment Calculator

- Decreased payoff time
- Net effective interest rate
- Interest savings



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Example: Additional Payment Calculator

Loan Amount	155000
Loan Term	30
Interest Rate	6.25
Additional Monthly Payment	150

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Results: Additional Payment Calculator

Monthly Payment	\$954.36 + \$150.00 = \$1104.36
Loan Paid Off in	21 years 1 month
Net effective interest rate	4.1%
Savings	\$64,427.87

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Additional Payment Calculator

Enter the following information:

Loan Amount

Loan Term (in years)

Interest Rate

Additional Monthly Payment


Screen Example

Additional Payment Results

Monthly payment: \$954.36 + \$150.00 = \$1104.36
 Loan paid off in: 21 years 1 month
 Net effective interest rate: 4.1%
 Savings: \$64427.87

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Emergency Savings Calculator



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Emergency Savings Calculator

- How much to save for emergencies:
 - Unemployment
 - Furloughs
- Allow to pay expenses for 3 months



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Scroll to Top, Click Savings

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Housing Loan qualifier Mortgage Transportation Additional Payment Savings

What this calculator does: This calculator shows the decreased payoff time, net effective interest rate, and interest savings from making an additional monthly payment on a loan.

Additional Payment Calculator

Enter the following information:

Loan Amount

Loan Term (in years)

Interest Rate

Additional Monthly Payment

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Example: Emergency Savings Calculator

Monthly Expenses	2900
------------------	------

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Results: Emergency Savings Calculator

Monthly Expenses x 3 =	\$8700
Monthly Expenses x 6 =	\$17400
Monthly Expenses x 8 =	\$23200

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Emergency Savings Calculator

Monthly Expenses

Screen Example

Emergency Savings Results

Monthly Expenses multiplied by 3: \$8700.00
 Monthly Expenses multiplied by 6: \$17400.00
 Monthly Expenses multiplied by 8: \$23200.00

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PowerPay Education Center



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Scroll to Top, Click Education Ctr.

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ousing | Loan qualifier | Mortgage | Transportation | Additional Payment | Sav

calculator does: This calculator shows consumers how much they should save for emergency employment. The minimum, or recommended place to start, is by having a savings equal to monthly expenses. This would allow you to pay your expenses for three months. However, studies show that when people become unemployed, it generally takes 6 months to get back to work. Some experts are recommending that consumers save 8 times their monthly expenses because of the challenges of today's economy.

Emergency Savings Calculator

Monthly expenses

Calculate

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Plan

PowerPay Education Center

PowerPay Education Center


Budgeting

- Are You an Overspender?
- Balancing Income and Expenses
- The Bucket Theory of Financial Management
- Creating a Budget
- Control Stress
- Don't Panic—Take Control
- Evaluating Income
- Holiday Spending Tips
- How Does Your Cash Flow?
- Ponzi Schemes
- Tips for Sticking to Your Financial Plan
- When Your Income Drops: Keep a Roof Overhead
- When Your Income Drops: Sharpen Your Survival Skills

Credit

Education Center Topics


- Budgeting
- Credit
- Debt Management
- Financial Binder



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Education Center Topics, con'd.


- Finance Books
- Financial Resources
- Identity Theft
- Insurance



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Education Center Topics, con'd.

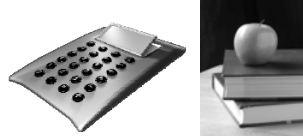
- Live Within Your Means
- Living the American Dream
- Money Attitudes
- Saving & Investing
- Teaching Children About Money



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July 2009



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