Notes on Mortgage Discounting Application

General
- Blue fields are protected fields and cannot be written into. White fields can be written into.
- This application assumes that discounting entries are made into the accounting systems once a year at the end of the period.
- The application computes the values for a single given year and not a cumulated sum through previous years. If you need the values for multiple years, it will be necessary for you to run the application for each year you need.
- While this application looks like a spreadsheet, it does not function like a spreadsheet. No calculations are done until you click the "Update" button, enter the desired year, and click OK.
- If there is an error in the data format, when the Update button is clicked a data error message will appear and the cursor will have stop on the cell with the error.

Summary Worksheet
- If the field "Date Of Transition from a Calendar Year to a Fiscal Year" is left empty, the program assumes you are on a calendar year. e.g. 1/1/97 to 12/31/97. If you have always been on a fiscal year, enter 6/30/XX into this field where "XX" is one year earlier than the date of origin of your earliest mortgage. If you have made a transition form a calendar year to a fiscal year, enter 6/30/YY into the field where "YY" is the year the transition is made.
- To update the calculations, click the "Update" button, enter a new year if needed, and then click OK.

Accounting Entries Worksheet
- This worksheet provides an example of the discounted mortgage entries you need to make for the current period. The account numbers are only included for example purposes. Your account numbers will probably be different.

Mortgages Worksheet
- When you first start, there are two lines of "New Mortgage". Enter your first two mortgages by editing the white fields of these two lines. Some of the blue fields of these mortgages will not be changed until you press the "Update" button on the Summary Worksheet.
- The last line of mortgages should not be deleted and new mortgages should not be added beyond this line. To enter a new mortgage, press the "Add New Mortgage" Button on the lower left-hand corner of the "Mortgages" worksheet.
- If you want to reorder the mortgages already entered, you need to overwrite the existing entries.
- When the mortgage is paid off, enter the pay off date in the "Paid-Off Date". This applies to both early and regular pay-offs. It applies to any mortgage that is no longer in force, including foreclosure and deed in lieu of foreclosure.
- Mortgages that originate and pay off in the same year should NOT be on the discount worksheet.
- The "Year Used To Lookup Discount" is the year of the first month of your current period, which will be different depending on whether you are on a calendar year or fiscal year. The discount is looked up on the Discount Worksheet.
- The "Number of Months Expired" is the number of months from the month of the Origination Date of a mortgage through the last applicable month. When a mortgage is paid off through the normal monthly payment process, this field equals the end of the term of the mortgage. When it is paid off before the end of the term, it is the last month before the period in which the pre-term pay-off occurred. At all other times it is the last month of the current period. The first month is always counted whether the Origination Date starts on the first day of the month, the last day of the month, or any day in between.

Discounts Worksheet
- This worksheet lists the discounts that will be used to compute the present value of a mortgage at the Origination Date. Each year the new discount should be acquired from HFHI and added to this list in the same format as previous years and discounts.