

## **PayOff**

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## **General Instructions**

PayOff is a program that calculates the payoff amount on a loan. It calculates the payoff amount using a formula based upon the number of payments, the number of payments made, the monthly payment amount and the interest rate on the loan. The formula is accurate to the month, payoff amounts in the middle of the month will be slightly higher.

## **Registration**

PayOff is shareware. If you find PayOff useful a registration of \$10 would be appreciated. Registered users will receive the latest version of PayOff. Please send registrations to the following address.

Lucas Systems  
c/o Beacon Hill Software  
Box 8494  
Boston, MA 02114

CompuServe 74130,2452

Questions, suggestions and/or comments are welcome

## **Distribution**

You are free to distribute PayOff as long as you do so in its original unmodified form.  
The following files are required.

PayOff.exe  
PayOff.hlp  
PayOff.txt

## Formula

The formula used is as follows:

$$\text{Bal} = \text{Pmt} * [ 1 - (1 + i)^{(k-n)} ] / i$$

Balance = Payoff Amount

Pmt = Monthly Payment Amount

i = monthly interest rate or (annual rate / 12)

k = number of payments already made

n = total number of payments in the loan

Note: PayOff calculates the monthly interest rate so it expects the yearly rate as input.