Example: A housing loan for $50,000 at nominal interest rate of 10% for 5 years. Fees applicable are: monthly loan administration fee of $50, loan establishment fee $2,000 and insurance handling fee $50 per annum which are spread over the term of the loan.

NRBT Annual Percentage Rate Calculator				
note: please input information in cells adjacent to blue line items only:				
Loan Amount	$50,000.00		Loan Term:	
Loan Fees	$2,000.00		Loan term (months)	60
Total Amount Financed	$52,000.00		Loan term (years)	5.00
Total Number of Payments (loan term)	60		Payment Frequency	1
Loan Interest Rate (initial)	10.00%		(enter 1 for monthly, 2 for fortnightly, 3 for weekly)	
Payments per year	12		Payments per year	12
Monthly Rate (divide by payments per year)	0.0083		Total Number of Payments (loan term)	60
			Monthly Charges:	
Monthly Payment, amount financed	($1,104.85)		Establishment fee	$0.00
Monthly Charge	($54.17)		loan administration fee	$50.00
Total Monthly Payment	($1,159.02)		Insurance handling fee	$4.17
			Other fees	$0.00
			Total monthly charges	$54.17
			Loan term (months)	60
			Total Monthly Charges (loan term)	$3,250.20
Actual Monthly Cost of Credit	0.0101		Total Monthly Charges per annum	$650.04
			Estimated Charge per payment	$54.17
Annual Percentage Rate (Cost of Credit) per annum	12.09%		Effective Cost of Credit (interest + fees & charges) per annum	$13,908.20

Instructions:
1) Loan Amount: Enter the amount financed
2) Loan Fees: Enter the loan fees (if any such as establishment fees) that are added to the amount financed
   Note: stamp duty, appraisal costs, mortgage registration or other pass through or external party fees should not be included in fees
3) Loan Interest Rate: Enter the interest rate. For adjustable rate loans, enter the

rate at the time of closing.

4) Loan Term: Enter the loan term in months. If the term is quoted in years or days, calculate the term in months. For overdraft lines of credit insert 1

5) Payment Frequency: Enter 1 for monthly, 2 for fortnightly, or 3 for weekly.

6) Monthly Charges: Enter ALL monthly fees (such as loan administration fees) that are in addition to the principal & interest payment.

   This includes other fees that are charged upfront by the bank such as establishment fee NOT added to amount financed in 2) or on an annual basis (e.g. insurance handling fee) but are spread over the term of the loan. The APR calculation will exclude third party fees such as PPSA and Insurance premium, stamp duty, mortgage registration fees etc

   e.g. If annual charge is $50 for a 5 year loan, monthly charge = (50*5)/60 = $4.17

7) Annual Percentage Rate: Once 1-6 are entered, the Annual Percentage Rate will appear. Review data input if this rate is lower than the loan interest rate, as this would definitely indicate an error in calculation.