

---

# CapInvest



*CapInvest 4.0*  
*Security Deposit Portal*

---

---

**VISH TUMU ASSOCIATES**

5624 Winterberry Court  
Dayton OH 45431 / USA  
<[vish@vishtumu.com](mailto:vish@vishtumu.com)>

Note Transaction Parameters and  
Nominal Financing Rate of 17%

Note Security Deposit of 15%

CapInvest / Deposit Transactions

Future Value True Rate Calculation Report

Transaction Details

Asset Value 100,000.00 Financing Rate 17.00% Years 3

Future Value 0 Repayment 3,515.47

Frequency Monthly Type Advance

Set Down Payment Value

15,000.00

15.00%

Set Down Payment Finance Rate

0.00%

Monthly

Deposit Future Value 15,000.00

True Rate 22.98%

Note Security Deposit Finance  
Rate of 0

Note Security Deposit Future  
Value which is the same as the  
initial value because no interest is  
payable on the deposit.

Note the True Rate of Return of 22.9%  
(as compared to the nominal rate of  
17%.) The enhanced return results from  
interest-free security deposit.


The Calculation Report Page of the Portal summarizes the Transaction as developed in the earlier phase. The True Rate of Return for the transaction is obtained from values in the bottom box, as can be observed in the report on the next page.

CapInvest / Deposit Transactions

Future Value

True Rate

Calculation Report



Transaction Details

Transaction Value	100,000.00	Transaction Type	Advance
Term (Years)	3	Period Repayment	3,515.47
Nominal Rate (%)	17.00%		
Future Value	0		
Transaction Frequency	Monthly		

Deposit Details

Deposit (%)	15.00%	Deposit Rate	0.00%
Deposit (\$)	15,000.00	Compounding Frequency	Monthly
		Down Payment Future Value	15,000.00

Transaction Wrap-Up

Net Investment in Transaction	Period Repayment	Periods	Future Value	True Rate
(85,000.00)	3,515.47	36	(15,000.00)	22.98%

<b>Deposit Transaction / True Rate of Return Calculations</b>	
Transaction Value	100,000.00
Term (Years)	3.00
Annual Rate	17.00%
Future Value	0.00
Payment Frequency	Monthly
Payment Type	Advance
Repayment Periods	36.00
Period Rate	1.42%
Transaction Repayment	3,515.47
Transaction Deposit (%)	15.00%
Transaction Deposit (\$)	15,000.00
Deposit Rate	0.00%
Compounding Frequency	Monthly
Period Rate	0.00%
Compounding Periods	36.00
Down Payment Future Value	15,000.00
Net Investment in Transaction	85,000.00
<b>True Rate of Return</b>	<b>22.98%</b>

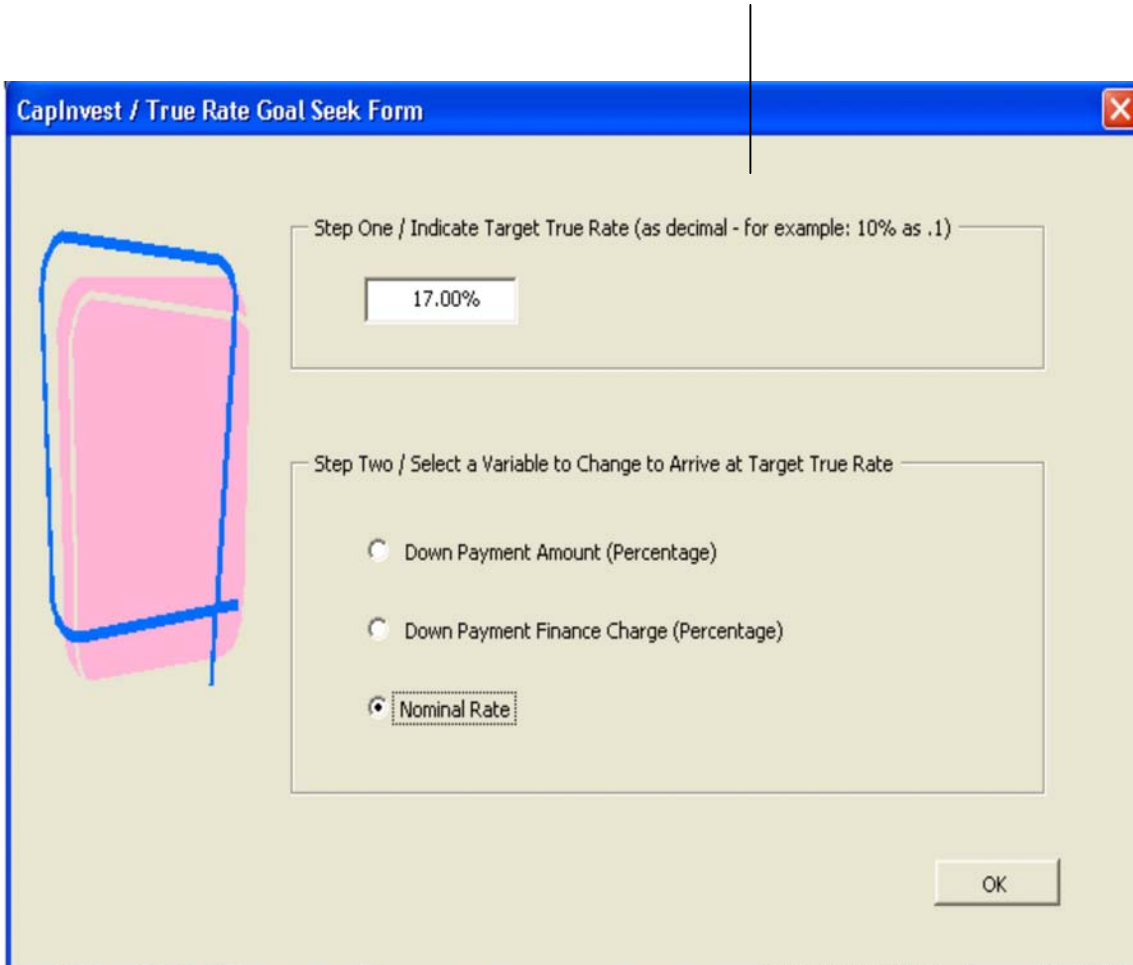
The True Rate of Return is obtained by relating the Net Investment in the Transaction (outflow of 100,000 + inflow of security deposit of 15,000. Net outflow of 85,000) to Lease Rental inflow (3,515.47 for 36 months in advance), followed by an outflow of security deposit of 15,000 in period 36 (refunding of security deposit to lessee).

Note the Parameters for Goal Seek:

Target: True Rate of 17% (presently 22.9%)

Variable to Change: Nominal Rate used in the transaction (presently 17%)

The Goal Seek function will work backwards to calculate an answer.



CapInvest / True Rate Goal Seek Form

Step One / Indicate Target True Rate (as decimal - for example: 10% as .1)

17.00%

Step Two / Select a Variable to Change to Arrive at Target True Rate

☐ Down Payment Amount (Percentage)

☐ Down Payment Finance Charge (Percentage)

☒ Nominal Rate

OK

CapInvest / Deposit Transactions

Future Value True Rate Calculation Report

Transaction Details

Asset Value Financing Rate Years Frequency

100,000.00 12.39% 3 Monthly

Future Value Repayment Type

0 3,305.95 Advance

Set Down Payment Value

15,000.00

Enter desired Percentage rate into box (decimal) or use slider to set value

15.00%

Set Down Payment Finance Rate

0.00%

Monthly

Enter desired Percentage rate into box (decimal) or use slider to set value

Deposit Future Value

15,000.00

True Rate

17.00%

Note the True Rate of Return of 17% obtained by Goal Seek. As can be observed, the nominal rate has dropped to 12.39% (from 17%). However, since the lessee places an interest-free security deposit, the True Rate of Return is 17% as set by the institution.


The Calculation Report Page of the Portal summarizes the Transaction as developed in the earlier phase. The True Rate of Return for the transaction is obtained from values in the bottom box, as can be observed in the report on the next page. As can be noted, Goal Seek has revised the figures in line with expectations: the True Rate has dropped to 17% and consequently, the nominal rate has dropped to 12.39% to yield the Target True Rate.

CapInvest / Deposit Transactions

Future Value

True Rate

Calculation Report



Transaction Details

Transaction Value	100,000.00	Transaction Type	Advance
Term (Years)	3	Period Repayment	3,305.95
Nominal Rate (%)	12.39%		
Future Value	0		
Transaction Frequency	Monthly		

Deposit Details

Deposit (%)	15.00%	Deposit Rate	0.00%
Deposit (\$)	15,000.00	Compounding Frequency	Monthly
		Down Payment Future Value	15,000.00

Transaction Wrap-Up

Net Investment in Transaction	Period Repayment	Periods	Future Value	True Rate
(85,000.00)	3,305.95	36	(15,000.00)	17.00%

<b>Deposit Transaction / True Rate of Return Calculations</b>	
Transaction Value	100,000.00
Term (Years)	3.00
Annual Rate	12.39%
Future Value	0.00
Payment Frequency	Monthly
Payment Type	Advance
Repayment Periods	36.00
Period Rate	1.03%
Transaction Repayment	3,305.95
Transaction Deposit (%)	15.00%
Transaction Deposit (\$)	15,000.00
Deposit Rate	0.00%
Compounding Frequency	Monthly
Period Rate	0.00%
Compounding Periods	36.00
Down Payment Future Value	15,000.00
Net Investment in Transaction	85,000.00
<b>True Rate of Return</b>	<b>17.00%</b>

The True Rate of Return is obtained by relating the Net Investment in the Transaction (outflow of 100,000 + inflow of security deposit of 15,000. Net outflow of 85,000) to Lease Rental inflow (3,305.95 for 36 months in advance), followed by an outflow of security deposit of 15,000 in period 36 (refunding of security deposit to lessee).