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Loan calculator

* Note to manage waste please print this document in greyscale or black and white rather than in colour. Please print on both sides of the paper (duplex) and if you can print multiple slides or pages on one page.

www.start-dsp.eu



Possible uses of the tool

- Analyse whether one loan is more convenient than another.

The ease of filling in data in the calculator allows you to quickly compare whether one loan is more convenient than another, or simply to do exercises with different amounts and interest rates.

- Consider other types of loans

Visually, the tool offers three types of viable loans for entrepreneurs. Although the first type of loan is the most common, the entrepreneur can consider the other two options if they are convenient and have access to these sources of financing

Tool 1: Startup Expenses

How can you compare the results?

Place two funding options and take a screenshot with the first one, and then with the second one. This way, you can visually compare which one is more convenient.

Amortized Loan: Paying Back a Fixed Amount Periodically

Use this calculator for basic calculations of common loan types such as [mortgages](#), [auto loans](#), [student loans](#), or [personal loans](#), or click the links for more detail on each.

Loan Amount

Loan Term

Interest Rate

Compound

Pay Back

Calculate  **Clear**



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Loan Amount

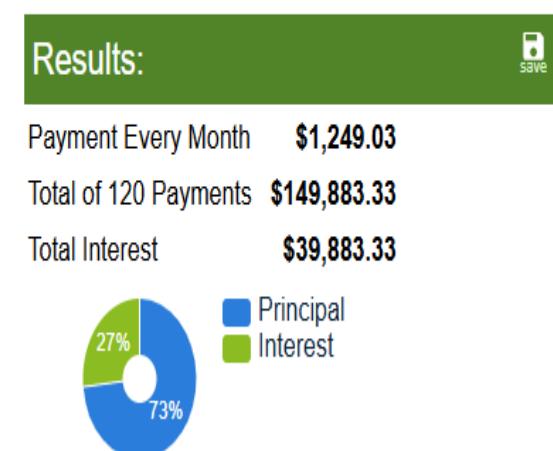
Loan Term

Interest Rate

Compound

Pay Back

Calculate  **Clear**



How can you analyse the results?

To analyze the results of the Loan Calculator, non-business faculty and students should focus on understanding the monthly payment amount, total interest cost, and repayment timeline. Begin by assessing whether the monthly payment fits within your budget or project funding—this ensures you can comfortably meet obligations without straining finances. Next, compare the total interest paid over the loan term to the principal amount; a high ratio may indicate the loan is costly and warrants reconsideration. Discuss the results with peers or instructors to evaluate alignment with your project's financial projections, such as expected revenue from a business idea or grant funds for academic research. If the numbers seem unsustainable, explore alternatives like adjusting the loan amount, seeking lower interest rates, or delaying the project. This process simplifies complex financial concepts and empowers informed, practical decisions.



Recommendation

Use the amortization table in the same calculator to help you analyze the amount of principal and interest to be paid on the loan. It is useful for analyzing the possibility of advancing principal and paying less interest.

Amortization Schedule

X

	Beginning Balance	Interest	Principal	Ending Balance
1	\$105,000.00	\$525.00	\$640.72	\$104,359.28
2	\$104,359.28	\$521.80	\$643.92	\$103,715.37
3	\$103,715.37	\$518.58	\$647.14	\$103,068.23
4	\$103,068.23	\$515.34	\$650.37	\$102,417.85
5	\$102,417.85	\$512.09	\$653.63	\$101,764.23
6	\$101,764.23	\$508.82	\$656.89	\$101,107.33
7	\$101,107.33	\$505.54	\$660.18	\$100,447.15
8	\$100,447.15	\$502.24	\$663.48	\$99,783.68
9	\$99,783.68	\$498.92	\$666.80	\$99,116.88
10	\$99,116.88	\$495.58	\$670.13	\$98,446.75
11	\$98,446.75	\$492.23	\$673.48	\$97,773.27
12	\$97,773.27	\$488.87	\$676.85	\$97,096.42

