

LoanTerm

Description: This macro calculates the period of time needed to repay a loan. You must specify the amount of the loan, the amount of the payments, the number of payments to be made per year and the annual interest rate of the loan.

Syntax

```
%Loanterm(PrinAmt, IntRate, PaymentsPerYear, PaymentAmount, MyTerm);
```

Where: ***PrinAmt*** = Principal amount borrowed.

IntRate = Interest Rate.

Years = Number of years over which you will be repaying the loan.

PaymentsPerYear = Number of payments you will make per year.

MyTerm = The calculated number of years needed to repay the loan.

Notes

The macro assumes that all installment payments will be equal. All the values must be positive and non-missing. If any of the inputted values are missing, then the term of the loan will be returned with a missing value.

The parameter for year can be expressed with a decimal value to indicate partial years. For example, 42 months can be represented as 3.5 years.

Example

Sally has two loans. The first loan is for \$5,350 and the second is for \$9,600. They both have the same interest rate, the same monthly payment and she pays \$250 per month on each. What is the term of each loan?

```
data a;  
  do PrinAmt= 5350, 9600;  
    %Loanterm(PrinAmt,11.0,12,250,MyTerm);  
    output;  
  End;  
Run;  
  
proc print data=a;  
run;
```

WPS Listing

The WPS System

Obs	Prin Amt	MyTerm
1	5350	1.9942057998
2	9600	3.9622736766