Executive findings

DRAFT / NOT REVIEWED

Illustrative matter: monthly support

Valuation date · Sep 20, 2026

PRESENT VALUE

$268,196.90

Value reconciliation	Amount
Scheduled future support	$300,000.00
Less: time-value discount	($31,803.10)
Present value	**$268,196.90**

Key assumptions	Entered case
Starting monthly support	$5,000.00
Payment term	60 payments (5 years)
Annual discount rate	4.5% (nominal)
Payment dates	Oct 20, 2026 to Sep 20, 2031
Annual payment adjustment	None

1 selected alternative: $271,495.34. See Scenario comparison for changed inputs and value differences.

Review record · Rate rationale and 1 source entry supplied. See Sources & review notes.

Fictional firm for demonstration only

Prepared by Illustrative preparer · Reference SAMPLE ONLY · Illustrative sample · Issued Sep 20, 2026

The time-value discount reflects timing and the entered rates. It is not a guaranteed saving or a recommended settlement amount.

Report contents

Select a section below or use the PDF bookmarks. Supporting calculations and the complete payment schedule follow the analysis.

Findings

Executive findings 1

Analysis

Proposed buyout 3

Rate and duration sensitivity 4

Scenario comparison 5

Payments by model year 6

Cash flow by model year 6

Discount-rate sensitivity 7

Monthly-support sensitivity 8

Payment-count sensitivity 9

Rate & monthly support sensitivity 10

Notes & scope

Sources & review notes 11

Scope & limitations 12

Appendix · calculations

Entered assumptions 13

Calculation methodology 13

Worked payment calculations 14

Phase reconciliation 14

Every-payment workpaper 15

Proposed buyout

Cash and any retained support compared with this scenario.

Measure	Value
Scenario present value	$268,196.90
Cash on valuation date	$265,000.00
Retained support present value	$0.00
Total package value	**$265,000.00**
Difference from scenario	−$3,196.90
Support replaced, at present value	$268,196.90

Retained monthly support by phase: $0.00. Dates, durations, annual adjustments, and rates are preserved. Individual replacements are disclosed in the adjustment reconciliation.

Reverse calculations

Uniform annual comparison rate: 4.992777%. This rate equates released support with the cash amount; it does not replace the entered phase rates.

Final-phase duration at the package value: 60 payments, producing $268,196.90 present value. This is the first whole-payment duration to reach the package value. Earlier phases and all other inputs remain unchanged.

This is a comparison of modeled values, not a recommended settlement.

Rate and duration sensitivity

Phase 1 (Level monthly support): 5 durations in 6-month steps. Only the final phase's duration changes; earlier phase durations are fixed. Each annual phase rate shifts by the same number of percentage points.

Final phase	−2 points	−1 point	Entered	+1 point	+2 points
48 payments	$228,164.29	$223,653.59	$219,264.72	$214,993.89	$210,837.44
54 payments	$255,115.38	$249,475.42	$244,005.53	$238,699.82	$233,552.64
60 payments	**$281,732.02**	**$274,849.94**	**$268,196.90**	**$261,764.18**	**$255,543.40**
66 payments	$308,018.36	$299,784.90	$291,851.04	$284,204.31	$276,832.81
72 payments	$333,978.51	$324,287.93	$314,979.88	$306,037.13	$297,443.24

The duration interval matches Payment-count sensitivity. Unsupported durations are omitted; unsupported rates are marked N/A. The highlighted row uses the entered duration, and its Entered column is the baseline. Defined alternatives are not probabilities or a settlement range.

Scenario comparison

Baseline and selected alternatives. Only changed inputs are listed.

Scenario / changed inputs	Present value	Change from baseline
Illustrative matter: monthly support **Baseline**	**$268,196.90**	**Baseline**
Alternative: 4.0% annual rate Annual rate: 4.5% to 4%	$271,495.34	+$3,298.44

Present value by scenario

Illustrative matter: monthly support

$268,196.90

Alternative: 4.0% annual rate

$271,495.34

Multiple input changes act together. Differences do not isolate a single cause unless the payment term is the only changed input. Scenario notes and rate rationales appear in Sources & review notes.

Payments by model year

Scheduled support and present value in consecutive groups of 12 payments.

Scheduled support is the same in all 5 model years: $60,000.00 per model year.

Cash flow by model year

Consecutive groups of 12 payments; the final group may be shorter.

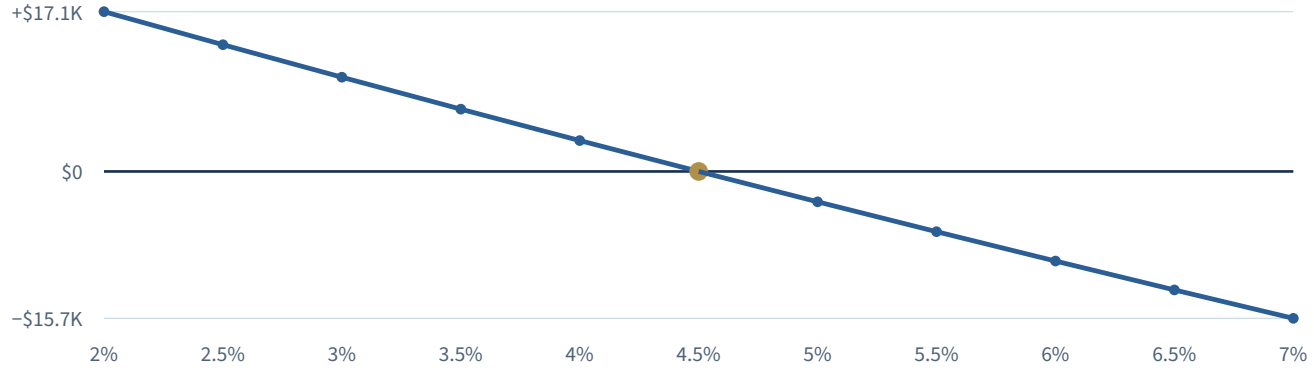
Year	Count	Scheduled support	Present value	Cumulative PV
1	12	$60,000.00	$58,562.74	$58,562.74
2	12	$60,000.00	$55,990.54	$114,553.28
3	12	$60,000.00	$53,531.32	$168,084.60
4	12	$60,000.00	$51,180.12	$219,264.72
5	12	$60,000.00	$48,932.18	$268,196.90

Total: $300,000.00 scheduled support; $268,196.90 present value. Annual totals use unrounded payments.

Discount-rate sensitivity

All other inputs stay fixed.

Change in present value from baseline (USD)



annual rate	Present value	Change from baseline	Change %
2%	$285,261.78	+$17,064.88	6.36%
2.5%	$281,732.02	+$13,535.12	5.05%
3%	$278,261.79	+$10,064.89	3.75%
3.5%	$274,849.94	+$6,653.04	2.48%
4%	$271,495.34	+$3,298.44	1.23%
4.5% **Entered**	**$268,196.90**	**$0.00**	**0.00%**
5%	$264,953.53	−$3,243.37	-1.21%
5.5%	$261,764.18	−$6,432.72	-2.40%
6%	$258,627.80	−$9,569.10	-3.57%
6.5%	$255,543.40	−$12,653.50	-4.72%
7%	$252,509.97	−$15,686.93	-5.85%

At 5%, present value is $264,953.53 and decreases by $3,243.37. The entered rate is 4.5%.

11 distinct variations are shown in steps of 0.5 percentage point. Ranges shift at supported limits. No phase is allowed a negative rate or support amount. Variations are alternative assumptions, not probabilities.

Monthly-support sensitivity

All other inputs stay fixed.

monthly support	Present value	Change from baseline	Change %
$2,500.00	$134,098.45	−$134,098.45	-50.00%
$3,000.00	$160,918.14	−$107,278.76	-40.00%
$3,500.00	$187,737.83	−$80,459.07	-30.00%
$4,000.00	$214,557.52	−$53,639.38	-20.00%
$4,500.00	$241,377.21	−$26,819.69	-10.00%
$5,000.00 Entered	**$268,196.90**	**$0.00**	**0.00%**
$5,500.00	$295,016.59	+$26,819.69	10.00%
$6,000.00	$321,836.28	+$53,639.38	20.00%
$6,500.00	$348,655.97	+$80,459.07	30.00%
$7,000.00	$375,475.66	+$107,278.76	40.00%
$7,500.00	$402,295.35	+$134,098.45	50.00%

At $5,500.00 in starting monthly support, present value is $295,016.59 and increases by $26,819.69. Starting support rises by $500 in this case; annual adjustments stay fixed.

11 distinct variations are shown in $500 steps. Ranges shift at supported limits. No phase is allowed a negative rate or support amount. Variations are alternative assumptions, not probabilities.

Payment-count sensitivity

Phase 1 (Level monthly support): 11 variations in 6-month steps, centered on the entered 60 payments. Only the final phase's payment count changes. Earlier phases, support amounts, discount rates, timing, and annual adjustments stay fixed.

Payment count	Final payment	Scheduled total	Present value	PV change	Change %
30 payments 2 years, 6 months	Mar 20, 2029	$150,000.00	$141,619.48	−$126,577.42	-47.20%
36 payments 3 years	Sep 20, 2029	$180,000.00	$168,084.60	−$100,112.30	-37.33%
42 payments 3 years, 6 months	Mar 20, 2030	$210,000.00	$193,962.00	−$74,234.90	-27.68%
48 payments 4 years	Sep 20, 2030	$240,000.00	$219,264.72	−$48,932.18	-18.24%
54 payments 4 years, 6 months	Mar 20, 2031	$270,000.00	$244,005.53	−$24,191.37	-9.02%
60 payments 5 years Entered baseline	**Sep 20, 2031**	**$300,000.00**	**$268,196.90**	**$0.00**	**0.00%**
66 payments 5 years, 6 months	Mar 20, 2032	$330,000.00	$291,851.04	+$23,654.14	8.82%
72 payments 6 years	Sep 20, 2032	$360,000.00	$314,979.88	+$46,782.98	17.44%
78 payments 6 years, 6 months	Mar 20, 2033	$390,000.00	$337,595.08	+$69,398.18	25.88%
84 payments 7 years	Sep 20, 2033	$420,000.00	$359,708.06	+$91,511.15	34.12%
90 payments 7 years, 6 months	Mar 20, 2034	$450,000.00	$381,329.95	+$113,133.05	42.18%

Present value is recalculated from each complete payment schedule, including annual adjustments and payment dates. Scheduled totals are undiscounted. Changes use the entered baseline and unrounded values; currency is displayed to cents. Percentage change is not applicable when baseline present value is zero.

Each phase allows 1–600 monthly payments, with 720 across the complete schedule. These are alternative assumptions, not probabilities or a settlement range.

Rate & monthly support sensitivity

5 discount rates spaced 0.5 percentage point apart × 11 monthly amounts in $500 steps.
Each result is gross present value. The highlighted cell uses the entered assumptions.

Monthly support	Annual discount rate **3.5%**	**4%**	**4.5%** Entered	**5%**	**5.5%**
$2,500	$137,425	$135,748	$134,098	$132,477	$130,882
$3,000	$164,910	$162,897	$160,918	$158,972	$157,059
$3,500	$192,395	$190,047	$187,738	$185,467	$183,235
$4,000	$219,880	$217,196	$214,558	$211,963	$209,411
$4,500	$247,365	$244,346	$241,377	$238,458	$235,588
$5,000 Entered support	$274,850	$271,495	**$268,197**	$264,954	$261,764
$5,500	$302,335	$298,645	$295,017	$291,449	$287,941
$6,000	$329,820	$325,794	$321,836	$317,944	$314,117
$6,500	$357,305	$352,944	$348,656	$344,440	$340,293
$7,000	$384,790	$380,093	$375,476	$370,935	$366,470
$7,500	$412,275	$407,243	$402,295	$397,430	$392,646

Present values are rounded to whole dollars. All other inputs stay fixed.
These are alternative assumptions, not a probability range.

Sources & review notes

A record of supplied support for the assumptions and the preparer's review status.

Preparer commentary

These sample outputs demonstrate the application. The baseline assumes every entered payment is made. The alternative changes only the annual rate from 4.5% to 4.0%. Neither rate is a recommendation. Expert adds a fictional $265,000 full-buyout proposal with no retained monthly support. The firm identity shown is fictional.

Discount-rate rationale

Illustrative 4.5% nominal annual rate, compounded monthly. Selected to demonstrate the software, not as a recommended or market-supported rate.

Matter notes

Fictional matter for demonstration only. All amounts, terms, sources, and proposals are illustrative. No real clients or instruments are represented. No independent professional review has been performed.

Alternative: 4.0% annual rate · alternative documentation

Rate rationale

Illustrative alternative rate used only to show a comparison. All other baseline inputs are unchanged.

Notes

Fictional matter for demonstration only. All amounts, terms, sources, and proposals are illustrative. No real clients or instruments are represented. No independent professional review has been performed.

Illustrative payment assumptions

Not marked reviewed · Source date: 2026-09-20

Fictional inputs: $5,000 each month for 60 payments at a 4.5% nominal annual rate. There is no underlying order, agreement, or client record.

This report is a draft and has not been marked reviewed by the preparer.

Sources & review notes

Continued

Scope & limitations

The report values the entered regular monthly payment schedule. It does not determine the amount or duration of support owed, recommend settlement terms, or determine the legal effect of a buyout.

Every modeled payment is assumed to be made. Death, remarriage, modification, cohabitation, collection risk, and investment outcomes are not probability-weighted. Arrears, irregular payment dates, property transfers, and lump-sum tax treatment are outside this calculation.

Sensitivity results are defined alternatives, not a confidence interval, forecast, or recommended settlement range. Scenario comparisons may vary several assumptions together. Source entries and review labels are supplied by the preparer.

The report is generated from a frozen set of entered assumptions. Subsequent changes to the calculator do not update this PDF. Retain the report and its matter backup together.

Calculation model: SB-PV 5.0. Report format: SB-REPORT 3.2. Report identifier: SAMPLE-EXPERT-FULL.

Entered assumptions

Exact inputs used throughout the report.

Shared setting	Entered value
Valuation date	Sep 20, 2026
Rate convention	Nominal annual rate with monthly compounding
First payment	One month after the valuation date
Support tax illustration	Not included

Phase 1 · Level monthly support

Monthly support: $5,000.00. Term: 60 payments (5 years). Annual rate: 4.5%. Annual adjustment: none.

Payments 1–60; Oct 20, 2026 to Sep 20, 2031.

Calculation methodology

The same regular monthly present-value model is used in every exhibit.

Present value = sum of payment(k) ÷ (1 + monthly discount rate)^k.

Period k begins at 1 for a first payment in one month, or 0 for payment on the valuation date. It counts from the common valuation date and does not restart at phase changes.

Monthly rate = annual percentage ÷ 1,200 (nominal convention).

Phase	Entered annual rate	Monthly rate used
1	4.5%	0.375%

Scheduled payment = phase starting amount × (1 + annual adjustment / 100)^floor((payment within phase − 1) / 12). Adjustments begin at payment 13 of each phase. Phase rates apply to their own payments; they are not chained forward rates.

Individual payment replacements apply after annual escalation and remain fixed in dollars. They replace one installment only. Present values use the effective payments. Amount sensitivity varies ordinary phase amounts while replacements stay fixed. Duration trials exclude adjustments outside the trial term and never repeat one-time adjustments. Dates remain regular monthly anniversaries; arbitrary dates and arrears are not modeled.

Dates follow monthly valuation-day anniversaries, clamped to month end. Discounting uses equal monthly periods, not actual days. Totals use unrounded values; displayed currency is rounded to cents unless labeled as whole dollars.

Worked payment calculations

Actual payments selected from this scenario, with the inputs and calculation steps exposed.

Payment 1 · Oct 20, 2026

Phase 1; payment 1 within this phase. No annual adjustment; payment amount is unchanged.

1. Scheduled amount = $5,000.00 × (1 + 0/100)^0 = $5,000.00.

2. Monthly discount rate = 0.00375000000000 (decimal). Elapsed discount periods k = 1.

3. Discount factor = (1 + 0.00375000000000)^(-1) = 0.996264009963.

4. Present value = effective payment amount × unrounded discount factor = $4,981.32.

Payment 60 · Sep 20, 2031

Phase 1; payment 60 within this phase. No annual adjustment; payment amount is unchanged.

1. Scheduled amount = $5,000.00 × (1 + 0/100)^4 = $5,000.00.

2. Monthly discount rate = 0.00375000000000 (decimal). Elapsed discount periods k = 60.

3. Discount factor = (1 + 0.00375000000000)^(-60) = 0.798852323681.

4. Present value = effective payment amount × unrounded discount factor = $3,994.26.

Intermediate figures above are displayed to a limited precision; the engine retains unrounded values. The complete payment workpaper shows the full sequence.

Phase reconciliation

Reconcile each phase's contribution with the full payment schedule.

Reconciliation	Scheduled support	Present value
Sum of payment phases	$300,000.00	$268,196.90
Sum of model years	$300,000.00	$268,196.90
Sum of individual payments	$300,000.00	$268,196.90
Report total	**$300,000.00**	**$268,196.90**

Scheduled support less present value equals $31,803.10. Totals use unrounded calculations. Adding displayed cents can produce a small rounding difference.

Every-payment workpaper

Each scheduled payment appears once. Period k is measured from the common valuation date; rates are documented in Entered assumptions.

No.	Due date	Phase	Period k	Scheduled support	Discount factor	Present value
1	2026-10-20	1	1	$5,000.00	0.996264010	$4,981.32
2	2026-11-20	1	2	$5,000.00	0.992541978	$4,962.71
3	2026-12-20	1	3	$5,000.00	0.988833851	$4,944.17
4	2027-01-20	1	4	$5,000.00	0.985139577	$4,925.70
5	2027-02-20	1	5	$5,000.00	0.981459106	$4,907.30
6	2027-03-20	1	6	$5,000.00	0.977792384	$4,888.96
7	2027-04-20	1	7	$5,000.00	0.974139362	$4,870.70
8	2027-05-20	1	8	$5,000.00	0.970499987	$4,852.50
9	2027-06-20	1	9	$5,000.00	0.966874208	$4,834.37
10	2027-07-20	1	10	$5,000.00	0.963261976	$4,816.31
11	2027-08-20	1	11	$5,000.00	0.959663239	$4,798.32
12	2027-09-20	1	12	$5,000.00	0.956077946	$4,780.39
13	2027-10-20	1	13	$5,000.00	0.952506049	$4,762.53
14	2027-11-20	1	14	$5,000.00	0.948947496	$4,744.74
15	2027-12-20	1	15	$5,000.00	0.945402237	$4,727.01
16	2028-01-20	1	16	$5,000.00	0.941870224	$4,709.35
17	2028-02-20	1	17	$5,000.00	0.938351406	$4,691.76
18	2028-03-20	1	18	$5,000.00	0.934845735	$4,674.23
19	2028-04-20	1	19	$5,000.00	0.931353160	$4,656.77
20	2028-05-20	1	20	$5,000.00	0.927873634	$4,639.37

Carried forward through payment 20: scheduled support $100,000.00; present value $96,168.49.

Every-payment workpaper

Continued

Brought forward: scheduled support $100,000.00; present value $96,168.49.

No.	Due date	Phase	Period k	Scheduled support	Discount factor	Present value
21	2028-06-20	1	21	$5,000.00	0.924407107	$4,622.04
22	2028-07-20	1	22	$5,000.00	0.920953532	$4,604.77
23	2028-08-20	1	23	$5,000.00	0.917512859	$4,587.56
24	2028-09-20	1	24	$5,000.00	0.914085040	$4,570.43
25	2028-10-20	1	25	$5,000.00	0.910670027	$4,553.35
26	2028-11-20	1	26	$5,000.00	0.907267773	$4,536.34
27	2028-12-20	1	27	$5,000.00	0.903878230	$4,519.39
28	2029-01-20	1	28	$5,000.00	0.900501349	$4,502.51
29	2029-02-20	1	29	$5,000.00	0.897137085	$4,485.69
30	2029-03-20	1	30	$5,000.00	0.893785390	$4,468.93
31	2029-04-20	1	31	$5,000.00	0.890446217	$4,452.23
32	2029-05-20	1	32	$5,000.00	0.887119519	$4,435.60
33	2029-06-20	1	33	$5,000.00	0.883805249	$4,419.03
34	2029-07-20	1	34	$5,000.00	0.880503361	$4,402.52
35	2029-08-20	1	35	$5,000.00	0.877213810	$4,386.07
36	2029-09-20	1	36	$5,000.00	0.873936548	$4,369.68
37	2029-10-20	1	37	$5,000.00	0.870671529	$4,353.36
38	2029-11-20	1	38	$5,000.00	0.867418709	$4,337.09
39	2029-12-20	1	39	$5,000.00	0.864178041	$4,320.89
40	2030-01-20	1	40	$5,000.00	0.860949481	$4,304.75

Carried forward through payment 40: scheduled support $200,000.00; present value $185,400.69.

Every-payment workpaper

Continued

Brought forward: scheduled support $200,000.00; present value $185,400.69.

No.	Due date	Phase	Period k	Scheduled support	Discount factor	Present value
41	2030-02-20	1	41	$5,000.00	0.857732982	$4,288.66
42	2030-03-20	1	42	$5,000.00	0.854528500	$4,272.64
43	2030-04-20	1	43	$5,000.00	0.851335990	$4,256.68
44	2030-05-20	1	44	$5,000.00	0.848155408	$4,240.78
45	2030-06-20	1	45	$5,000.00	0.844986707	$4,224.93
46	2030-07-20	1	46	$5,000.00	0.841829846	$4,209.15
47	2030-08-20	1	47	$5,000.00	0.838684778	$4,193.42
48	2030-09-20	1	48	$5,000.00	0.835551460	$4,177.76
49	2030-10-20	1	49	$5,000.00	0.832429848	$4,162.15
50	2030-11-20	1	50	$5,000.00	0.829319898	$4,146.60
51	2030-12-20	1	51	$5,000.00	0.826221567	$4,131.11
52	2031-01-20	1	52	$5,000.00	0.823134812	$4,115.67
53	2031-02-20	1	53	$5,000.00	0.820059588	$4,100.30
54	2031-03-20	1	54	$5,000.00	0.816995854	$4,084.98
55	2031-04-20	1	55	$5,000.00	0.813943565	$4,069.72
56	2031-05-20	1	56	$5,000.00	0.810902680	$4,054.51
57	2031-06-20	1	57	$5,000.00	0.807873156	$4,039.37
58	2031-07-20	1	58	$5,000.00	0.804854950	$4,024.27
59	2031-08-20	1	59	$5,000.00	0.801848020	$4,009.24
60	2031-09-20	1	60	$5,000.00	0.798852324	$3,994.26

Rounding reconciliation	Scheduled support	Present value
Sum of displayed rows	$300,000.00	$268,196.94
Rounding adjustment	$0.00	−$0.04
Report total (unrounded calculation)	**$300,000.00**	**$268,196.90**