

## Desking Terminology

Item	Definition
ACV (Actual Cash Value)	The Actual Cash Value of a trade-in vehicle. This value approximates the vehicle's value at auction.
Advanced Payments	This represents the number of advanced payments the customer wishes to make. If the term is 48 months and the customer make two advanced payments they would only have 46 left to make.
Amount Financed	The total amount funded by the lending institution on a loan.
APR (Annual Percentage Rate)	The annual rate that is charged for borrowing, expressed as a single percentage number that represents the actual yearly cost of funds over the term of a loan.
Capitalized Cost (Leasing only)	The capitalized cost is a key figure in your lease. It's the amount of the car's value you are actually financing during the term of the lease. As a result, it is one of the main drivers of your monthly lease payment, along with your interest rate. The capitalized cost is also called the cap cost. When modified by any rebates, incentives or discounts, it's called the net cap cost or adjusted capitalized cost.
Capitalized Cost Reduction	A reduction in the total amount funded by the lending institution on a lease transaction. Also commonly referred to as down payment or a trade in value.
Deal Summary	A printable form in DM Desking that provides the business office with a summary of the agreed upon deal with the customer.
Dealer Cost	The actual cost of a vehicle. On New Cars, this is also often referred to as "Invoice" - the amount for which the dealer was originally "invoiced" by the manufacturer. Dealer Cost may also include additional monetary items designed to cover additional costs associated with having a vehicle in inventory.
Destination Charge (Freight)	The fee charged for transporting the vehicle to the dealer from the manufacturer or port of entry.
Down Payment (Cash Down)	An amount that is paid up front to reduce the amount borrowed.
Due on Delivery	The fees paid upfront by the buyer at lease inception. Due on Delivery fees can include First Monthly Payment, Security Deposit, Registration Fees, Documentation Fees, Taxes and Other Fees.
Excess Mileage	A fee charged for exceeding the standard mileage limits on a lease.
Gross Capitalized Cost	The total amount of a lease transaction before a down payment.
Incentives	Incentives are cash rebates, financing offers and leasing deals offered by manufacturers and also lenders, which can reduce the selling price of the vehicle.
Lien	Liens are any monies owed on trades associated with the current deal.
Mileage Allowance	The maximum number of annual kms/miles a lending institution allows without penalty.
Mileage Allowance (Custom)	When in the desking screen a user can enter in a custom mileage by simply clicking on the mileage drop down and selecting custom. When custom is selected the excess mileage, popup will display and the user can enter in a Custom mileage in the Mileage Per Year box, Upfront Fee and save. When the popup closes the custom mileage will display and will also update the Payments, DOD and LEV. The system will only allow a user to enter custom mileages when they're able. Most times you must exceed the existing mileage allowances first to create a custom. I.e. 25,000 km a year would be available since it exceeds 24,000 kms, but 23,000 kms a year wouldn't be allowed.

Money Factor	The number that is used to calculate the interest portion of a level yield lease transaction. APR / 2400
MSRP (Manufacturers Suggested Retail Price)	Manufacturer's Suggested Retail Price. It represents the manufacturer's recommended selling price for a vehicle and each of its options. Also known as "Sticker Price"
Negative Equity	The amount owed on a trade that exceeds the trade's actual cash value. This is often referred to as "up-side down"
Price Adjustment	In DM you can add an adjustment, which will decrease the selling price. All adjustments are pre-tax, so will save the customer on tax.
Reserves	This is the calculated net amount paid by the lender to the dealer as a commission when the finance or lease rate has been marked-up above the "buy rate" to the consumer. The calculation is the Reserve amount multiplied by the rate participation percentage.
Residual Value	An estimated value of a vehicle at the end of a lease. The residual value is important for two reasons: The depreciation amount between your car's current value and residual value is used to calculate a portion of your monthly payments. It also determines how much you will pay if you buy your car at the end of your lease.
Roll Payment	When a customer's desired payment is below what their current payment is at in the deal a Desk Manager will attempt to roll the payment. The desk manager has the option to roll the payment to one of three fields that would adjust in order to lower the payment to the desired amount. I.e. Trade value, Gross or Selling price.
Security Deposit	Multiple security deposits offer a rate reduction for each deposit up to the maximum number of deposits or iterations. Security deposits are refundable at the end of the lease and can save you money throughout the lease since your rate is reduced by each iteration.
Term	The term represents the length of the loan or lease.
Total Gross	Gross profit refers to the amount of profit over and above the cost a dealer pays for a vehicle. In a gross profit sales model, the amount of profit retained by the salesman is essential for business survival. Salesmen are often paid a percentage of the profit they retain, thus earning higher commission checks by not lowering the price of the vehicle by too much.
Trade Pay Off	Lease or loan balance of the vehicle being traded in.
Trade Allowance	The amount the dealer is paying for a traded in vehicle. This amount often differs from, but does not alter, Actual Cash Value.
VIN (Vehicle Identification Number)	An alpha-numeric identifier assigned to the vehicle by the manufacturer. Each number is unique and appears on the vehicle's registration and title.
Worksheet	In DealerMine a worksheet is a customer discovery that captures their media source, traffic type, vehicle interest, contact information, trade, also while adding to the Desk Log. The worksheet can be printed to present payment options to a customer.