

Pages 375,376: 9. Simple Interest

- 2) a) 148 days b) 145 days 4) a) 152 days b) 151 days 6) a) \$164.91 b) \$163.40 c) \$167.20 8) a) \$78.49 b) \$79.80 c) \$79.80
 10) P = \$4,562.5 12) R = 19% 14) T = 81 days (rounded) 16) P = \$6,935
 18) R = 21% 20) T = 75 days (rounded)

Pages 399,400: 10. Bank Discount Loans

- 2) Bank discount = \$240.14; Net proceeds = \$6,759.86 4) Bank discount = \$18.70; Net proceeds = \$1,181.30
 6) Bank discount = \$56.48; Net proceeds = \$2,543.52 8) MV = \$4,680; Bank discount = \$128.70; Net proceeds = \$4,551.30
 10) MV = \$1,668; Bank discount = \$36.97; Net proceeds = \$1,631.03 12) MV = \$5,150; Bank discount = \$116.88; Net proceeds = \$5,033.12
 14) MV = \$1,563.75; Bank discount = \$39.75; Net proceeds = \$1,524

Pages 429,430: 11. More Complex Loans

- 2) Total installment cost = \$12,090; Finance charge = \$2,440; Loan amount = \$8,900; APR = 17.8%; APR = 16.5% from table
 4) Total installment cost = \$2,121.50; Finance charge = \$196.50; Loan amount = \$1,500; APR = 16.5%; APR = 16% from table
 6) Finance charge rebate = \$164.86
 8) Finance charge rebate = \$41.37
 10) Average daily balance = \$902.07; Finance charge = \$11.28; New balance = \$1,028.28

Pages 455,456: 12. Compound Interest and Present Value

- 2) MV = \$4,720.98 4) MV = \$5,326.62 6) MV = \$4,724.39 8) MV = \$2,946.41 10) MV = \$3,221.79
 12) Effective rate = 5.654% 14) Effective rate = 8.243% 16) PV = \$1,696.00 18) PV = \$2,217.96 20) PV = 3,699.82

Pages 491,492: 13. Investments

- 2) \$10,026.74 4) \$8334.76 6) \$21,255.46 8) \$9143.03 10) \$146.93 12) \$954.06 14) \$634.16
 16) Total dividend = \$1,197 18) Total dividend = \$397.60 20) Additional shares = 30
 22) Annual interest = \$111.25; Semiannual payment = \$55.63 24) Current yield = 16.14%

Pages 513,514: 14. Real Estate Mathematics

- 2) Monthly payment = \$1,440.20 4) #1 Monthly payment = \$1,046.03
 6) Monthly payment = \$1,290.24 8) Monthly payment = \$2,369.75 10) Points = 4 12) Points = 6
 Total interest = \$184,657.60 Total interest = \$485,925 Discount Amount = \$3,800 Discount amount = \$5,520

- 14) Monthly payment = \$3,360.47

#1 interest = \$2,800

#2 interest = \$2,794.40

Payment#	Principal	P & I Payment	Interest Payment	Principal Payment
1	\$280,000	\$3360.47	\$2800	\$560.47
2	\$279,439.53	\$3360.47	\$2794.40	\$566.07

- 16) Monthly payment = \$1599.89

1st interest = \$1420.83

2nd interest = \$1419.19

3rd interest = \$1417.54

Payment#	Principal	P & I Payment	Interest Payment	Principal Payment
1	\$155,000	\$1599.89	\$1420.83	\$179.06
2	\$154,820.94	\$1599.89	\$1419.19	\$180.70
3	\$154,640.25	\$1599.89	\$1417.54	\$182.35

- 18) a) \$52,250 b) \$1,227.88 20) a) \$41,370 b) \$1075.62