CONSUMER ARITHMETIC TEST	BRIGIDINE - MAR-07
The state of the s	NAME:-
Mary borrowed \$2500 from her grandmother to go on a French class trip to New Caledonia. Her grandmother said:	WORKING SPACE
'This is the deal: pay me back everything in three years' time. I want 4% per annum simple interest'.	
How much did Mary have to pay back altogether?	
	V
Pauline paid \$450 simple interest to borrow \$20 000. The interest rate was 6% p.a. For what time period did she borrow the money?	
Hamish borrowed \$5000 for 3 years. He paid	
\$1650 simple interest. What was the rate of interest per annum?	
4 Use the simple interest formula to work out:	V.
a What amount, when invested for 3 years at 8% per year, yields simple interest of \$576?	¥.
Calculate the loss in value over a 5-year period of a printing press that is worth \$660 000 when new and that depreciates at 12% per annum.	
	•
Alphabank offers an account where compound interest is calculated every six months. The interest rate is 5% per annum.	,
Betabank also pays 5% compound interest. It is calculated yearly.	
A customer has \$4000 to invest over a period of 5 years. How much extra money will they make if they decide to invest with Alphabank instead of Betabank?	

A yacht is advertised for sale at \$85 finance offered as in this advertisem	000 with ent:	- -		-Woi	ŖKIN Ģ	SPACE	a.	٠.
*12% p.a. reducible interest. Eas repayments of \$1680 over a 6-ye	sy monthly ear period.		· · · · · ·	-		*		
a Calculate the total repayments.					•	•.	•	
							•	
b Calculate the total amount of inter	rest paid.							
	-							
	•					•		•
c What is the equivalent flat interest		 	-	<u>. </u>	<u> </u>	X.		
this loan?	rate for		•	•	٠			
	,							
					,			
Homedoans are usually expressed with a						•	٠	
interespraces and monthly repayments the leaders will bully let homeowners borrow			-	. 4		,•		
to 80% or 90% of the value of the house. This table gives monthly repayments:	io the		,					
sicar st dollar for different inferestrates terms for alloan amount of \$1,00,000;	agdioans	T T					: •	
Interest Term of Joan								·
15 years 20 years 23	707		- · •					
\$2,577.7 \$ \$9.77 \$ \$8.66 \$ 4	739							
\$756 \$8866 \$3 \$7852 \$5855 \$\$686 \$3	805 = 1			•	•		f	
\$1014 \$900 \$	839				•	,		
Lendifferent loan amounts the repayment of the sepayment	entsare lyments							,
on a John of \$200 000 would be twice as n hose in the fable					£-			
				••	•		•	
What is the monthly payment for a loan \$100 000 taken over 20 years at an inter	of rest rate							
of 8.5%?				•	•			
Carol can afford monthly repayments of u of her monthly gross income. She earns \$9	up to 30% 93 000 p.a.							
a . What is Carol's monthly gross income?	· <u>·</u>							
b What is the largest monthly repayme can afford?	nt she							
c What is the most she can borrow for	a home	٠.						
loan at a 9% interest rate over a 25-ye period? Give your answer correct to the nearest thousand dollars.	ear he	,						•

CONSUMER ARITHMETIC LEST	DRIGIDINE - MAR - OT
Mary borrowed \$2500 from her grandmother to go on a French class trip to New Caledonia. Her grandmother said: 'This is the deal: pay me back everything in three years' time. I want 4% per annum simple interest'. How much did Mary have to pay back altogether? CAN NOW GO POW MOUR	NAME: - MAGING WALLING WORKING SPACE .04 x \$2500 × 3 = \$300 \$2500 + \$300 - \$2800 /
Pauline paid \$450 simple interest to borrow \$20 000. The interest rate was 6% p.a. For what time period did she borrow the money? Siz DOVERCE LE	$06 \times 20000 \times x = 5450$ $12002 = 5450$ $2c = 4 = 4$ monto
Hamish borrowed \$5000 for 3 years. He paid \$1650 simple interest. What was the rate of interest per annum? The interest per company. Was 1170.	5000 xx x3=1650 100 15000x=165000 x=1196
Use the simple interest formula to work out: a What amount, when invested for 3 years at 8% per year, yields simple interest of \$576? P2400 per year. Hilds circulation interest.	108×32=576 -242=5576 -242=5576
Calculate the loss in value over a 5-year period of/a printing press that is worth \$660 000 when new and that depreciates at 12% per annum. The loss in Value word of 5311 696 94.	\$660 000 (1-x12)? = \$348 303.10/ \$660 000 - \$348 303.10 = \$311696.94
Alphabank offers an account where compound interest is calculated every six months. The interest rate is 5% per annum. Betabank also pays 5% compound interest. It is calculated yearly. A customer has \$4000 to invest over a period of 5 years. How much extra money will they make if they decide to invest with Alphabank instead of Betabank? Thus will make the extra to the property of the compound interest. It is calculated yearly.	Alphabank= \$4000 (1+.05)10 = \$5120.34/ Beta bank= \$4000 (1.05)5/ =\$5105.13 Saving -\$5120.39-\$5105.13

	A yacnt is advertised for sale at \$85 000 with finance offered as in this advertisement:	WORKING SPACE
	*12% p.a. reducible interest. Easy monthly repayments of \$1680 over a 6-year period.	(AK30×10×6)
· •	Calculate the total repayments. 5120960 as the amount of total repulsivent.	= \$10647480 \$1680×12×6 = \$120960
d.	Calculate the total amount of interest paid. Total amount Of cultivest faid. \$35 960.	\$120 960 \$35 960
. د 	What is the equivalent flat interest rate for this loan? TOSTO EQUILLOST Stock VIII CHARLEST	\$35960= 685000 x6x 2
Hon hter endi o 80 = 11	ic loans are usually expressed with reducible estrates and monthly repayments. Most *ii. Fra will only ler home owners borrow up. Wor 90% on the value of the house. Inistable gives monthly repayments to the second of the se	\$3596000 = \$500000c
	Stor a loan amount of \$100,000. Cerest Ferm of foan 18 Fafe 15 years 20 years 25 years 7.57 \$89.9 \$777. \$5707. 7.57 \$977 \$806 \$739.	
rop n a	\$1014 \$200 \$819. Disclider entries are removed as a second of the repayments are presented from the repayments. The repayments are presented as a second of the rable of the	*
\$1	hat is the monthly payment for a loan of 00 000 taken over 20 years at an interest rate 8.5%?	
. Ot	wrol can afford monthly repayments of up to 30% her monthly gross income. She earns \$93 000 p.a. What is Carol's monthly gross income? 457150 What is the largest monthly repayment she can afford?	\$93000+12 =\$7750/
С	What is the most she can borrow for a home loan at a 9% interest rate over a 25-year period? Give your answer correct to the nearest thousand dollars	\$839×300 = \$252000