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**Note: You will only be allowed to submit this test one time. Your score will be averaged in your overall course grade and you will not be able to submit this test again.**

1 of 25
Julio buys a bike which has a cash price of $250. He agrees to take a one year loan for the entire amount at 27%, payable in 12 installments. After 8 of the 12 payments, he gets some birthday money and decides to pay off his loan. Find the unpaid balance.
- ○ $90.83
- ○ $159.17
- ○ $88.72
- ○ $288.00

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Find the actual interest rate paid, to the nearest tenth, on the simple discount note.

$4800; discount rate 5%; length of loan 9 mo
- ○ 4.2%
- ○ 5.2%
- ○ 7.2%
- ○ 6.2%

3 of 25
Find the present value of the ordinary annuity.

Payments of $89 made quarterly for 10 years at 8% compounded quarterly.
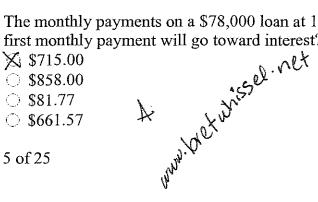- ○ $873.09
- ○ $873.82
- ○ $2394.33
- ○ $2450.66

4 of 25
Use an amortization table to solve the problem. Round to the nearest cent.

The monthly payments on a $78,000 loan at 11% annual interest are $743.34. How much of the first monthly payment will go toward interest?
- ☒ $715.00
- ○ $858.00
- ○ $81.77
- ○ $661.57

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Solve the problem. Round to the nearest cent.

Nora Oretega's savings account has a balance of $3544. After 4 years what will the amount of interest be at 11% compounded semiannually?
- ○ $3898.40
- ○ $1894.93
- ○ $1885.93
- ○ $1899.93

Find the payment necessary to amortize the loan.

$12,100; 12% compounded monthly; 48 monthly payments
- ○ $313.57
- ✗ $318.64
- ○ $1458.32
- ○ $318.87

Find the value.

$$S_{\overline{19}|0.02}$$

- ○ 24.297
- ○ 21.412
- ○ 72.841
- ○ 22.841

Find the indicated term of the geometric sequence.

a = 1/3, r = 1/2; Find the 6th term.
- ○ 1/36
- ○ 1/48
- ○ 1/96
- ○ 1/32

Find the present value of the future amount. Assume 365 days in a year. Round to the nearest cent.

$15,000 for 110 days; money earns 8%
- ○ $13,888.89
- ○ $353.13
- ○ $14,646.87

○ $14,650.01

Find the proceeds. Assume 365 days in a year. Round to the nearest cent.

$20,000; discount rate 7%; length of loan 4 months
○ $18,600.00
○ $466.67
○ $19,533.33
○ $19,650.00

Anne purchased a bond for a museum valued at $8000 for $2400. If the bond pays 5.5% annual interest compounded monthly, how long must she hold it until it reaches its full face value?
○ 23.94 years
○ 21.94 years
○ 19.94 years
○ 20.94 years

The Habers purchase a $6500 living room set and take out a two year loan for the entire amount at 26% with monthly payments. After 14 of 24 installments they decide to pay it off. How much do they save in interest? How much is needed to pay the balance of the loan?
○ $383.53, $3118.27
○ $350.18, $8404.32
○ $1520.79, $3381.73
○ $1904.32, $4902.52

Find the present value of the ordinary annuity.

Payments of $490 made annually for 13 years at 6% compounded annually.
○ $4336.26
○ $4554.55
○ $4108.06
○ $4337.82

Find the exact interest. Use 365 days in a year, and use the exact number of days in a month. Round to the nearest cent, if necessary.

$1300 at 10% for 114 days
○ $4.06
○ $41.17
○ $4.12
○ $40.60

Find the amount that should be invested now to accumulate the following amount, if the money is compounded as indicated.

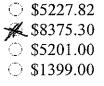$2500 at 7% compounded annually for 12 yr
- ○ $1187.73
- ✗ $5630.48
- ○ $1110.03
- ○ $1389.97

Find the amount that should be invested now to accumulate the following amount, if the money is compounded as indicated.

$6600 at 6% compounded quarterly for 4 yr
- ○ $5227.82
- ✗ $8375.30
- ○ $5201.00
- ○ $1399.00

Find the compound interest earned by the deposit. Round to the nearest cent.

$3000 at 12% compounded semiannually for 10 years
- ○ $2372.54
- ○ $6621.41
- ○ $3600.00
- ○ $6317.54

A note with a face value of $2400 was discounted at 12%. If the discount was $95 find the length of the loan in days.
- ○ 119 days
- ○ 120 days
- ○ 90 days
- ○ 150 days

Gretta wants to retire in 13 years. At that time she wants to be able to withdraw $12,500 at the end of each 6 months for 14 years. Assume that money can be deposited at 12% per year compounded semiannually. What exact amount will Gretta need in 13 years?
- ○ $169,884.00
- ○ $167,577.00
- ○ $249,089.63
- ○ $165,131.63

Find the effective rate corresponding to the given nominal rate. Round results to the nearest 0.01 percentage points.

15% compounded quarterly
○ 15.56%
○ 15.87%
○ 15.00%
○ 16.08%

Lou has an account with $10,000 which pays 8% interest compounded annually. If to that account, Lou deposits $5000 at the end of each year for 4 years find out the amount in the account after the last deposit.
○ $36,135.45
○ $22,530.56
○ $35,730.56
○ $32,530.56

Find the value.

$$a_{\overline{28}|0.065}$$

○ 12.7465
○ 12.575
○ 18.0228
○ 12.9075

Find the compound interest earned by the deposit. Round to the nearest cent.

$1200 at 11% compounded quarterly for 6 years
○ $1101.15
○ $1412.12
○ $1044.50
○ $792.00

Find the periodic payment that will render the sum.

S = $39,000, interest is 8% compounded annually, payments made at the end of each year for 12 years.
○ $2055.11
○ $3170.81

○ $2342.98
○ $3666.58

Find the future value of the ordinary annuity. Interest is compounded annually, unless otherwise indicated.

R = $900, i = 8% interest compounded semiannually for 8 years.

○ $18,021.23
○ $19,280.50
○ $19,642.08
○ $42,142.08

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