Name: _____ **Class:** _____ **Date:** _____ **ID: A**

Installment Loans

Numeric Response

1. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

   Amount Financed = Cash Price - Down Payment

   $$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

   Total Amount Repaid = Number of Payments x Monthly Payment

   Finance Charge = Total Amount Repaid - Amount Financed

   Maria Galentino wants to remodel the bed room in her house. The estimated cost for the job is $1,945.42. If Maria pays 26 percent of the cost up front, how much will be financed? Express your answer as a dollar amount to the nearest cent.

2. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

   Amount Financed = Cash Price - Down Payment

   $$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

   Total Amount Repaid = Number of Payments x Monthly Payment

   Finance Charge = Total Amount Repaid - Amount Financed

   Veronica Escalante wants to remodel the bath room in her house. The estimated cost for the job is $1,971.71. If Veronica pays 17 percent of the cost up front, how much will be financed? Express your answer as a dollar amount to the nearest cent.

3. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	6.5%	7.3%	8.3%	9.3%
30	$3.62	$3.66	$3.70	$3.75
36	3.06	3.10	3.15	3.19
42	2.67	2.71	2.75	2.80
48	2.37	2.41	2.46	2.50
54	2.14	2.18	2.23	2.27
60	1.96	1.99	2.04	2.09
66	1.81	1.84	1.89	1.94
72	1.68	1.72	1.77	1.82

Maria Galentino obtained a loan from Spiffy-Loan for $3,625.19 to buy a truck. Maria has chosen to pay back the loan in 60 payments and the interest rate will be 9.3%. How much will she pay each month? Express your answer as a dollar amount to the nearest cent.

4. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	4.5%	5.1%	6%	6.8%
24	$4.36	$4.39	$4.43	$4.47
30	3.53	3.56	3.60	3.63
36	2.97	3.00	3.04	3.08
42	2.58	2.60	2.65	2.68
48	2.28	2.31	2.35	2.39
54	2.05	2.08	2.12	2.15
60	1.86	1.89	1.93	1.97
66	1.71	1.74	1.78	1.82

Steve Escalante obtained a student loan from Nifty-Loan for $5,509.49. Steve has chosen to pay back the loan in 42 payments and the interest rate will be 6%. How much will he pay each month? Express your answer as a dollar amount to the nearest cent.

5. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	5.4%	5.9%	6.5%	7.4%
24	$4.41	$4.43	$4.45	$4.50
30	3.57	3.59	3.62	3.66
36	3.02	3.04	3.06	3.11
42	2.62	2.64	2.67	2.71
48	2.32	2.34	2.37	2.41
54	2.09	2.11	2.14	2.18
60	1.91	1.93	1.96	2.00
66	1.75	1.78	1.81	1.85

Juan Escalante obtained a loan from Spiffy-Loan for $6,535.06 to buy a motorcycle. Juan has chosen to pay back the loan in 30 payments and the interest rate will be 5.9%. How much will the total amount repaid be for his loan? Express your answer as a dollar amount to the nearest cent.

6. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	5.6%	6.3%	7%	7.9%
6	$16.94	$16.97	$17.01	$17.05
12	8.59	8.62	8.65	8.69
18	5.81	5.84	5.87	5.91
24	4.41	4.45	4.48	4.52
30	3.58	3.61	3.64	3.68
36	3.02	3.06	3.09	3.13
42	2.63	2.66	2.69	2.73
48	2.33	2.36	2.39	2.44

Deavin Galentino obtained a student loan from Spiffy-Loan for $3,892.97. Deavin has chosen to pay back the loan in 18 payments and the interest rate will be 5.6%. How much will the total amount repaid be for his loan? Express your answer as a dollar amount to the nearest cent.

7. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	6.5%	7.5%	8.1%	8.7%
12	$8.63	$8.68	$8.70	$8.73
18	5.85	5.89	5.92	5.95
24	4.45	4.50	4.53	4.55
30	3.62	3.67	3.69	3.72
36	3.06	3.11	3.14	3.17
42	2.67	2.71	2.74	2.77
48	2.37	2.42	2.45	2.47
54	2.14	2.19	2.22	2.24

Catalina Galentino obtained a loan from Thrifty-Loan for $3,237.62 to buy a boat. Catalina has chosen to pay back the loan in 24 payments and the interest rate will be 7.5%. How much will the finance charge be for her loan? Express your answer as a dollar amount to the nearest cent.

8. An installment loan is repaid with equal payments at equal intervals for a specified period of time. Usually a down payment is made at the time of purchase and the balance is financed. Here are some formulas for such a transaction:

Amount Financed = Cash Price - Down Payment

$$Monthly\_Payment = \frac{Amount\_of\_Loan}{\$100} \times Monthly\_Payment\_for\_\$100\_Loan$$

Total Amount Repaid = Number of Payments x Monthly Payment

Finance Charge = Total Amount Repaid - Amount Financed

Monthly Payment on a $100 Loan				
Term in	Annual Percentage Rate			
Months	8%	8.7%	9.5%	10.3%
6	$17.06	$17.09	$17.13	$17.17
12	8.70	8.73	8.77	8.81
18	5.91	5.95	5.98	6.02
24	4.52	4.55	4.59	4.63
30	3.69	3.72	3.76	3.80
36	3.13	3.17	3.20	3.24
42	2.74	2.77	2.81	2.85
48	2.44	2.47	2.51	2.55

Catalina Norton obtained a loan from Nifty-Loan for $7,859.41 to buy a van. Catalina has chosen to pay back the loan in 42 payments and the interest rate will be 10.3%. How much will the finance charge be for her loan? Express your answer as a dollar amount to the nearest cent.

Installment Loans
Answer Section

NUMERIC RESPONSE

1. ANS: 1,439.61

   PTS: 1
2. ANS: 1,636.52

   PTS: 1
3. ANS: 75.77

   PTS: 1
4. ANS: 146.00

   PTS: 1
5. ANS: 7,038.26

   PTS: 1
6. ANS: 4,071.27

   PTS: 1
7. ANS: 259.01

   PTS: 1
8. ANS: 1,548.30

   PTS: 1