

For questions 1 to 3, you can use the personal loan payment calculator table on p. 132 or an online monthly payment calculator.

1. Calculate the monthly payment, the total amount paid, and the finance charge for each of the following loans.
 - a) \$1000.00 at 7.50% per annum for 3 years;
 - b) \$2500.00 at 7.50% per annum for 4 years;
 - c) \$3000.00 at 9.00% per annum for 5 years.

$$a) \quad 31.11 \times \frac{1000}{1000}$$

$$31.11 \times 1 = 31.11$$

$$ii) \quad 31.11 \times 12 \times 3 = \$1119.96$$

$$iii) \quad 1119.96 - 1000 = 119.96$$

$$b) \quad 24.18 \times \frac{2500}{1000}$$

1565.45. -500

loan: \rightarrow 1065.45

$$b) 87.10 \times \frac{1065.45}{1000} = 92.80$$