

Sunmia Wire Test 2 Page 3

5.

$$A = \$525 \times \left[ \frac{(1 + \frac{.045}{4})^{44} - 1}{\frac{.045}{4}} \right]$$

$$525 \times \left[ \frac{1.01125^{44} - 1}{.01125} \right]$$

$$.01125$$

$$525 \times [1.635970708 - 1]$$

$$.01125$$

$$525 \times \frac{.635970708}{.01125} = 525 \times 56.5307296 =$$

$$\$29,678.63$$

$$29,678.63 - 23,100 = \$6,578.63 \text{ is interest}$$

6.

$$50,000 = X \cdot \left[ \frac{(1 + \frac{.045}{12})^{120} - 1}{\frac{.045}{12}} \right]$$

$$\frac{.045}{12}$$

$$X \cdot \frac{1.00375^{120} - 1}{.00375} = \frac{1.566942776 - 1}{.00375} = 151.1980736$$

$$50,000 = X \cdot 151.1980736$$

$$\frac{50,000}{151.1980736} = \frac{X \cdot 151.1980736}{151.1980736}$$

$$330.69 \text{ deposit monthly}$$