1) Bort deposits 500$ into a savings account that pays 4% interest compounded yearly.

a) If he leaves it in there for 10 years, how much will he have?

|  |  |
| --- | --- |
| Variables | Calculations: $A=P(1+r)^{t}$ |
| Principal (P) =  |
| Rate (r) =  |
| Time (t) = |
| Conclusion: |

b) How much interest did Bort make on his investment?

2) In order to put a new floor down in her apartment, Elisa borrowed $1,000 off of a line of credit with an interest rate of 3.9% compounded yearly.

a) If she plans to pay this off in 2 years, how much will she have to pay back?

|  |  |
| --- | --- |
| Variables | Calculations: $A=P(1+r)^{t}$ |
| Principal (P) =  |
| Rate (r) =  |
| Time (t) = |
| Conclusion: |

b) How much interest was Elisa charged on her loan?

3) Bryden got a crisp 20$ bill on his birthday, and his parents put it into a savings account that pays 1.9% compounded yearly.

a) If his parents forgot about this $20 for 50 years, how much would Bryden have in the account?

|  |  |
| --- | --- |
| Variables | Calculations: $A=P(1+r)^{t}$ |
| Principal (P) =  |
| Rate (r) =  |
| Time (t) = |
| Conclusion: |

b) How much interest did this 20$ earn?

4) Carl invests $4,000 in a savings account that pays 3% interest compound yearly for 4 years. Calculate how much money he has after this time.

|  |  |
| --- | --- |
| Variables | Calculations: $A=P(1+r)^{t}$ |
| Principal (P) =  |
| Rate (r) =  |
| Time (t) = |
| Conclusion: |

Answers:

1) a) $740.12 b) $500 2) a) $1,079.52 b) $79.52

3) a) $51.26 b) $31.26 4) $4,502.04