

Name: _____ Date: _____

1. Dr. Collins borrowed some money to buy new furniture for her office. She paid \$720.00 simple interest on a 7.5-year loan at 16%. Find the principal.

A) \$750 B) \$500 C) \$600 D) \$700

2. Find the maturity value.

Principal	Rate	Compounded	Time
\$800	8.5%	Annually	8 years

A) \$1,586.98 B) \$1,536.48 C) \$1,636.60 D) \$1,516.23

3. Express 3.46 as a percent.

A) 0.0346% B) 34.6% C) 346.0% D) 3.46%

4. A pair of shoes with an original price of \$300.00 is on sale for \$210.00. Find the percent of the markdown.

A) 28% B) 30% C) 70% D) 35%

5. Find the missing value.

Principal	Rate	Time	Simple Interest
\$9,100		5.5 years	\$2,252.25

A) 5% B) 3.5% C) 4% D) 4.5%

6. A house has a \$62,500.00 mortgage at 7%. The monthly payments are \$561.87. Compute an amortization schedule for the first three months.

<u>Payment Number</u>	<u>Interest</u>	<u>Payment on Principal</u>	<u>Balance of Loan</u>
1			
2			
3			

A)	<u>Payment Number</u>	<u>Interest</u>	<u>Payment on Principal</u>	
	<u>Balance of Loan</u>			
	1	\$364.58	\$197.29	\$61,938.13
	2	\$361.31	\$200.56	\$61,376.26
	3	\$358.03	\$203.84	\$60,814.39
B)	<u>Payment Number</u>	<u>Interest</u>	<u>Payment on Principal</u>	
	<u>Balance of Loan</u>			
	1	\$366.73	\$195.14	\$62,304.86
	2	\$365.56	\$196.31	\$62,106.40
	3	\$364.38	\$197.49	\$61,906.78
C)	<u>Payment Number</u>	<u>Interest</u>	<u>Payment on Principal</u>	
	<u>Balance of Loan</u>			
	1	\$364.58	\$197.29	\$61,938.13
	2	\$363.43	\$198.44	\$61,740.84
	3	\$362.27	\$199.60	\$61,542.40
D)	<u>Payment Number</u>	<u>Interest</u>	<u>Payment on Principal</u>	
	<u>Balance of Loan</u>			
	1	\$364.58	\$197.29	\$62,302.71
	2	\$363.43	\$198.44	\$62,104.27
	3	\$362.27	\$199.60	\$61,904.67

7. A building has a market value of \$229,000.00. If it is assessed at 50% of market value and the tax rate is 40 mills, find the property tax.

A) \$4,580.00 B) \$3,540.00 C) \$6,360.00 D) \$2,970.00

8. A company borrowed \$1500. It must make monthly payments of \$40.50 for 42 months to pay off the loan. Use the constant ratio formula to find the annual percentage rate.

A) 7.94% B) 8.83% C) 7.60% D) 7.48%

9. Find the missing value.

Principal	Rate	Time	Simple Interest
\$14,300	14.5%		\$12,441.00

- A) 7 years B) 6.5 years C) 5.5 years D) 6 years

10. Express
- $8\frac{1}{5}\%$
- as a mixed number.

- A)
- $\frac{41}{100}$
- B)
- $\frac{41}{10}$
- C)
- $\frac{41}{500}$
- D)
- $\frac{41}{50}$

11. Find the missing numbers.

Cost	Selling Price	Markup on	Markup Rate	Markup Amount
\$368.00	\$460.00	selling price		

- A) Markup Rate = 21%, Markup Amount = \$102.00
 B) Markup Rate = 19%, Markup Amount = \$92.00
 C) Markup Rate = 21%, Markup Amount = \$92.00
 D) Markup Rate = 20%, Markup Amount = \$92.00

12. Find the missing numbers.

Cost	Selling Price	Markup on	Markup Rate	Markup Amount
\$475.00		cost	100%	

- A) Selling Price = \$947.00, Markup Amount = \$478.00
 B) Selling Price = \$950.00, Markup Amount = \$475.00
 C) Selling Price = \$955.00, Markup Amount = \$480.00
 D) Selling Price = \$947.00, Markup Amount = \$472.00

13. On November 1, the Holiday House Store marked up a \$50 decoration by 30%. On November 28, the decoration was marked down 10%. It was marked up 20% on sales on December 1. Finally, it was marked down 70% on December 26. Find the final selling price.

- A) \$21.06 B) \$52.36 C) \$5.46 D) \$10.71

14. A pair of cuff links which sells for \$100.00 has a markup rate of 10% on the selling price. Find the amount of the markup and the cost.
- A) Markup Amount = \$10.00, Cost = \$90.00
 B) Markup Amount = \$20.00, Cost = \$80.00
 C) Markup Amount = \$0.00, Cost = \$100.00
 D) Markup Amount = \$10.00, Cost = \$100.00
15. Phil had an unpaid balance of \$1,854.50 on his credit card statement at the beginning of December. He made a payment of \$45.00 during the month. If the interest rate on Phil's credit card was 2.5% per month on the unpaid balance, find the finance charge and the new balance on January 1.
- A) Finance charge = \$44.47; new balance = \$1,853.97
 B) Finance charge = \$50.47; new balance = \$1,859.97
 C) Finance charge = \$56.50; new balance = \$1,866.00
 D) Finance charge = \$46.36; new balance = \$1,855.86
16. Mary borrowed \$1,300 at 2.5% simple interest to buy a car. Find the term of the loan if the interest was \$130.00.
17. Express $\frac{7}{8}$ as a percent.

18. Find the missing numbers.

Cost	Selling Price	Markup on	Markup Rate	Markup Amount
	\$175.00	selling price	20%	

19. Raoul's credit card statement showed these transactions during May.

May 1	Previous balance	\$304.29
May 6	Payment	\$100.00
May 10	Purchases	\$58.10
May 15	Payment	\$100.00
May 26	Purchases	\$114.73

The interest rate is 18% per month on the average daily balance. Find the average daily balance, the finance charge for the month, and the new balance on June 1. [Hint: Remember that May has 31 days.]

20. A jacket was purchased at a cost of \$175.00 and is marked up at 50% of cost. Find the amount of the markup and the selling price.
21. Ella borrowed \$5,900 for 3 years. The simple interest is \$3,186.00. Find the rate.
22. A pair of sunglasses with a selling price of \$200.00 is to be marked down \$70.00. Find the percent of the markdown.
23. Express 25% as a decimal.

24. Aaron had an unpaid balance of \$685.50 on his credit card statement at the beginning of July. He made a payment of \$145.00 during the month. If the interest rate on Aaron's credit card was 7% per month on the unpaid balance, find the finance charge and the new balance on August 1.
25. Find the future value of an annuity if you invest \$1,050 quarterly for 3 years at 19% compounded quarterly.

Answer Key

1. C
2. B
3. A
4. B
5. D
6. D
7. A
8. D
9. D
10. C
11. D
12. B
13. A
14. A
15. D
16. 4 years
17. 87.5%
18. Cost = \$140.00, Markup Amount = \$35.00
19. Average daily balance = \$229.02; finance charge = \$41.22; new balance = \$318.34
20. Markup Amount = \$87.50, Selling Price = \$262.50
21. 18%
22. 35%
23. 0.25
24. Finance charge = \$47.99; new balance = \$588.49
25. \$39,039.23