

Lesson 8 Homework Practice

Financial Literacy

and the total amount due

Find the simple interest earned to the nearest cent for each principal, interest rate, and time.

1. \$750, 7%, 3 years
2. \$1,200, 3.5%, 2 years
3. \$450, 5%, 4 months
4. \$1,000, 2%, 9 months
5. \$530, 6%, 1 year
6. \$600, 8%, 1 month

Find the simple interest paid to the nearest cent for each loan, interest rate, and time.

7. \$668, 5%, 2 years
8. \$720, 4.25%, 3 months
9. \$2,500, 6.9%, 6 months
10. \$500, 12%, 18 months
11. \$300, 9%, 3 years
12. \$2,000, 20%, 1 year
13. **ELECTRONICS** Rita charged \$126 for a DVD player at an interest rate of 15.9%. How much will Rita have to pay after 2 months if she makes no payments?
14. **VACATION** The average cost for a vacation is \$1,050. If a family borrows money for the vacation at an interest rate of 11.9% for 6 months, what is the total cost of the vacation including the interest on the loan?
15. **INVESTMENTS** Serena has \$2,500 to invest in a CD (certificate of deposit).
 - a. If Serena invests the \$2,500 in the CD that yields 4% interest, what will the CD be worth after 2 years?
 - b. Serena would like to have \$3,000 altogether. If the interest rate is 5%, in how many years will she have \$3,000?
 - c. Suppose Serena invests the \$2,500 for 3 years and earns \$255. What was the rate of interest?