

Question

1 2 3 4 5 6 7 8

Description

Section 5.3 - Annuities

Instructions

Please work all homework questions and clearly label / place your answers in the boxes (or parenthesis) provided. If you have questions, please feel free to email me at Joshua.Patterson@tamuc.edu

1. Question Details

JModd7 5.3.001. [1637359]

Find the future value of the given annuity. (Round your answer to the nearest cent.)

ordinary annuity, \$110 monthly payment, $5\frac{3}{4}\%$ interest, one year

\$

2. Question Details

JModd7 5.3.002. [1637200]

Find the future value of the given annuity. (Round your answer to the nearest cent.)

ordinary annuity, \$175 monthly payment, $6\frac{1}{8}\%$ interest, eleven years

\$

3. Question Details

JModd7 5.3.004. [1637566]

Find the future value of the given annuity. (Round your answer to the nearest cent.)

annuity due, \$145 monthly payment, $7\frac{1}{4}\%$ interest, thirteen years

\$

4. Question Details

JModd7 5.3.005.CMI. [1637618]

On September 8, Bert Sarkis joined a Christmas Club. His bank will automatically deduct \$80 from his checking account at the end of each month and deposit it into his Christmas Club account, where it will earn 8% interest. The account comes to term on December 1. Find the following. (Round your answers to the nearest cent.)

(a) The future value of the account, using an annuity formula

\$

(b) The future value of the account, using the compound interest formula

\$

(c) Bert's total contribution to the account

\$

(d) The total interest

\$

5. Question Details

JModd7 5.3.012. [1637371]

Art Dull recently set up a TDA to save for his retirement. He arranged to have \$60 taken out of each of his biweekly checks;

it will earn $9\frac{1}{8}\%$ interest. He just had his 28th birthday, and his ordinary annuity comes to term when he is 65. Find the following. (Round your answers to the nearest cent.)

(a) The future value of the account

\$

(b) Art's total contribution to the account

\$

(c) The total interest

\$

6. Question Details

JModd7 5.3.016. [1637512]

On August 1, Rachael Westlake joined a Christmas Club. Her bank will automatically deduct \$120 from her checking account at the end of each month and deposit it into her Christmas Club account, where it will earn $6\frac{7}{8}\%$ interest. The account comes to term on December 1. (Round your answers to the nearest cent.)

(a) Find the present value of the given annuity.

\$

(b) Interpret the present value of the given annuity.

You would have to invest a lump sum of \$ now instead of \$120 per month.

7. Question Details

JModd7 5.3.019. [1637600]

Find the monthly payment that will yield the given future value. (Round your answer to the nearest cent.)

\$105,000 at $9\frac{1}{4}\%$ interest for thirty-two years; ordinary annuity

\$

8. Question Details

JModd7 5.3.035. [1637540]

Toni Torres wants to save \$1,400 in the next two years to use as a down payment on a new car. If her bank offers her 7% interest, what monthly payment would she need to make into an ordinary annuity to reach her goal? (Round your answer to the nearest cent.)

\$

Assignment Details