

Date _____

Name _____

9.2.2 Compound Interest Practice

Show all your work.

1. A coin had a value of \$1.17 in 2010. The value has been increasing by 9% per year. What would the value be 5 years later? 15 years later?
2. Gina deposited \$1500 into an account that pays 3% per annum compounded quarterly. What will be her balance in 2 years?
3. The Garcias have \$12 000 in a savings account. The bank pays 3.5% per annum on savings accounts, compounded monthly. Find the amount of interest earned after 3 years.
4. Determine the amount of interest earned on a balance of \$2500 invested at 5.2% per annum compounded monthly for 4 years.

5. Determine the interest earned on a \$100 000 investment paying 4.85% per annum compounded semi-monthly for 12 years.
6. The Fresh and Green Company has a savings plan for employees. If an employee deposits \$1000, they will pay 8% per annum compounded quarterly. How much would an employee have after 5 years?
7. Using the information in #6, how much would the employee have after 35 years?
8. Mr. & Mrs. Boyce bought a house for \$96 000 in 1995. Real estate values in their area increase approximately 4% per year. What is the value of the house in 2025?
9. Determine the interest earned on a \$500 investment paying 4.25% per annum compounded weekly for 2 years.

10. Determine the final value of a \$300 investment paying 6.75% per annum compounded semi-annually for 20 years.

11. The Fishers bought a condo worth \$110 000 in 1997. If its value appreciates 6.7% per year, what will it be worth in 2027?

12. Determine the interest owed on a loan of \$6500 if you are charged 4.2% per annum compounded monthly for 3 years.

13. Determine the interest earned on an investment of \$500 if you are receiving 3.8% per annum compounded monthly for 40 years.