

Name: _____

Date: _____

Assignment: TVM Solver

Instructions

-Use the TVM solver to solve **any two** of the following 5 scenarios:

-Organize your calculator work by using the templates provided (back of page). Be sure to wrap up each solution with a concluding statement.

Problems

1-Chloe borrowed money from the bank to renovate her home. She will repay the loan by making 24 monthly payments of \$64.17 at 12.5% per year compounded monthly.

How much did Chloe borrow? (i.e., present value)

CONCLUSION:

2-You want to retire in 30 years. You are starting to invest in a growth income fund that promises an ambitious rate of 15%, compounded monthly. You can put in \$200 per month. How much will you have in 30 years? (i.e., future value)

CONCLUSION:

3-You have an opportunity to take on a 30 year \$100,000 **loan** at 7.5% interest, compounded monthly. What will your monthly payments be? (Recall: loans are PV)

CONCLUSION:

4-Suppose you invest \$100 monthly in a fund that bears 6.5% interest compounded monthly for 20 years. How much will this investment be worth at the end of the 20 years? (i.e., future value)

CONCLUSION:

5-Suppose you **borrow** \$60,000 from a lending institution that charges 9% interest, compounded monthly. They require that you pay off your debt with monthly payments over the next 30 years. What would your monthly payment amount be? (Recall: borrowing is PV)

CONCLUSION:

TVM Solver-Templates

Problem 1	Problem 2	Problem 3	Problem 4	Problem 4
Solution	Solution	Solution	Solution	Solution
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