

## Installment Exercise

1. Ashley wants to purchase a couch. The cash selling price is \$1879.99 plus tax. The installment terms are \$100 down plus \$300 a month for 8 months.
  - a) Calculate the cash selling price of the couch.
  
  - b) Calculate the installment price of the couch.
  
  - c) Calculate the difference between the installment price and the cash selling price.
  
  - d) Calculate the percent rate of interest

$$\text{Percent rate} = \frac{\text{difference}}{\text{cash selling price}} \times 100$$

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2. Tanner wants to buy a motorcycle. The cash selling price is \$5998.95 plus tax. The installment terms are \$500 down plus \$400 a month for 18 months.
    - a) Calculate the cash selling price of the motorcycle.
  
    - b) Calculate the installment price of the motorcycle.
  
    - c) Calculate the difference between the installment price and the cash selling price.
  
    - d) Calculate the percent rate of interest

$$\text{Percent rate} = \frac{\text{difference}}{\text{cash selling price}} \times 100$$

3. Robert decides to purchase a television set. The cash-selling price is \$999.99 plus tax. The installment terms are \$200 down plus \$45 a month for 24 months.

- a) Calculate the cash selling price of the television set
- b) Calculate the installment price of the television set
- c) Calculate the difference between the installment price and the cash selling price
- d) Calculate the percent rate of interest

$$\text{Percent rate} = \frac{\text{difference}}{\text{cash selling price}} \times 100$$

4. Hannah decides to purchase a computer. The cash selling price is \$1988.91 plus tax. The installment terms are \$150 a month for 18 months.

- a) Calculate the cash selling price of the computer
- b) Calculate the installment price of the computer
- c) Calculate the difference between the installment price and the cash selling price
- d) Calculate the percent rate of interest

$$\text{Percent rate} = \frac{\text{difference}}{\text{cash selling price}} \times 100$$