Version 1: Installment Loans-Allocation of Monthly Payments and Pay Offs

1. Renee Beilin received an 18-month, $2,500 loan at 10% from her bank to have her house repainted. Her monthly payment is $140.00. For the first payment;
   a) Calculate the interest.
   b) Calculate the payment to principal amount.
   c) Determine the new loan balance.

2. Ana Lopez obtained a 36-months, $9,800 loan at 9% from a bank. Her monthly payment is $311.64. For the first month:
   a) Determine the interest.
   b) Calculate the payment to principal amount.
   c) Determine the new loan balance.

3. Complete the following repayment schedule for a $3,000 loan at 12% for 4 months.

<table>
<thead>
<tr>
<th>Payment Number</th>
<th>Payment</th>
<th>Amount for interest</th>
<th>Amount for principal</th>
<th>New principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>768.84</td>
<td>30</td>
<td>738.84</td>
<td>2,261.16</td>
</tr>
<tr>
<td>2</td>
<td>768.84</td>
<td>22.61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>768.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>768.84</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Ikuka Kimura borrowed a $5,000 simple interest loan at 14% for 18 months. After making two payments, the balance was $4494.61. He pays off the loan when the next payment is due.
   a) Determine the current month’s interest.
   b) Calculate the final payment.

5. The Winston’s borrowed $10000 on a two-year simple interest installment loan at 15% interest. After two payments, the balance was $9275.76. They pay off the loan when the next payment is due.
   a) Calculate the current month’s interest.
   b) What is the final payment?

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