Name _____ Date _____

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.**

Payment Number	Payment	Amount for interest	Amount for principal	New principal
1	768.84	30	738.84	2,261.16
2	768.84	22.61		
3	768.84			
4	768.84			

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?**