Quiz #2 MGF1107
Covers 2.2, 2.3

Name_____
Times/Days attend class_____
Date_____

Provide all of your work and answers in the spaces provided. However, you may attach additional work if you want to. ***Show all work for full credit***. Your submitted quiz should *not* be a rough draft. You are allowed to seek out help from the Math Support Center, study groups, and/or the class instructor, but you must submit only your own work: do not copy! Remember, even though you may work with other people, you are graded individually. Write up your final draft by yourself and in your own style. Your work/responses must be your own. There are two printed pages to this quiz.

In each problem below show your work clearly. If you use a formula show the formula written with the values substituted into it before giving the final value. If you use the Finance menu on the calculator to do the calculations you must show values that you substitute into it. **Also, write your answer to each question in a *complete sentence*.**

1. (5 pts.) How long, in years, will it take an investment of $1000 to double to $2000 at annual simple interest rate of 3%? Round your answer to the nearest hundredth.

2. (7 pts.) Suppose that the rate of inflation for the last four years was 3.9% per year. If a home costs $125,000 today, how much would it have cost four years ago? Round to the nearest cent.

3. (5 pts.) If a man borrowed $500 from a pawnshop for 2 months and then had to pay back $560, what annual simple interest rate did he pay? Express your answer as a percent.

4. (8 pts.) Suppose a woman is saving for her 13-year-old teenager's college tuition. She invests $7500 in an account earning 0.5% interest compounded weekly. Four years later, she wins a scratch-off lottery ticket and puts the $1000 she won into the same account. One year after that, she withdraws all of her money. How much did she withdraw? Round your answer to the nearest cent.