

Name: _____, I.D.: _____

Q1.277SM41. (*Down Payment on a House*). Tami and Todd will need \$ 40000 for a downpayment on a house in (after) 4 (four) years. How much should they invest in a savings account now so that they will be able to do this? The bank pays 8 % compounded quarterly?

#	Possible Choice	Check(√)
A	[25000, 26000]	
B	[26000, 27000]	
C	[27000, 28000]	
D	[28000, 29000]	
E	[29000, 30000]	
F	[30000, 31000]	
G	[31000, 32000]	
H	[32000, 33000]	
K	[33000, 34000]	
L	[34000, 35000]	
M	<i>None of the Above Choices is correct at all.</i>	

Q2.275SM7. How long will it take for an investment to double in value if it earns 5 % compounded monthly. (Round up to the next higher year if not exact).

#	Possible Choice	Check(√)
A	14 Months	
B	15 Years	
C	16 Years	
D	17 Years	
E	18 Years	
F	19 Years	
G	20 Years	
H	21 Years	
K	22 Years	
L	25 Years	
M	<i>None of the Above Choices is correct at all.</i>	