

Financing a Car

EXAMPLE

Antigone purchased a car for \$26,500.00 and financed the payments. After paying a \$6,500.00 down payment, she financed the rest for 72 months at \$456.49 per month. What was the deferred price of Antigone's car and the total interest she paid?

Step 1 Multiply to find total monthly payments

$$\begin{array}{r} \$456.49 \text{ Monthly Payment} \\ \times 72 \text{ Months} \\ \hline \$32,867.28 \text{ Total Monthly Payments} \end{array}$$

Step 2 Add to find deferred price

$$\begin{array}{r} \$32,867.28 \text{ Total Monthly Payments} \\ + 6,500.00 \text{ Down Payment} \\ \hline \$39,367.28 \text{ Deferred Price} \end{array}$$

Step 3 Subtract to find Interest Paid

$$\begin{array}{r} \$39,367.28 \text{ Deferred Price} \\ - 26,500.00 \text{ Cash Price} \\ \hline \$12,867.28 \text{ Interest Paid} \end{array}$$

The deferred price of Antigone's car is \$39,367.28 and the total interest paid is \$12,867.28.

Directions Find the total monthly payment, the deferred price and the interest paid.

	Cash Price	Down Payment	Monthly Payment	Months to Pay	Total Monthly Payments	Deferred Price	Interest Paid
1.	\$26,000	\$6,000	\$456.49	72	_____	_____	_____
2.	\$14,000	\$4,000	\$252.13	60	_____	_____	_____
3.	\$9,250	\$1,250	\$215.67	48	_____	_____	_____
4.	\$33,500	\$3,500	\$613.35	72	_____	_____	_____
5.	\$17,999	\$2,999	\$345.04	60	_____	_____	_____
6.	\$23,700	\$3,700	\$432.05	72	_____	_____	_____
7.	\$22,899	\$2,899	\$366.21	72	_____	_____	_____
8.	\$15,500	\$5,500	\$219.70	60	_____	_____	_____
9.	\$21,769	\$3,169	\$390.29	60	_____	_____	_____
10.	\$44,600	\$4,600	\$912.98	72	_____	_____	_____
11.	\$25,800	\$5,800	\$481.66	60	_____	_____	_____
12.	\$17,895	\$2,895	\$378.20	60	_____	_____	_____
13.	\$31,700	\$3,700	\$621.75	72	_____	_____	_____
14.	\$29,999	\$2,999	\$567.43	72	_____	_____	_____
15.	\$15,630	\$10,000	\$163.34	48	_____	_____	_____
16.	\$22,999	\$3,999	\$457.58	60	_____	_____	_____