

LOAN INTEREST

Interest rates vary. Some banks charge 6%, some 8%, and some charge 12%. Remember that 6% is the same as .06.

Write each as a decimal:

- | | | |
|--------------|----------------|--------------|
| 1. 5% _____ | 3. 6% _____ | 5. 8% _____ |
| 2. 10% _____ | 4. 11.5% _____ | 6. 12% _____ |

If you borrowed \$1500.85 from a bank for one year at 6%, the interest would be \$90.05.

$$\begin{array}{r} \$ 1500.85 \\ \times \quad 6\% \\ \hline \end{array}$$

remember 6% = .06

$$\begin{array}{r} \$ 1500.85 \\ \times \quad .06 \\ \hline \$ 90.0510 \end{array}$$

Complete the following chart using the information above.

Amount Borrowed	% Interest Rate	Decimal Interest Rate	Interest Amount for 1 Year
1. \$1500.85	6%	.06	\$90.05
2. \$2000.90	7%		
3. \$1910.15	6%		
4. \$3750.85	8%		
5. \$4581.15	6%		
6. \$5510.10	7%		
7. \$3920.25	9%		
8. \$4010.80	10.5%		
9. \$8195.63	11%		
10. \$7231.83	12%		