



Real-Life Finance Challenges



Practice your money skills with these real-life challenges.

1 You purchase a car for \$8,000 but only have \$2,000 as a down payment. You get a 48-month loan from the bank for \$6,000 with an interest rate of 5%. **How much will you pay in interest?**

2 You have \$350 a month to spend on groceries or eating out. **What food will you buy each week? How much will it all cost?**

WEEK 1	WEEK 2	WEEK 3	WEEK 4

3 You earn \$2,000 in the summer mowing lawns and you decide to put it into a low-risk stock market account with the help of your parents. If you have a 7% rate of return, **how much will you earn after 10 years on just \$2,000?**

***Note:** Here you'll be calculating simple interest. However, to have a more accurate idea of how much you would likely have, calculate the compound interest.*

Answer key: 1. \$1,200 (6000 x .05 x 4 years) 3. \$1,400