



9) A household has an annual income of \$60,000. It is recommended to spend about 40% of income on a mortgage. How much should this household be spending each **month** on its mortgage? Round to the nearest dollar.

- a) \$2,000
- b) \$1,973
- c) \$24,000
- d) \$12,500

10) A household wants to spend \$900 per month on a 30-year mortgage. Currently interest rates are at 5%. About how large a mortgage should they obtain?

- a) \$540,000
- b) \$482,000
- c) \$168,000
- d) \$45,000

11) You take out a 30-year mortgage for \$90,000 at 6% interest. What is the total amount you pay during those 30 years?

- a) \$97,200
- b) \$540,000
- c) \$194,400
- d) \$90,000

12) Continuing the previous problem, what is the total amount of interest you pay during the 30 years?

- a) \$5,40
- b) \$7,200
- c) \$104,400
- d) \$16,200

13) Gladyce weighs 130 pounds. She jogs for 20 minutes to the recreation center and then swims for 30 minutes. How many total calories does she burn? Round your answer to the nearest calorie. (You will need to know that jogging burns 0.050 calories per pound per minute.)

- a) 173 calories
- b) 1,730 calories
- c) 403 calories
- d) 940 calories

14) To save for retirement, Helen deposits \$2,000 each year into her retirement account. If the account earns 7% annual interest and she does this for 60 years, how much has she saved by the end of the 60 years? Round to the nearest dollar.

- a) \$113,893
- b) \$1,625,041
- c) \$115,893
- d) \$1,740,934

15) Simple Sam invests \$1,000 in a 10-year certificate of deposit that pays 8% annual simple interest. How much will his investment be worth when it matures?

- a) \$2,159
- b) \$80,000
- c) \$1,800
- d) \$800

16) Compound Cynthia invests \$1,000 in a bond fund that pays 8% annual compound interest, compounded monthly. How much will her investment be worth after 10 years?

- a) \$1,800
- b) \$2,158.92
- c) \$2,219.64
- d) \$1,068.70

17) Annuity Anne deposits \$100 each January 1st for 10 years into an account that earns 8% annual interest, compounded annually. How much interest will she earn?

- a) \$1,348.66
- b) \$1,115.89
- c) \$1,564.55
- d) \$2,158.92

18) Glenda is 70 years old, 60" tall, weighs 120 pounds, and is quite active. Calculate her DCI assuming that her BMR is boosted an extra 10% because she is so active during her golden years.

- a) 2,002 calories
- b) 3,520 calories
- c) 2,202 calories
- d) 1,802 calories

19) Last year Blaine spent \$1,095 on cigarettes (\$6 per pack, half a pack per day). If he quits smoking and each January 1st puts \$1,095 into an IRA that earns 5% annually, how much will he have saved after 10 years?

- a) \$12,678
- b) \$14,461
- c) \$689
- d) \$17,836

20) Gunther works at a bicycle store and knows that a certain bike will only sell if it is priced \$200 or less. His store uses a 30% markup on **cost**. What is the most he can pay the store's supplier for this bike?

- a) \$114
- b) \$154
- c) \$140
- d) \$177

21) Ginny works at a bicycle store and knows that a certain bike will only sell if it is priced \$200 or less. Her store uses a 30% markup on **selling price**. What is the most she can pay the store's supplier for this bike?

- a) \$114
- b) \$154
- c) \$140
- d) \$177

22) A household spends \$40 per month on gasoline. This is 4% of their monthly income. What is their total monthly income?

- a) \$2
- b) \$38
- c) \$42
- d) \$1,000