

Simple Interest

1. My initial investment of \$3000 earned \$1440 in interest after four years. What was the (simple) interest rate?
2. How long will it take for a principal of \$3500 to earn \$420 in interest if the annual interest rate is 4%?
3. My initial investment of \$5000 earned \$600 in interest after four years. What was the (simple) interest rate?
4. How much (simple) interest is accumulated if I invest \$25 at 9% for six years?
5. My investment earns 2% in simple interest. After five years I notice that the accumulated interest is \$143. What was my principal?
6. Suppose you borrow \$1600 at a simple annual interest rate. The loan with interest was to be repaid at the end of the second year. What was the annual interest rate if a total of \$2048 was repaid?
7. I would like to invest some money and earn \$105 in simple interest after 60 months. If the interest rate is 7%, how much principal do I need to put down?
8. What is the interest rate if a principal of \$25000 earns \$5000 in interest after 48 months?
9. How long will it take for a principal of \$2600 to earn \$390 in (simple) interest if the annual rate is 3%?
10. Suppose you borrow \$480 at a simple annual interest rate. The loan with interest was to be repaid at the end of the seventh year. What was the annual interest rate if a total of \$648 was repaid?

Answers:

1. 12%
2. 3 years
3. 3%
4. \$13.50
5. \$1430
6. 14%
7. \$300
8. 5%
9. 5 years
10. 5%