8ᵗʰ Grade Spreadsheet Assignment #4

"Calculating Loan Payments"

Directions: You are going to use Excel to help compare loans. You will be given a total amount of a car, the down payment, the length of the loan, and a loan rate (as a yearly amount). You will need to find the amount of the loan and then ultimately the monthly payment. You will then need to explain why the payment on Loan #2 is smaller even though the car costs more. There are several things to consider.

Loan #1:	Loan #2:
Cost of Car: $30,000	Cost of Car: $32,500
Down Payment: $4,000	Down payment: $5,000
Loan amount:	Loan amount:
Length: 4 years	Length: 5 years
Interest Rate: 7.5%	Interest rate: 6.75%
Monthly Payments:	Monthly Payments:

Tips for completing assignment:

1. Get your information down on the spreadsheet first.
2. Click in the cell where you want your monthly payment.
3. Type in "=pmt" and select the PMT option.
4. You will need three numbers. The first is the rate/12, then the loan period, then the loan amount.

On your own:

1. Find a car of your choice online on cars.com.
2. Give me the make & model of the car.
3. Use an 5% interest rate and a five-year loan to find your monthly payments.
4. There is NO DOWN PAYMENT.

5. Add this information to your spreadsheet.
6. Make sure to hand in through Google Classroom.