



Name \_\_\_\_\_

# Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems:  
NOTE: Interest Compounded: Annually, Semi Annually, Quarterly or Monthly

1. How much interest is earned on \$4,965 at 7% compounded monthly for 18 years?
2. What was the interest rate if your balance on an investment of \$1,541 at the end of three years is \$2,197.10 and the interest was compounded quarterly?
3. If the balance at the end of nine years on an investment of \$4,268 that has been invested at a rate of 5% compounded quarterly is \$6,674.91, how much was the interest?
4. If you take out a loan that costs \$11,498.39 over 17 years at an interest rate of 6% compounded quarterly, how much was the loan for?
5. How much principal must be invested to earn \$542.88 in one year at an interest rate of 6% compounded annually?
6. You invested \$9,449 and after six years the total amount of the investment was \$16,117.79. What was the interest rate if it was compounded quarterly?
7. How much interest does a \$6,715 investment earn at 15% compounded semiannually over six years?
8. How much interest is earned on a principal of \$6,462 invested at an interest rate of 15% compounded monthly for three years?
9. If you borrow \$9,228 at 12% compounded quarterly for 13 years, how much will you pay back by the end of the term?
10. The cost of a loan for \$832 over 16 years is \$1,281.57 compounded annually. What was the rate on the loan?



# Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems:

NOTE: Interest Compounded: Annually, Semi Annually, Quarterly or Monthly

1. How much interest is earned on \$4,965 at 7% compounded monthly for 18 years?  
**\$12,474.76**
2. What was the interest rate if your balance on an investment of \$1,541 at the end of three years is \$2,197.10 and the interest was compounded quarterly?  
**12%**
3. If the balance at the end of nine years on an investment of \$4,268 that has been invested at a rate of 5% compounded quarterly is \$6,674.91, how much was the interest?  
**\$2,406.91**
4. If you take out a loan that costs \$11,498.39 over 17 years at an interest rate of 6% compounded quarterly, how much was the loan for?  
**\$6,562**
5. How much principal must be invested to earn \$542.88 in one year at an interest rate of 6% compounded annually?  
**\$9,048**
6. You invested \$9,449 and after six years the total amount of the investment was \$16,117.79. What was the interest rate if it was compounded quarterly?  
**9%**
7. How much interest does a \$6,715 investment earn at 15% compounded semiannually over six years?  
**\$9,278.65**
8. How much interest is earned on a principal of \$6,462 invested at an interest rate of 15% compounded monthly for three years?  
**\$3,644.20**
9. If you borrow \$9,228 at 12% compounded quarterly for 13 years, how much will you pay back by the end of the term?  
**\$42,918.38**
10. The cost of a loan for \$832 over 16 years is \$1,281.57 compounded annually. What was the rate on the loan?  
**6%**