



Name \_\_\_\_\_

# Compound Interest

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

NOTE: Interest Compounded Quarterly

1. How much interest is earned on \$875 at 3% compounded quarterly for three years?
2. How long must \$937 be invested at a rate of 3% compounded quarterly to earn \$253.09 in interest?
3. If a loan is taken out for \$327 at 6% compounded quarterly and costs \$199.58, how long was the loan for?
4. \$68.97 is earned on funds invested at a rate of 8% compounded quarterly over four years. What was the amount of the original investment?
5. You take out a loan for \$164 at an interest rate of 4% compounded quarterly for four years. What is the total amount that you will have at the end of the four years?
6. If you invest \$564 at an interest rate of 9% compounded quarterly, how much money will you have after four years?
7. At what rate was an investment made that obtains \$61.82 in interest compounded quarterly on \$659 over three years?
8. What was the interest rate if your balance on an investment of \$246 at the end of two years is \$282.62 and the interest was compounded quarterly?
9. The ending balance on an investment is \$162.35. If the principal was invested at 7% compounded quarterly for four years, what was the principal?
10. The cost of a loan for \$298 over four years is \$127.43 compounded quarterly. What was the rate on the loan?



Name \_\_\_\_\_

# Compound Interest

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

NOTE: Interest Compounded Quarterly

1. How much interest is earned on \$875 at 3% compounded quarterly for three years?  
**\$82.08**
2. How long must \$937 be invested at a rate of 3% compounded quarterly to earn \$253.09 in interest?  
**eight years**
3. If a loan is taken out for \$327 at 6% compounded quarterly and costs \$199.58, how long was the loan for?  
**eight years**
4. \$68.97 is earned on funds invested at a rate of 8% compounded quarterly over four years. What was the amount of the original investment?  
**\$185**
5. You take out a loan for \$164 at an interest rate of 4% compounded quarterly for four years. What is the total amount that you will have at the end of the four years?  
**\$192.30**
6. If you invest \$564 at an interest rate of 9% compounded quarterly, how much money will you have after four years?  
**\$805.18**
7. At what rate was an investment made that obtains \$61.82 in interest compounded quarterly on \$659 over three years?  
**3%**
8. What was the interest rate if your balance on an investment of \$246 at the end of two years is \$282.62 and the interest was compounded quarterly?  
**7%**
9. The ending balance on an investment is \$162.35. If the principal was invested at 7% compounded quarterly for four years, what was the principal?  
**\$123**
10. The cost of a loan for \$298 over four years is \$127.43 compounded quarterly. What was the rate on the loan?  
**9%**