

Simple Interest

7th Grade Math

Name _____

Key

Simple Interest Formula $I = P * R * T$

Complete the following problem. Show all your work!

1. Lauren deposits \$320 into an account that earns 4% simple interest per year. What is the total amount in the account after 3 years?

$$I = \$320 \cdot .04 \cdot 3 = \$38.4$$

$$\text{Total} \rightarrow \$320 + \$38.4 = \$358.4$$

2. You have \$550 in saving account that earns 3% simple interest each year. How much will be in your account in 10 years?

$$I = \$550 \cdot .03 \cdot 10 = \$165$$

$$\text{Total} \rightarrow \$550 + \$165 = \$715$$

3. Alec borrowed 2,000 from the bank at rate of 7% simple interest per year. How much interest did he pay in 5 years?

$$I = \$2,000 \cdot .07 \cdot 5 = \$700$$

He paid \$700 in Interest

4. Kelly plan to put her graduation money into an account and leave it there for 4 years while she goes to college. She receives \$750 in graduation money that she puts into an account that year's 4.25% interest. How much will be in Kelly's account at the end of the four years?

$$I = \$750 \cdot .0425 \cdot 4 = \$127.5$$

$$\text{Total} \rightarrow \$750 + \$127.5 = \$877.5$$

5. To buy a computer, Raquel borrowed \$3,000 at 9% interest for 4 years. How much money did she have to pay back?

$$I = \$3,000 \cdot .09 \cdot 4 = \$1,080$$

$$\text{Total to pay back} \rightarrow \$3,000 + \$1,080 = \$4,080$$

6. Jodi owes \$38,000 in students loans for college. The interest rate is 7.25% and the loan will be paid off over 10 years. How much will Jodi pay altogether?

$$I = \$38,000 \cdot .0725 \cdot 10 = \$27,550$$

$$\text{Total to pay back } \$38,000 + \$27,550 = \$65,550$$

A Little Fractions Review

1. $-\frac{2}{5} - -\frac{1}{10}$

$$-\frac{4}{10} + \frac{1}{10}$$

$$\boxed{-\frac{3}{10}}$$

2. $3\frac{2}{8} \div \frac{3}{4}$

$$\frac{13}{28} \cdot \frac{4}{3}$$

$$\boxed{\frac{13}{3} = 4\frac{1}{3}}$$

3. $-8\frac{5}{12} - 3\frac{7}{8}$

$$-8\frac{10}{24} - 3\frac{21}{24}$$

$$-11\frac{31}{24}$$
$$\boxed{-12\frac{7}{24}}$$

4. $6 \cdot 3\frac{4}{7}$

$$\frac{6}{1} \cdot \frac{25}{7}$$

$$\boxed{\frac{150}{7} = 21\frac{3}{7}}$$