Learning Target
I can calculate simple interest.

Simple Interest Formula
\[ I = Prt \]

Find the simple interest of each.

1. Caitlyn invested $5000 at a rate of 12.5% for 5 years.
2. You invested $8000 at a rate of 6% for 1 year.
3. Sarah took out a loan for $15,000 at a rate of 3.5% for 25 years. What is the TOTAL amount she will pay on her loan?
4. You invest $1500 at a rate of 6%, how much interest have you made after 9 months?
### You try...

1. Carlos invests $5,000 at a rate of 3.5%. How much interest will he earn in 4 years?

2. Herman took out a loan for $8,500 at a rate of 8% for a term of 10 years. How much interest will he pay on the loan?

3. If I invest $2500 at a rate of 2.5%, how much TOTAL money will be in my account after 6 months?

4. Delia took out a car loan for $16000 at a rate of 12.5% for a term of 5 years. What is the TOTAL amount she will pay on the loan?

5. After receiving a nice inheritance, Karla invested $15,000 into a savings account with 4% interest. If does not make any deposits or withdrawals, what will be her account balance in 5 years?

6. Bill invests $2500 at a rate of 5%. How much interest will he earn in 3 years?

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**Summary**

Table Discussion: Compare simple interest to the percent problems we have been solving - why have I been sneaking these problems in all along?