Simple Interest Worksheet

1. Enrique takes out a student loan to pay for his college tuition this year. Find the interest on the loan if he borrowed $2,500 at an annual interest rate of 6% for 15 years.

2. Your family plans to start a small business in your neighborhood. Your father borrows $10,000 from the bank at an annual interest rate of 8% rate for 36 months. What is the amount of interest he will pay on this loan?

3. Mr. Rodriguez invests $2,000 in a savings plan. The savings account pays an annual interest rate of 5.75% on the amount he put in at the end of each year.

   a. How much will Mr. Rodriguez earn if he leaves his money in the savings plan for 10 years?

   b. How much money will be in his savings plan at the end of 10 years?

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Simple Interest Worksheet

1. Enrique takes out a student loan to pay for his college tuition this year. Find the interest on the loan if he borrowed $2,500 at an annual interest rate of 6% for 15 years.

$$I = 2,500(0.06)(15)$$
$$I = 2,250$$

Enrique would have to pay $2,250 *in interest.*

2. Your family plans to start a small business in your neighborhood. Your father borrows $10,000 from the bank at an annual interest rate of 8% rate for 36 months. What is the amount of interest he will pay on this loan?

$$I = 10,000(0.08)(3)$$
$$I = 2,400$$

He will pay $2,400 *in interest.*

3. Mr. Rodriguez invests $2,000 in a savings plan. The savings account pays an annual interest rate of 5.75% on the amount he put in at the end of each year.

   a. How much will Mr. Rodriguez earn if he leaves his money in the savings plan for 10 years?

$$I = 2,000(0.0575)(10)$$
$$I = 1,150$$

He will earn $1,150.

   b. How much money will be in his savings plan at the end of 10 years?

At the end of 10 *years, he will have* $3,150 *because* $2,000 + $1,150 = $3,150.