

Excel Assignment #6

“Calculating Loan Payments”

Directions: You are going to use Excel to help compare loans. You will be given a total amount of a car, amount financed, a loan term, and an interest rate. You will need to find the monthly payments for each loan and explain why you would go with either loan that you choose. Your spreadsheet should look similar to the example on the board.

Loan #1: Cost of Car: \$30,000 Down Payment: \$4,000 Term: 4 years Interest Rate: 7.5%	Loan #2: Cost of Car: \$32,500 Down payment: \$5,000 Term: 5 years Interest rate: 6.75%
Monthly Payments:	Monthly Payments:

Tips for completing assignment:

1. Get your information down on the spreadsheet first.
2. Click in the box for monthly payments and go to “Formulas” and the “Financial” button.
3. You will need to find the “PMT” selection.
4. Find out which loan you would like and explain why.

On your own:

1. Find a car of your choice online on cars.com.
2. Use an 8% interest rate and a four year loan to find your monthly payments.
3. Add this information to your spreadsheet.
4. Make sure you have a header on your paper, it fits to one page, print and hand in.