[redacted] **Instructor:** [redacted] **Assignment:** Unit II Homework
Course: MAT1301-14A-1A16-S2

47. Thiep took out a $13,000 add-on loan to remodel his house and will repay it by making 48 payments of $368. Find the annual percentage rate for the loan using the APR table.

Click the icon to view the annual percentage rate table.

The annual percentage rate is ☐%.

Annual Percentage Rate Table

	APR						
	10%	**11%**	**12%**	**13%**	**14%**	**15%**	**16%**
Number of Payments	**Finance Charge per $100**						
6	$2.94	$3.23	$3.53	$3.83	$4.12	$4.42	$4.72
12	$5.50	$6.06	$6.62	$7.18	$7.74	$8.31	$8.88
24	$10.75	$11.86	$12.98	$14.10	$15.23	$16.37	$17.51
36	$16.16	$17.86	$19.57	$21.30	$23.04	$24.80	$26.57
48	$21.74	$24.06	$26.40	$28.77	$31.17	$33.59	$36.03

48. Decide which situation described below has the better APR to repay a $5,000 loan. Assume you are making monthly payments.

a. An add-on interest loan at 7.9% for 1 year
b. 24 payments of $220

Which loan has the better (lower) APR?

○ Loan (b) has the better APR.

○ Loan (a) has the better APR.