

Name: _____

Blue Book Quiz

25 possible points - show all work (calculations, pg. numbers, formulas, etc.)

1. What is the monthly payment that is necessary to fully amortize a \$182,500 loan at $10\frac{7}{8}\%$ interest over a term of 23 years?
2. What is the monthly payment necessary to amortize a \$95,000 loan at 11% interest over a 25-year term?
3. If a \$89,000 loan is to be amortized over 20 years, at monthly payments of \$903.56, what is the interest rate?
4. If a loan is to be amortized at 11% interest, with monthly payments of \$1,068.41 for 15 years, what is the amount of the loan?
5. Five years ago, a \$168,300 loan was obtained for a term of 20 years at $10\frac{3}{4}\%$ interest. What is the unpaid balance at the *present* time?
6. A second trust deed and note of \$40,000 at $11\frac{3}{4}\%$ interest per year, with a payback rate of \$500 per month, is due in 7 years. What will the *balloon payment* be at that time?
7. The equity for the *second year only* on a \$26,000 loan amortized over 10 years at 11% interest is _____.(use *Equity Build-up* tables).

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8. The first year's interest on a trust deed of \$124,000 at 12% interest amortized for 20 years is _____. (Use the *Amortization and Equity Build-up* tables.)
9. What is the interest for the *second month* on a \$15,000 loan payable at \$150.00 per month, including 9% interest?
10. A second trust deed and note with a remaining balance of \$21,618 is offered for sale at a discount of 16%. What is the amount you would have to pay to purchase this note?
11. A seller received a purchase money second trust deed and note of \$40,000 including 10% interest, payable 1% per month or more with a 5-year due date. If the seller sold the note immediately after escrow for a 20% discount, how much would she receive?
12. Using the information in 11, if she sold the note after holding it for 1 year, how much would she receive with a 25% discount?
13. Using question 11, how much would the monthly payment be if the loan was fully amortized over a five-year term?
14. How much will be due in 4 years on a \$10,00 note at 11 ½% interest with payments of \$90.00 per month?

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15. In qualifying your clients, you ask their monthly household income. The husband replied that his wife makes \$11.25 per hour and he makes \$18.00 per hour. Their combined monthly income is:
16. Using the constant annual percent table, what is the interest rate if a loan of \$32,000 is to be amortized over 20 years with equal monthly payments of \$319.49?
17. What is the monthly interest rate on an annual rate of $10\frac{3}{4}\%$?
18. How many years of equal monthly payments are remaining on a loan with a remaining balance of \$36,000 payable at \$352.85 per month, including interest at 11%?
19. If seller wants to net \$72,000 before escrow and you want a 5% commission from a property, what will be the selling price, *rounded to the next highest hundred?*
20. On a \$24,000 note at $11\frac{1}{4}\%$ interest, with payments of \$360.00 monthly, all due in 5 years, how much would an investor discount this note to yield 20%?
21. What is the percent yield on a \$20,000 note with 10% interest rate and payment of \$400 monthly, due in 5 years, if it was discounted approximately 21%?

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22. If your rent is \$800 per month now and if it is raised 5% per year, compounded for the next 5 years, what will the rent be then?

23. If you invest \$5,000 at the beginning of each year at 7%, compounded annually, what will your investment be worth at the end of 5 years?

24. Your apartment building will need a new roof in 5 years. How much will you need to put in a savings account now at 6 ½% interest, compounded annually, to have the \$10,000 it will take for the roof?

25. Your client has a duplex valued at \$160,000. He has read that property will appreciate 10% per year. He wants to know how much it will be worth in 10 years.