

Name _____

Financial Math

Car Loan Comparisons Sheet 4

	Loan Term		36	48	60
	Loan Rate	1.9%	28.60	21.65	17.48
		2.9%	29.04	22.09	17.92

- You are ready to purchase a new 2015 Honda Accord.
- Apple Honda in Riverhead has agreed to sell you the Accord for \$22,000 and is willing to give you a 60 month loan at 2.9%
- Nardy Honda in Smithtown is only willing to sell you the car at \$23,000, but they are offering 1.9% financing for 60 months.
- Complete the following tables:

	Apple	Nardy
Price:		
NY State Sales Tax (Multiply Price by .08625)		
Total Price of Vehicle (Add Line 1 and Line 2)	500	500
Down Payment		
Amount Financed (Subtract Line 3 - Line 4)		
Amount Financed Divided by 1000		
Monthly Payment per Thousand (Get from Chart above)		
Monthly Car Payment (Multiply Line 6 * Line 7)		
Amount of Payments (How Many Months)		
Amount Paid to Loan (Multiply Line 8 * Line 9)		
True Total Cost of Car (Add Line 4 and Line 10)		

Answer the questions:

1. Which dealer should you purchase from to get a loan with the lower monthly payment?
2. Which dealer should you purchase from to have a lower true cost of the vehicle?