Purchasing A Car

1. Determine the total cost, including 15% taxes, of each vehicle available at a car dealership.
   a) a new SUV selling for $34,599
   b) a used compact car selling for $12,488
   c) a six-year-old mini-van selling for $7,844
   d) a new sports car selling for $41,041

2. Suppose you have a down payment of $4000 and you finance the balance at an annual interest rate of 4.8% compounded monthly for 4 years. Find the monthly payment for each vehicle in question 1.

3. Refer to questions 1 and 2. Determine the total amount paid for each vehicle and the total amount of interest paid.
   \[ \# \text{ payments} \times \text{ monthly payment} - \text{ cost} = \text{ interest} \]
   a) 
   b) 
   c) 
   d)
4. What factors should you consider when deciding which vehicle to buy?

5. Determine the total cost of each new car lease.
   a) $1500 down and 48 payments of $347
   b) no money down and 60 payments of $277
   c) $3000 down and 36 payments of $515
   d) $5000 down and 42 payments of $614

7. A dealership offers two lease packages for the same vehicle.
   Plan A: $5000 down and 48 payments of $435
   Plan B: no money down and 48 payments of $550
   a) Calculate the total cost of each plan.
   b) When might you choose Plan A?
   c) When might you choose Plan B?