

Vehicle Finance Practice Problems

Vehicle Loans

1. a) \$246 b) \$2260
3. \$489.06
4. a) \$440.86 b) \$2661.28
5. a) \$331.65 b) \$97.71
6. a) \$482.36 b) \$31941.60
7. amortization period, down payment – *explain*
8. a) \$493.96
9. a) \$132.19 b) \$3380.48
10. a) \$100.63

Buying a New Vehicle

1. \$17920
2. equity, higher monthly payment – *explain*
3. \$26936
4. warranty, lower cost – *explain*
5. \$11,200
6. \$23072
7. \$1560
8. \$30,968
9. a) \$24,120 b) \$26,130.72
10. \$6090

Leasing a New Vehicle

1. lower monthly payment
2. a) \$16,555.68 b) \$44,615.68
3. \$348
4. \$11,887.68
5. mileage limit, pay for damages – *explain*
6. lower monthly payment, business expense – *explain*
7. \$15,331.20
8. penalty if over km limit
9. d.
10. \$14,336

Buying a Used Vehicle

1. \$7060
2. affordable, monthly payment, high km, hidden damage – *explain*
3. \$565.20
4. a) \$27,830 b) \$517.29
5. b.
6. \$57.00
7. a) \$24,824 b) \$57.75
8. \$12,892.50

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Vehicle Insurance

1. c.
2. deductible, location - *need to explain*
3. better coverage, MPI will pay more of repair costs
4. use (all-purpose vs pleasure), third-party liability amount
5. b.
6. location, deductible, make & model
7. a) higher risk b) change to pleasure from all-purpose
8. all-purpose
9. b.
10. pleasure
11. change deductible to a higher amount, pay entire premium at once (lump sum)

Fuel Economy

1. \$124.80
2. \$460.80
3. 8.33L/100 km
4. a) car b) 180 L
5. a) 238 L b) \$292.74
6. a) 156.1 L b) \$202.93
7. 37.5 L more
8. 9.43L/100km
9. 1003L less fuel

Vehicle Servicing

1. \$190.68
2. \$715.68
3. \$800.80
4. \$1601.60
5. \$375.20
6. \$109.20
7. a) \$1137.00 b) \$1273.44
8. \$589.40

Depreciation

1. \$18304 value after 2 years
2. \$22,780
3. a) \$8700 b) \$4060
4. \$14,720
5. a) \$1725 b) \$9775
6. \$22,500