

# Simple Interest Problems

Name: \_\_\_\_\_ Score: \_\_\_\_\_

Solve the following simple interest problems and show your workings.

1. Anna deposited 10,000 dollars in an account at a simple interest rate of 2% per year . How much interest will she get after 5 years ?



2. John borrowed 1,000 dollars at a simple interest rate of 3% per year. How much did he have to repay if he repaid the loan after 2 years?
3. Peter put 2,000 dollars in an account that pays him 5% simple interest. What will be the total balance of his account after 3 years?
4. Maria paid \$6,000 to pay off her loan given to her at a 5% simple interest rate for 4 years. How much money did she borrow initially?
5. If I deposit \$3,000 in my account at an annual simple interest rate of 10%, how long will it take for my account balance to grow to \$3,900?
6. Nina deposited \$4,000 in her account. After 2 years her account balance was \$4,800. What was the simple interest rate of her account?

# Answers

Solve the following simple interest problems and show your workings.

1. Anna deposited 10,000 dollars in an account at a simple interest rate of 2% per year . How much interest will she get after 5 years ?

$$10,000 \times 0.02 \times 5 = 1,000 \text{ dollars}$$



2. John borrowed 1,000 dollars at a simple interest rate of 3% per year. How much did he have to repay if he repaid the loan after 2 years?

$$1,000 + (1,000 \times 0.03 \times 2) = 1,060 \text{ dollars}$$

3. Peter put 2,000 dollars in an account that pays him 5% simple interest. What will be the total balance of his account after 3 years?

$$2,000 + (2,000 \times 0.05 \times 3) = 2,300 \text{ dollars}$$

4. Maria paid \$6,000 to pay off her loan given to her at a 5% simple interest rate for 4 years. How much money did she borrow initially?

$$P + (P \times 0.05 \times 4) = 6,000 \quad 1.2P = 6,000 \quad \text{Principal} = \$5,000$$

5. If I deposit \$3,000 in my account at an annual simple interest rate of 10%, how long will it take for my account balance to grow to \$3,900?

$$3,000 + (3,000 \times 0.1 \times Y) = 3,900 \text{ leads to } 300Y = 900, Y = 3 \text{ years}$$

6. Nina deposited \$4,000 in her account. After 2 years her account balance was \$4,800. What was the simple interest rate of her account?

$$4,000 + (4,000 \times i \times 2) = 4,800 \text{ leads to } 8000i = 800, i = 10\%$$