

## Future Value of Investment Calculation

### Recall:

$$A = P \left(1 + \frac{r}{n}\right)^{nt}$$

### where:

t = the time the money is invested or borrowed, in years

n = the number of times per year that interest is compounded

1. Calculate the amount of a \$1,000.00 investment if the interest rate is 4% and the compounding period is semi-annual for 10 years. What is the future value of the investment and the total interest?

2. Calculate the amount of a \$3,527.25 investment if the interest rate is 3% compounded semi-annually for 5 years. What is the future value of the investment and the total interest earned?

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3. Calculate the amount of a \$12,200.57 investment if the interest rate is 3% compounded quarterly for 7 years. What is the future value of the investment and the total interest earned?