

Car Loan Calculator Questions

Name: _____ Date: _____

Directions: Suppose you decide to borrow \$20,000 to purchase a used car and you want to compare the total cost of two different loan options. To help you make an informed choice, go to <https://www.bankrate.com/calculators/auto/auto-loan-calculator.aspx> and respond to these questions:

Interest Rate 5% for 60 months

What is the total principal paid?

What is the total interest paid?

What is the total amount paid for the vehicle?

What is the monthly payment?

Interest Rate 5% for 48 months

What is the total principal paid?

What is the total interest paid?

What is the total amount paid for the vehicle?

What is the monthly payment?

Car Loan Calculator

Comparison

What is the difference in the total amount paid?

What is the difference in the monthly payment?

Which option is best?