## Activity 1

1. AJ is starting a auto brakes business. He rents a small garage for $\$ 1100$ per month. He leases his equipment from a dealer for $\$ 40$ per month. AJ is paid $\$ 120$ per job by each of his customers, and his variable cost per customer is $\$ 10$ per month (in fuel and maintenance). What is the break-even point for AJ's business? Show all of your work in the space provided.
2. Jamie has decided to open a small store selling her hand made jewelry. The following costs are her startup costs:
a. Rent = \$1,300
b. Material = \$10.25/ unit
c. Utilities= $\$ 250$
d. Rental for tools $=\$ 60$

If her product sells for $\$ 30.00 /$ unit, how many units must she sell to break- even? Show all of your work in the space provided.

