LESSON 4_INTEREST AND AMORTIZATION

MODULE 2 MORTGAGE

MONTHLY AMORTIZATION PLAN

SPECIFICS : SOCIAL SECURITY SYSTEM (SSS)

CONTACT PRICE : P 750, 000

DOWN PAYMENT : 10% OF CONTRACT PRICE

INTEREST RATE : 11.75 PER ANNUM

LOAN : 19, 736. 84

PERIOD OF PAYMENT : P 750, 000 MONTHLY : 10%
AMORTIZATION : 19, 736. 84 INTEREST : 11.75

P = 750, 000 R = 11.75 N = 10

$$A = P\ 750{,}000\ (12/12)\ (1-(1+12/12)-12(4))$$
$$= 19,736.84$$