LESSON 4_INTEREST AND AMORTIZATION

MODULE 2 MORTGAGE

MONTHLY AMORTIZATION PLAN

<u>SPECIFICS: SOCIAL SECURITY SYSTEM (SSS)</u>

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

<u>A = P 750,000 (12/12)</u> ___(1-(1+12/12) - 12 (4)

= 19, 736. 84