

# Present Value of an Annuity

Choose one of the following options:

1 = Annuity Due, 2 = Ordinary Annuity 2

Payment Per Period \$700.00

Number of Periods 5

Interest Rate Per Period (per n periods) 8.00%

The present value of the annuity is: \$3,018.49

## Calculating an Interest Rate

Payment Per Period \$700.00

Present Value \$2,794.90

Number of Periods (n) 5

The interest rate per period is: 12.71%

## Calculating the Number of Periods

Payment Per Period \$700.00

Present Value \$2,794.90

Interest Rate Per Period (per n periods) 8.00%

The number of periods is: 4.555957902

KMT