

Assignment 2

50 Points

Assessment Goals: (Reading and understanding the instructions; Calculation accuracy, Report quality; Use of graphics)

Notes:

Show your work. No round down or up, use two decimals for dollar values and four for factors. Each dataset is written for two students. Although the data is common, the homework is individual.

For the interest rate of 8% compounded annually, perform the following steps for the cash flow is given in the next page, draw the cash flow diagram and :

1. Calculate the present worth of the project, as it is, using formulas or tables for factors. (10 pts)
2. Calculate future worth of the project, as it is, at the end of year 20 using formulas or tables. (10 pts)
3. Calculate the worth of project, as it is, at the end of year 14. (15 pts)
4. Calculate the equivalent annual series between years 5 and 14 for the entire project. (Hint: you can use one of the values calculated in part 1 or 2.). (15 pts)

Assignment 2
IEGR 350 - Summer Session I - 2017

Year	Waleed & Chioma		Luai & William		Chris & Aziz A.		Matthew & Tachema	
	Invest	Income	Invest	Income	Invest	Income	Invest	Income
0	5400		5480		5820		5330	
1								
2					120			
3			540		120	480	210	
4	500	950	540	890	120	480	210	
5	500	950	540	890	120	480	210	640
6	500	950	540	890	120	480	210	640
7	500	950	540	890		480	210	640
8	500	950	540	890	180	480	210	640
9	500	950		890	180	480		640
10	500	1250	380	1000	180		370	880
11	325	1250	380	1000	180		370	880
12	325	1250	380	1000	180	580	370	880
13	325	1250	380	1000		580	370	880
14	325	1250	380	1000	130	580	370	880
15	325	1250	380	1000	130	580	370	880
16	325	1250	380	1000	130	580		730
17	325	1250		1000	130	580		730
18	325	1250	380		130	580		730
19	325	1250	380	1250		580		1000
20	325		380		130			1000