

Assignment 3 (Due Date: 5:00pm Thursday Feb. 18th)

1. Plot the cash flow diagram based on the following set of payments. (5 pts)
2. Find the equivalent annual payments for the problem. (30 pts)
3. Find the equivalent arithmetic gradient series for the given cash flow between years 8 and 14 with $A = \$125$. (15 pts)

Requirements:

Limit the use of single payment movements as much as possible. Instead use different series conversion techniques. Use 12.6% interest rate, compounded annually.

Year	0									
Payment	540									
Year	1	2	3	4	5	6	7	8	9	10
Payment	0	-382	306	255	204	153	102	51	0	-43
Year	11	12	13	14	15	16	17	18	19	20
Payment	-86	-129	-172	-215	-258	-258	-258	-258	-234	-258
Year	21	22	23	24	25	26	27	28	29	30
Payment	-258	-258	-102	185	196	260	324	388	452	516