

CONSUMER CREDIT LAB

SCORE _____/50

“What is the cost of ownership”

GROUP NAMES _____

Please read and follow the directions:

You are to make a purchase of a vehicle of your choice. You will decide price and tax rate. You must make a down payment in whatever percentage you choose. You may decide your own APR and time as long as both are reasonable. At what point will your vehicle fully depreciate? Your mission is to create a captivating visual on the poster paper provided that includes your purchase price, down payment, principal and calculations showing monthly payment, full payment, how much interest you paid and how many years it will take your vehicle to fully depreciate.

After how many years will your car value equal the amount you paid to date for your car. Be sure to include your depreciation equation and your expense equation and how you found your point of intersection on your visual.

You will present your colorful visual to the class explaining your choices and your calculations in a way that they will understand. Everyone in the group must speak at least once in the presentation.

You must be present to complete the lab and to participate in ALL presentations. Note: This could take two days.

You will be graded on the following rubric:

Reasonable rates used and tax and down payment calculated correctly	_____ /10
Monthly payment and total out of pocket was calculated correctly	_____ /10
Cost of loan was calculated correctly	_____ /10
Depreciation equations are correct and calculated correctly	_____ /10
Presentation and Visual	_____ /10
Total Points	_____ /50

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