College Tuition Question

Jamie has decided to attend Illinois State University to pursue a teaching career. She will have to pay a tuition of $13,126 a year for 4 years as well as a room board coast of $10,000 per year for 4 years.

1. How much will Jamie’s college tuition cost for 4 years?

2. If the bank offers a 5% interest rate on her student loan, how much interest will Jamie’s have to pay if he goes to school for 4 years?

(Hint: Use I = Prt)

3. How much money will Jamie have to repay the bank when she graduates in 4 years?

4. If Jamie decides to pay her loan back over a period of 30 years, what will her monthly payment be?