

## Calculating Interest

### Show your thinking.

1. You purchase a new bike for \$ 535.00 using a credit card. The interest rate on PC Mastercard is currently is 20.97%. Calculate the total cost of your item after one month **if you do not pay your bill in full on time.**
2. The average cost of a home in Kingston is currently \$ 465 000. If your mortgage rate is 5%, how much interest will you pay in one year?