

Let's buy a car that will need to be financed. You will need to find a car on the internet that you want to purchase. You can look at any internet site, but you might consider: <http://www.edmunds.com>.

You will take out a loan to purchase your car. After purchase your car will lose value the older it gets. You will be comparing how much your car is worth to how much money you still owe on the car x number of years after purchase. Follow the steps below, to complete this comparison.

Please create a Google Sheets presentation or Poster.

Include all of the following:

- Car Make _____ Model _____ Price _____
- What does it mean to be upside down in a loan? Look it up, then write the definition in your own words.
- Research the rate of depreciation for the model you create a table and graph (IN BLUE) to show the value of your over the next 10 years. <https://goodcalculators.com/car-depreciation-calculator/>

Year	Car Value
0	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

- Now we need a loan. Research current auto loan rates and create a table and graph (IN RED) to show principal balance (the amount that you owe on your car) over the next 5 years (length of loan). Assume you are borrowing the entire amount of the car. <https://www.calculator.net/amortization-calculator.html>

Year	Amount owed
0	
1	
2	
3	
4	
5	

- Using BLUE for car value and RED for amount owed, plot both tables on the same graph. Desmos or on paper.

- In what years is the RED line above the BLUE line?
- What does it mean when the red line is above the blue line?
- What is the total amount of interest you will pay over the term of the loan? What is your monthly payment?
- Write one paragraph and make a short video describing your project and what you learned?