

GENERAL MATHEMATICS Level 3

Common Assessment Task

Work Requirements:

N/A

Assessment Type:

Short response

Criteria being assessed:

- Criterion 1 - elements 1 and 2
- Criterion 6 - elements 1, 2 and 4

Suggested conditions:

- This task should take learners no more than 2.5 hours.
- Learners should submit a handwritten or word-processed response.
- This task requires an individual response by each learner.

Task Description:

A short response to a single page of questions.

What you need to do:

Respond to each question providing all working for each question.

You may find it useful to use a spreadsheet or other technology to help you with your calculations.

Helping Rachel

Rachel is a homeowner with a mortgage. She has \$225 000 left to pay on the mortgage and her current interest rate is 2.4 % per annum. Her current repayments are \$551 per fortnight. She is concerned that interest rates are going to rise and would like some advice.

1. How much would her repayments be at 3% and 3.5%?
2. What would her fortnightly repayment be if she extended the length of the loan to 25 years at 3%?
3. What of the following strategies will help her to pay off her loan and pay the lowest total interest as interest rates rise?
 - Extend the life of the loan
 - Change to monthly repayments

- Increase the amount of her fortnightly repayment
4. What other changes to her situation could be made that may help her?

Teacher use only - What needs to be submitted for assessment?

Learners respond to the questions in a separate document, clearly identifying each question.