

MAT8520 Homework 3

This homework is out of 30 and worth 5% of your final mark.

Buy a Car

1. Go online. Build and price your next NEW vehicle from the brand of your choice. This can be a realistic vehicle or a pipe dream. Take a screen shot of the final cost, including taxes, PDI, and any other dealership fees (5 marks).
2. Find the terms for a financing rate (not lease) and write them down. They should have most of the calculations done for you. You are looking for a payment amount, frequency (weekly? monthly?), and an interest rate. (2 marks)
3. Figure out (or copy down) the total cost of your vehicle if you finance it through the dealership. (2 marks)
4. If you use a line of credit with a rate of 4.47% what will the vehicle cost? Calculate this with a compound interest formula – you'll take the money and pay it all back in five years. Interest on a line of credit is compounded daily. (2 marks)
5. Tell me the deal you think you can get from grandma and calculate what you will owe her if you pay it back in 5 years. Grandma is savvy with her money and you're not her favourite grandchild – she's going to charge you at least some interest. (2 marks)
6. What, in your opinion, is your best option? Why? (2 marks)

Fix a Car

1. Pick vehicle that exists in the Chilton Database (Brightspace>Homework>Chilton Link). If you have to select any engine, drivetrain, etc. configurations make a note of those. Write down your choice or take a screenshot. *Make sure labour estimates are available for your vehicle! (2 marks)
2. Pick something your car needs to have addressed. This can be something you've already seen in the shop at school, a brake job, something you're curious about, anything. Sky's the limit. You can ask me if you need a recommendation (2 marks)
3. Prepare a complete repair order for the job. This will include labour times from Chilton, cost of all parts, any associated fees, taxes, and a total price. Assume a shop rate of \$120/hour. Napa Canada has a good parts look-up for pricing. (11 marks)