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**FINAL EXAM (VA) Fina 210 Section CX (SUMMER 2011)**  
**THIS EXAM MUST BE RETURNED INTACT (Do not remove staple)**  
**Read Instructions carefully**

**Question #16**

Use the information below to answer the following question.

Property value \$700,000

Loan-to-value ratio (LVR) of 65%

Interest rate (nominal) per annum are as follows: ~

Year 1. 8.35% per annum compounded semi-annually

Year 2. 7.20% per annum compounded semi-annually

Year 3. 6.80% per annum compounded semi-annually

Mortgage payment paid annually

Term of loan 15 years

What is the interest portion of the 3<sup>rd</sup> mortgage payment?

- a. \$30,000
- b. \$29,038
- c. \$28,553
- d. \$32,171

**Question #17**

Which of the two of the following four environments deals with the feasibility and profitability of the project?

- a. Legal & Market
- b. Legal & Financing
- c. Financing & Taxation
- d. Market & Taxation

**Question #18**

The equity investor could be an individual and / or any forms of business organization. What is another name for this equity investor?

- a. Tenant
- b. Landlord
- c. Broker
- d. Notary