

# The Value of STUFF Exercise



Make a list of five things setting in your house/car/office/classroom that you have purchased and have rarely, if ever, used.

Item	Cost at Time of Purchase
1.	
2.	
3.	
4.	
5.	
<b>Total \$\$ Spent</b>	



Now – let’s apply a little “compound” to our purchases.

Calculating the FUTURE VALUE of what you spent on those five items using the formula

### Future value of a present sum

**FV = PV X (1+i)<sup>t</sup>** where FV is the future value, PV is the present value, “i” is the interest rate and “t” is the number of compounding periods. How much money would you have tucked away if you had invested those dollars at the following interest rates:

Interest Rate	# of Years	Total \$\$ Spent (from above)	Future Value ??
4%	5		
4%	10		
4%	20		
8%	5		
8%	10		
8%	20		
10%	5		
10%	10		
10%	20		
12%	5		
12%	10		
12%	20		