Test Week 2/17 -

**Project A**

<table>
<thead>
<tr>
<th>IC</th>
<th>$100,000</th>
<th>70,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC</td>
<td>$10,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>SV</td>
<td>$10,000</td>
<td>7,000</td>
</tr>
</tbody>
</table>

**Project B**

<table>
<thead>
<tr>
<th>IC</th>
<th>70,000</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC</td>
<td>$20,000</td>
<td>7,000</td>
</tr>
<tr>
<td>SV</td>
<td>7,000</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

**Cost Rate** 10% 10%

**Life** 10 yrs 7 yrs

Find AW for each project.

A/P → "PMT" function → Table 16.4

A/P = 0.1027 0.2054

A/F = 0.0627 0.1054

Zp "PMT" function

\[
\text{AW}_{IC} = \frac{A}{P} \times IC = \frac{100,000}{0.1027} = 98,039.28
\]

\[
\text{AW}_{AC} = 10,000
\]

\[
\text{AW}_{SV} = \frac{A}{F} \times SV = \frac{737}{0.0627} = 11,706.7
\]

\[
\sum = \text{-$34,000$}
\]