

# Practice Problems

**CATEGORY: HP12c**

## **TOPIC: PREDICT VALUE AND CALCULATE THE CORRELATION COEFFICIENT**

*Problem 1 – Calculate the periodic mortgage payment and the annual debt service given the following terms.*

Sale One	40,000 square foot site sold for \$5.65 per square foot
Sale Two	43,000 square foot site sold for \$6.15 per square foot
Sale Three	38,300 square foot site sold for \$5.25 per square foot
Sale Four	41,600 square foot site sold for \$5.90 per square foot
Sale Five	41,900 square foot site sold for \$6.05 per square foot

*Problem Solution – NEXT PAGE*

# Practice Problems

**CATEGORY: HP12c**

## TOPIC: PREDICT VALUE AND CALCULATE THE CORRELATION COEFFICIENT

*Problem 1 – Develop the predicted value and calculate the correlation coefficient based on the following sale data.*

Sale One	40,000 square foot site sold for \$5.65 per square foot
Sale Two	43,000 square foot site sold for \$6.15 per square foot
Sale Three	38,300 square foot site sold for \$5.25 per square foot
Sale Four	41,600 square foot site sold for \$5.90 per square foot
Sale Five	41,900 square foot site sold for \$6.05 per square foot

### Problem Solution

KEYSTROKES		DISPLAY	COMMENTS
	<b>f</b> <b>CLX</b>	0.00	Clear calculator registers
5.65	<b>ENTER</b>	5.65	Enter first unit price (y value)
40000	<b>Σ+</b>	1.00	Enter first site square foot size (x value)
6.15	<b>ENTER</b>	6.15	Enter second unit price (y value)
43000	<b>Σ+</b>	2.00	Enter second site square foot size (x value)
5.25	<b>ENTER</b>	5.25	Enter third unit price (y value)
38300	<b>Σ+</b>	3.00	Enter third site square foot size (x value)
5.9	<b>ENTER</b>	5.90	Enter fourth unit price (y value)
41600	<b>Σ+</b>	4.00	Enter fourth site square foot size (x value)
6.05	<b>ENTER</b>	6.05	Enter fifth unit price (y value)
41900	<b>Σ+</b>	5.00	Enter fifth site square foot size (x value)
42000	<b>ENTER</b>	42,000.00	Enter subject property site square foot size (y value)
	<b>g</b> <b>2</b>	(ŷ,r)	Shows predicted value for the subject property
	<b>x⇌y</b>	0.99	Shows correlation coefficient