**TABLE 9.3 Future Value Interest Factor (FVIFA) for a $1 Ordinary Annuity**

| **Year** | **5%** | **6%** | **7%** | **8%** | **9%** | **10%** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| 2 | 2.050 | 2.060 | 2.070 | 2.080 | 2.090 | 2.100 |
| 3 | 3.152 | 3.184 | 3.215 | 3.246 | 3.278 | 3.310 |
| 4 | 4.310 | 4.375 | 4.440 | 4.506 | 4.573 | 4.641 |
| 5 | 5.526 | 5.637 | 5.751 | 5.867 | 5.985 | 6.105 |
| 6 | 6.802 | 6.975 | 7.153 | 7.336 | 7.523 | 7.716 |
| 7 | 8.142 | 8.394 | 8.654 | 8.923 | 9.200 | 9.487 |
| 8 | 9.549 | 9.897 | 10.260 | 10.637 | 11.028 | 11.436 |
| 9 | 11.027 | 11.491 | 11.978 | 12.488 | 13.021 | 13.579 |
| 10 | 12.578 | 13.181 | 13.816 | 14.487 | 15.193 | 15.937 |

**Table-based Solution:**

[Table 9.3](https://jigsaw.vitalsource.com/books/9781119321118/epub/OPS/c09.xhtml?favre=brett#c09-tbl-0003) shows FVIFA values for a partial range of interest rates and time periods. (Table 3 in the Appendix is a more comprehensive FVIFA table.) Let's use [Table 9.3](https://jigsaw.vitalsource.com/books/9781119321118/epub/OPS/c09.xhtml?favre=brett#c09-tbl-0003) to find the future value of an ordinary annuity involving annual payments of $1,000, an 8 percent interest rate, and a three-year time period. Notice that at the intersection of the 8 percent column and three years we find a FVIFA of 3.246. Putting this information into [Equation (9-6)](https://jigsaw.vitalsource.com/books/9781119321118/epub/OPS/c09.xhtml?favre=brett#c09-disp-0034) gives,

FVA3=$1,000(3.246)=$3,246