

Present Value of an annuity to pay \$1 per month.

Years to Maturity	Rate in Percent								
	4.0	4.5	5.0	5.5	6.0	6.5	7.0	7.5	8.0
1	11.7831	11.7565	11.7299	11.7034	11.6770	11.6507	11.6245	11.5984	11.5724
2	23.1050	22.9966	22.8889	22.7819	22.6757	22.5702	22.4654	22.3613	22.2579
3	33.9837	33.7430	33.5047	33.2689	33.0354	32.8042	32.5754	32.3488	32.1246
4	44.4365	44.0174	43.6039	43.1959	42.7932	42.3959	42.0038	41.6169	41.2350
5	54.4801	53.8405	53.2115	52.5928	51.9842	51.3855	50.7966	50.2172	49.6472
6	64.1305	63.2322	62.3515	61.4880	60.6412	59.8109	58.9966	58.1980	57.4148
7	73.4031	72.2114	71.0466	69.9082	68.7953	67.7074	66.6438	65.6039	64.5870
8	82.3128	80.7962	79.3186	77.8788	76.4757	75.1083	73.7754	72.4762	71.2096
9	90.8737	89.0039	87.1879	85.4238	83.7099	82.0446	80.4263	78.8534	77.3246
10	99.0994	96.8512	94.6742	92.5659	90.5238	88.5455	86.6288	84.7713	82.9710
11	107.0031	104.3537	101.7961	99.3267	96.9419	94.6384	92.4131	90.2628	88.1846
12	114.5975	111.5268	108.5714	105.7265	102.9871	100.3489	97.8075	95.3587	92.9987
13	121.8945	118.3848	115.0170	111.7845	108.6811	105.7009	102.8381	100.0875	97.4438
14	128.9059	124.9415	121.1488	117.5191	114.0444	110.7170	107.5297	104.4756	101.5483
15	135.6428	131.2103	126.9821	122.9475	119.0960	115.4182	111.9050	108.5476	105.3382
16	142.1160	137.2037	132.5316	128.0860	123.8542	119.8244	115.9852	112.3263	108.8377
17	148.3357	142.9339	137.8109	132.9501	128.3360	123.9540	119.7905	115.8328	112.0689
18	154.3120	148.4125	142.8333	137.5545	132.5574	127.8243	123.3391	119.0866	115.0525
19	160.0544	153.6504	147.6113	141.9131	136.5335	131.4518	126.6486	122.1060	117.8075
20	165.5719	158.6582	152.1567	146.0389	140.2787	134.8515	129.7349	124.9080	120.3513
21	170.8735	163.4461	156.4808	149.9445	143.8063	138.0379	132.6132	127.5080	122.7002
22	175.9675	168.0236	160.5945	153.6415	147.1289	141.0242	135.2974	129.9208	124.8690
23	180.8621	172.4002	164.5080	157.1410	150.2585	143.8231	137.8006	132.1597	126.8717
24	185.5651	176.5845	168.2310	160.4538	153.2063	146.4463	140.1351	134.2374	128.7208
25	190.0840	180.5850	171.7728	163.5896	155.9829	148.9049	142.3122	136.1654	130.4283
26	194.4260	184.4098	175.1422	166.5580	158.5982	151.2092	144.3426	137.9544	132.0049
27	198.5980	188.0666	178.3476	169.3679	161.0615	153.3688	146.2360	139.6146	133.4606
28	202.6067	191.5628	181.3970	172.0278	163.3817	155.3928	148.0019	141.1552	134.8048
29	206.4585	194.9054	184.2980	174.5456	165.5671	157.2899	149.6486	142.5849	136.0460
30	210.1594	198.1013	187.0578	176.9290	167.6256	159.0678	151.1844	143.9115	137.1921

Example 1:

I need \$137.19 today to pay an annuity of one dollar per month, compounded monthly, for thirty years at 8%. Thus, I would need $\$137.19 \times 2500 = \$342,980$ in the fund to receive a monthly annuity of \$2500 if the fund earns 8% per year.

Example 2:

I sell my house for \$100,000 capital gain and take the one-time capital gains exemption. I can earn 6% interest on the money and plan to receive payments for the next twenty years. My monthly payment is found by dividing \$100,000 by 140.2787 or about \$700 per month