**Problem 1**

Project A Payback Time = $250,000/$75,000 = 3.3 years.

Project B Payback Time = $150,000/$52,000 = 2.9 years

Therefore, Project B will be a better option

**Problem 3**

NPV = -75 + 20/(1.2) + 25/(1.2)2 + 30/(1.2)3 + 50/(1.2)4

= $501.5432

**Problem 4**

The investment will become unfavorable with the barrier of 24%