16. **Finding the Dividend** Hollin Corporation stock currently sells for $50 per share. The market requires a 14 percent return on the firm’s stock. If the company maintains a constant 8 percent growth rate in dividends, what was the most recent dividend per share paid on the stock?

20. **Stock Valuation** Most corporations pay quarterly dividends on their common stock rather than annual dividends. Barring any unusual circumstances during the year, the board raises, lowers, or maintains the current dividend once a year and then pays this dividend out in equal quarterly installments to its shareholders.

   a. Suppose a company currently pays a $3.00 annual dividend on its common stock in a single annual installment, and management plans on raising this dividend by 6 percent per year, indefinitely. If the required return on this stock is 14 percent, what is the current share price?

21. **Nonconstant Growth** Storico Co. just paid a dividend of $3.50 per share. The company will increase its dividend by 20 percent next year and will then reduce its dividend growth rate by 5 percentage points per year until it reaches the industry average of 5 percent dividend growth, after which the company will keep a constant growth rate, forever. If the required return on Storico stock is 13 percent, what will a share of stock sell for today?