

$$\text{Annual Rate of Return} = \left[ \frac{\text{Ending Value of Investment}}{\text{Beginning Value of Investment}} \right]^{\left[ \frac{1}{\text{Number of Years}} \right]} - 1$$

$$= \left[ \left[ \frac{500,000}{300,000} \right]^{\frac{1}{5}} - 1 \right] \times 100$$

$$= 10.6$$