

Money Talks



Unit 6 Loans

High-Intermediate and Advanced

Objectives

- Identify different types or purposes of loans.
- Evaluate car loans based on interest rate and monthly payment.
- Ask appropriate questions in order to select a loan.
- Language and/or EFF skills practiced: use math to solve problems and communicate; cooperate with others; read with understanding.



In this unit

- Activity 6-1: Loans
- Activity 6-2: Do You Have BIG Dreams?
- Activity 6-3: Shopping for a Loan: Samuel and Miranda's Story
- Activity 6-4: Which Loan Is Best?
- Activity 6-5: Pronunciation Practice
- Activity 6-6: Asking the Right Questions of the Loan Officer
- Activity 6-7: Filling Out a Loan Application

Materials

- Overhead 6-A: Which Loan is Best?
- Worksheet 6-1: The Car Loan Picture Story Sequencing
- Worksheet 6-2: Do You Have Big Dreams
- Worksheet 6-3: Shopping for a Loan
- Worksheet 6-4: Which Loan is Best?
- Worksheet 6-5: Pronunciation Practice
- Worksheet 6-6: Asking the Right Questions of the Loan Officer
- Worksheet 6-7: Filling Out a Loan Application - Worksheet and Answer Key Calculators

Loans

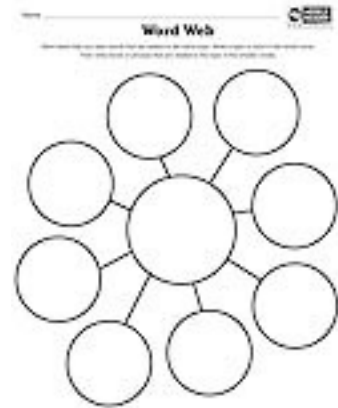
High-Intermediate/Advanced

Warm-up: Loans

Materials

Worksheet 6-1: The Car Loan Picture Story Sequencing

- *Vocabulary:* Use a mind map or word web to generate vocabulary from students about loans.
 1. Write "loan" in a circle and draw other circles around it.
 2. Encourage students to add related words to the outer circles.
 3. Take a look at the words in the word web together, and, if the following words did not come up, add them to the list: "interest rate," "monthly payment," "debt," and "application."
 4. Discuss the meanings of all terms.



Loans

High-Intermediate/Advanced

Presentation

- *Transition:* Ask students if they have any loans, and ask what they are for.
- *Picture Story:*
 - Pass out the Worksheet 6-1, The Car Loan Picture Story Sequencing. (The story is out of order.)
 - Tell students that the pictures are out of order and that you are going to read the story in the correct order.
 - Before reading the story out loud, have students talk about what they think is going on in each picture.
 - Read the story out loud twice, and have students put the story in order (by placing numbers 1 - 10 in the box found on each picture or cutting the pictures up and putting them in order).
 - About halfway through the activity, read the story again so students can check their progress.
 - When students complete the story sequence, read the story again. Check students' work. Have students retell the story in their own words.
- *Extension:* Students can write out the story in their own words for homework.



The Car Loan

Marco can't afford a car, so he has to take the bus when he goes on dates with his girlfriend. She's angry because the bus is always late. He decides to save money for a down payment on a used car. After six months, he goes to a car lot called Friendly Joe's Used Cars.

He needs to get a loan, but he's confused by the loan terms. He meets with a loan officer who explains the numbers. Marco fills out a loan application and drives away in his new car.

Marco is very happy, and his girlfriend is too. But, the car breaks down on the way to their favorite Italian restaurant. The engine is smoking, and so is Marco's girlfriend!

At the repair shop, the mechanic hands Marco an estimate for the engine repair, \$500. Marco is shocked. He doesn't have enough money for the repair.

The next week, Marco waits at the bus stop once again. He sees his ex-girlfriend drive by in her new boyfriend's flashy new sports car.

Wrap-up: Discuss

- If you wanted to buy a car in your country, how would you do it?
- Would you get a loan?
- What if you wanted to buy other things, like a computer, a vacation, or a home?

Loans

High-Intermediate/ Advanced

Reading: Do You Have BIG Dreams?

Materials

Worksheet 6-2: Do You Have Big Dreams?

- Ask students to read to themselves and complete the reading check.
- When finished, review and discuss the students' answers together.



Answers:

1. no 2. yes 3. yes 4. yes 5. yes

Practice: Shopping for a Loan: Samuel and Miranda's Story

Materials

Worksheet 6-3: Shopping for a Loan

- Look at pictures in the story and have students make predictions about what they see by asking leading questions like:
 - What is Samuel's job?
 - What does Samuel want to buy?
 - What do you think Samuel and Miranda are talking about?
- Tell students that they will read about Samuel and Miranda's story and that they will need to read carefully to answer the series of questions that follow the story.
- Read the first question out loud to show students the type of information they will need to answer; have them pay particular attention to amounts of money stated, and suggest circling or highlighting specific items.
- Have students briefly read to themselves all the questions so they know the purpose of their reading.
- Have students read the story, and then answer the questions.
- Have students move on to the vocabulary check after they complete the questions about Samuel and Miranda.
- For unfamiliar terms, suggest that students look at the story to decipher the meaning.
- When everyone is finished, go over the answers together. Discuss any discrepancies.



Answers:

- How much money have Samuel and Miranda saved together? \$1200 (\$100 a month for 12 months)
- How much did Samuel save when he was single? \$1680 (\$40 a month for 42 months - He was working for 3 1/2 years before he got married.)
- Now, Samuel and Miranda have ___ for a down payment. \$2040 (half of \$1680 = \$840 + \$1200)
- What do Samuel and Miranda take home in pay each month? \$2010 (\$1200 + \$800)
- What are their fixed expenses each month? \$1500 (\$750 + \$45 + \$55 + \$300 + \$150 + \$200)

6. If they save \$100 per month, how much monthly income remains? \$410 (\$2010 - \$1500 - \$100)
7. What are some situations that Samuel and Miranda could encounter that would make their economic circumstances more difficult? Answers will vary but may include: 1) loss of job; 2) health problem or hospitalization; 3) having a baby, etc.
8. How much do you think they could safely spend on a car payment each month? Answers will vary, but should not be more than \$200.

- Review the vocabulary check.

Answers:
afford=f; benefits=d; down payment=e; expense=i; fee=b; gross=g; income=k; loan officer=c; monthly=a; net=h; remain=l; spend=m

Loans

High-Intermediate/ Advanced

Practice: Which Loan Is Best?

Materials

Overhead 6-A: Which Loan is Best?
 Worksheet 6-4: Which Loan is Best?

- The story of Samuel and Miranda continues, and again students will need to read the story and answer questions.
- This time they will need to look at a chart.
- Show the first chart using an overhead, and be sure students understand how to read the chart and what the numbers mean. Talk about things like, "Is it better to get a high or low interest rate for your loan?" and explain why. Have students then read the continuation of the story, up to the point of the first chart, and with your guidance have them answer the first three questions.

Loan	Monthly Payment	Interest Rate	Total Cost
Loan A	\$150	5%	\$18,000
Loan B	\$160	6%	\$19,200
Loan C	\$140	4%	\$16,800

Which loan has the lowest monthly payment?
 Which loan has the lowest interest rate?
 Which loan has the lowest total cost?

California Mutual Bank

- Which loan has the lowest monthly payment? Loan C
 - Which loan has the lowest interest rate? Loan A
 - Which loan has the lowest total cost? Loan A
-
- Then, have students continue answering the questions. Discuss their answers together.

- * West Coast Federal Credit Union: What is best about this loan - its interest rate or its monthly payment? interest rate
- * Loans 'R Us Online: What is best about this loan - its interest rate or its monthly payment? monthly payment
- * Joe Friendly Used Cars: What is best about this loan - its interest rate or its monthly payment? monthly payment

The screenshot shows a worksheet with a table of loan options and several questions. The table has columns for Loan, Interest Rate, Monthly Payment, and Term. Below the table are questions asking for the best feature of each loan and the total amount paid.

Loan	Interest Rate	Monthly Payment	Term
A	10%	\$1,000	3 years
B	12%	\$1,200	4 years
C	15%	\$1,500	5 years
D	18%	\$1,800	6 years
E	20%	\$2,000	7 years
F	22%	\$2,200	8 years

➤ Have students answer questions about loans A-F.

- Answers:
1. Loan E
 2. Loan A
 3. Loan D
 4. Loan F
 5. Loan D (\$10,860)
 6. Loan E (\$12,240)
 7. 3 years; 4 years; 5 years; 6 years
 8. shorter loans
 9. longer loans
 10. Answers will vary.

Loans

High-Intermediate/ Advanced

Pronunciation Practice

Materials

Worksheet 6-5: Pronunciation Practice

- Have students drill the questions as pronunciation practice before moving on to the pair practice information gap exercises (next activity). Place stress (higher pitch) on the words that are underlined.
- In preparation for Activity 6-6, have students look at the Golden State Bank chart at the bottom of Worksheet 6-5. Have them ask you an appropriate question to be able to fill in an amount for each box. As a follow up, model how to say each amount (for example, "eight and a half percent"). They will need to become comfortable with saying these types of amounts for Activity 6-6.

The screenshot shows a worksheet with pronunciation practice questions and a bank chart. The questions ask for the stress in different words. The bank chart has columns for Loan, Interest Rate, Monthly Payment, and Term.

Loan	Interest Rate	Monthly Payment	Term
A	10%	\$1,000	3 years
B	12%	\$1,200	4 years
C	15%	\$1,500	5 years
D	18%	\$1,800	6 years
E	20%	\$2,000	7 years
F	22%	\$2,200	8 years

Answers:

purchase price: \$8,000; down payment: \$3,000; amount financed: \$5,000; length of loan in months: 72; interest rate 8.5%; monthly payment \$89; total interest to be paid: \$1,400; total cost: \$9,400; fees: \$25

Loans

High-Intermediate/ Advanced

Practice: Asking the Right Questions of the Loan Officer

Materials

Worksheet 6-6: Asking the Right Questions of the Loan Officer

- Have students complete the information-gap activity in pairs using similar questions and answers. For tutors working with only one student, the tutor takes one of the student roles.
- Remind students to not allow their partner to see the answers but rather to ask their partner to clarify and repeat if necessary.
- Wrap up the activity by having volunteers say the answers out loud.

Loans

High-Intermediate/ Advanced

Application: Filling Out a Loan Application

Materials

Worksheet 6-7: Filling Out a Loan Application: Worksheet and Answer Key

Preparation:

Students can locate most of the information for the loan application form in the lesson's reading. Provide students with the additional information needed for the form either by providing the handout, Worksheet 6-7, writing the information on the board, or by dictation. Do this first before students start to fill out the form so they know what information they will need to locate in the readings.

When finished, students can share their answers. Answers for the information students need to find is in the Answer Key. You can review this together either by using an overhead or providing student copies of a form you complete.

Materials**Which Loan is Best?****Lesson 6: Loans
Overhead 6-A****Which Loan is Best?****California Mutual Bank (Samuel and Miranda's bank)**

Loan	Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)
A	\$10,000	\$2,000	\$8,000	36	7.5%	\$249	\$959	\$10,959
B	\$10,000	\$2,000	\$8,000	48	8.25%	\$196	\$1420	\$11,420
C	\$10,000	\$2,000	\$8,000	60	8.25%	\$163	\$1790	\$11,790

Which loan has the lowest monthly payment?

Which loan has the lowest interest rate?

Which loan has the lowest total cost?

The Car Loan

Picture Story Sequencing

Lesson 6: Loans

Worksheet 6-1

Put the story in order. Tell the story again.



Do You Have BIG Dreams?

Do you want to buy something big? A car? A house? Do you want to start your own business? Do you want to study at the university? If you answered "yes" to any of these questions, you will probably need to get a loan. There are many types of loans:

- car loans
- home loans (also called a mortgage)
- business loans
- student loans
- personal loans (to pay for other expensive things like computers or travel)

But before you get a loan, you need to know some important information. What are the **fees**? What is the interest rate? What will your monthly payments be? How long will you have to make payments? Like finding the best checking or savings account, you need to shop to find the best loan for you. You will want to ask experts to help you, people like financial planners or counselors, and **loan officers** at a bank.

Reading Check:

Do you understand? Circle yes or no.

- | | | |
|--|-----|----|
| 1. A car loan is also called a mortgage. | yes | no |
| 2. A financial counselor is an example of a loan expert. | yes | no |
| 3. You can get a loan to study at the university. | yes | no |
| 4. You can use a personal loan to buy a computer. | yes | no |
| 5. You always have to pay interest on a loan. | yes | no |

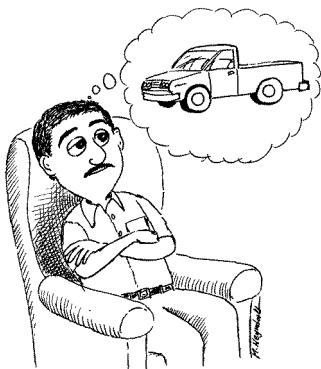
Shopping for a Loan

You are going to practice shopping for a loan by helping Samuel and Miranda find a car loan. Read carefully. You will need to answer some questions about Samuel and Miranda's savings. Read the questions first so you know what information to look for. As you read, you may want to highlight or circle information that will help you answer the questions.

Samuel and Miranda's Story

Samuel Reyes has been living in the United States for five years. He started working after he had been here for six months. He is 26 years old and got married one year ago. When he was single, Samuel saved an average of \$40 per month, and was able to save \$1,680.

He and his wife do not have any children yet. Samuel is a custodian at an office building at night. He works for a company called *Clean by Dawn* and has been with them for three years. He makes \$8.50 an hour, but he doesn't have any **benefits**. In other words, his company doesn't give him health insurance or any paid days off. His wife, Miranda, is 24 years old. She works part-time as a cashier in an electronics store called *Electronics Depot*, and she makes \$7.75 an hour. If Samuel had a car, he could get a custodial position in the school district. He would make \$10.15 an hour and receive benefits. He needs a car because custodians must travel to different schools when they are first hired.



Samuel and Miranda have been saving money for a **down payment** on a car or small truck. A down payment is the money you pay to the car dealer when you purchase the car.

The larger the down payment you give, the less you will have to borrow.

Since they have been married, Samuel and Miranda have been putting \$100 a month for past 12 months into a special savings club to save for the down payment.

Samuel and Miranda decide to use *half* of Samuel's savings for the down payment in addition to the money they have saved together.

But before they shop for a loan, they need to think about how much they **can afford** to pay each month. Samuel **grosses** about \$1,400 per month, but after taxes and insurance, his take-home pay is approximately \$1,200. Miranda earns \$950 per month, but her **net** pay is only about \$810.

Samuel and Miranda have the following fixed **monthly expenses**: rent - \$750; gas and electric - \$45; telephone -- \$55; food - \$300; transportation -- \$150; money sent to families \$200.

They would also like to continue saving at least \$100 a month to save for a down payment on a house.

Finally, everyone needs to have money available for "rainy days", emergencies or unexpected expenses. ("Rainy days" is an idiom which means hard or difficult times.)

Now, Samuel and Miranda are ready to shop for a loan.



Comprehension Questions

1. How much money have Samuel and Miranda saved together?

2. How much did Samuel save when he was single? _____

3. Now, Samuel and Miranda have _____ for a down payment for their car or truck.

4. What do Samuel and Miranda take home in pay each month?

5. What are their fixed expenses each month? _____

6. If they save \$100 per month, how much monthly income remains?

7. What are some things that could happen to Samuel and Miranda that would make their money situation more difficult? _____

8. How much do you think they could safely spend on a car payment each month? _____

**Vocabulary Check: Match the vocabulary with the definition.
There is one extra definition.**

- can afford ____ a. every month
- benefits ____ b. extra charge
- down payment ____ c. bank employee who helps find loans
- expense ____ d. sick leave; vacation leave; medical insurance
- fee ____ e. money you pay immediately when you buy a car or house
- gross ____ f. what you are able to pay
- income ____ g. the total amount of your salary before taxes
- loan officer ____ h. the amount you actually receive on your paycheck
- monthly ____ i. the bills you must pay
- net ____ j. the amount of the loan
- remain ____ k. what you earn
- spend ____ l. what is left
- m. money you use or pay out

Which Loan is Best?**Which loan?**

Samuel and Miranda decide that they will need to **spend** about \$10,000 to get the car they want. They plan to buy a used car, but they don't want it to be over three years old. They want it to have a warranty because they don't want to worry about repair costs right away. They are looking at four different places for their loan. At their bank, they have three options. Then, they find a loan with a lower interest rate at a local credit union. Next, they find a loan with a low **monthly** payment on the internet. Finally, they ask the car dealer what he can offer.

California Mutual Bank (Samuel and Miranda's bank)

Loan #	Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)
A	\$10,000	\$2,000	\$8,000	36	7.5%	\$249	\$959	\$10,959
B	\$10,000	\$2,000	\$8,000	48	8.25%	\$196	\$1420	\$11,420
C	\$10,000	\$2,000	\$8,000	60	8.25%	\$163	\$1790	\$11,790

Which loan has the lowest monthly payment?

Which loan has the lowest interest rate?

Which loan has the lowest total cost?

Which Loan is Best?

Lesson 6: Loans
Worksheet 6-4 page 2

West Coast Federal Credit Union

Loan #	Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)
D	\$10,000	\$2,000	\$8,000	36	6.75%	\$246	\$860	\$10,860

What is best about this loan – its interest rate or its monthly payment?

Loans 'R Us Online

Loan #	Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)
E	\$10,000	\$2,000	\$8,000	72	8.5%	\$142	\$2240	\$12,240

What is best about this loan – the monthly payment or the interest rate?

Joe Friendly Used Cars

Loan #	Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)
F	\$10,000	\$2,000	\$8,000	60	9.15%	\$167	\$1999	\$11,999

What is best about this loan – the monthly payment or the interest rate?

Answer the following questions about all the loans, A - F.

1. Which loan has the lowest monthly payment?
2. Which loan has the highest monthly payment?
3. Which loan has the lowest interest rate?
4. Which loan has the highest interest rate?
5. What is the lowest total cost?
6. What is the highest total cost?
7. How many years is
36 months? _____
48 months? _____
60 months? _____
72 months? _____
8. Which loans have lower interest rates – shorter loans or longer loans?
9. Which loans have lower monthly payments – shorter loans or longer loans?
10. Discuss which loan you think is best for Samuel and Miranda.
Which one do you recommend? _____
What are your reasons for choosing this loan?

Pronunciation Practice

Pronunciation: Practice asking these questions that you will need to ask a loan officer or financial consultant. Stress the words that are underlined.

What’s the length of the loan?

What’s the interest rate?

What’s the interest rate for a 36 month loan? (or 60, or 72, etc.)

What will my monthly payment be?

What’s the total interest I will pay on the loan?

What is the total cost of the car with interest?

Are there any additional fees?

Information Gap Warm Up Activity
Ask and answer questions about the loans.

Example. Students ask Teacher: “What is the purchase price of the car?”, etc.

Golden State Bank

Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)	Fees

Asking the Right Questions of the Loan Officer (Information Gap Activity)

Teacher: ----- Cut Here -----

Student A ask Student B

Golden State Bank

Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)	Fees
\$8,000		\$5,500		7.5%		\$659		NONE

Teacher: ----- Cut Here -----

Student B ask Student A

Golden State Bank

Purchase Price	Down Payment	Amount Financed	Length of Loan (in months)	Interest Rate	Monthly Payment	Total Interest to be Paid	Total Cost (down payment + principal + interest)	Fees
	\$2,500		36		\$171		\$8,659	

Filling Out a Loan Application

Loan Application: Fill out the loan application for Samuel and Miranda Reyes.

The final step in getting a loan is filling out a loan application. You can find some of the information in the story. Write it down on the application. Then, your teacher will give you the additional information you will need.

CREDIT APPLICATION

- Check If you are applying for individual credit in your own name.
 Appropriate If you are married, complete section B about your spouse.
 Box If this is an application for joint credit with another person, complete all sections.

Section A. Information Regarding Applicant

LAST NAME (PRINT)	FIRST	MIDDLE INITIAL	BIRTHDATE		AGES OF DEPENDENTS	<input type="checkbox"/> MARRIED <input type="checkbox"/> UNMARRIED <input type="checkbox"/> SEPARATED
			5/23/			
DRIVER'S LICENSE NUMBER		SOCIAL SECURITY NUMBER				
ADDRESS				CITY	STATE	ZIP
					HOME PHONE	HOW LONG?
					()	YRS MOS
PREVIOUS ADDRESS (TO COVER 5 YEARS RESIDENCE)				CITY	STATE	ZIP
					HOW LONG?	LIVED IN COMMUNITY?
					YRS MOS	YRS MOS
PREVIOUS ADDRESS (TO COVER 5 YEARS RESIDENCE)				CITY	STATE	ZIP
					HOW LONG?	LIVED IN COMMUNITY?
					YRS MOS	YRS MOS
OCCUPATION	PRESENT EMPLOYER	ADDRESS	CITY	STATE	ZIP	PHONE
						HOW LONG?
					(619) 230-2013	YRS MOS
PREVIOUS EMPLOYMENT (TO COVER 5 YEARS)		ADDRESS	CITY	STATE	ZIP	PHONE
						HOW LONG?
						()
						YRS MOS
NEAREST RELATIVE NOT LIVING WITH APPLICANT		ADDRESS	CITY	STATE	ZIP	PHONE
						HOW LONG?
						()
						YRS MOS
						RELATIONSHIP
						()

INCOME: Applicant's gross monthly income from employment\$ _____
 Alimony, child support, or separate income (need not be revealed if you do not wish to have it considered as a basis for repaying this obligation).....\$ _____
 Amount of other monthly income and source(s).....\$ _____
TOTAL MONTHLY INCOME.....\$ _____

Filling Out a Loan Application Worksheet and Answer Key

Lesson 6: Loans Worksheet 6-7 page 2

SECTION

B. Information regarding Spouse, or Co-Applicant (Use separate sheets if necessary.)

LAST NAME (PRINT)	FIRST	INITIAL	BIRTHDATE 12/1/			AGES OF DEPENDENTS	<input type="checkbox"/> MARRIED <input type="checkbox"/> UNMARRIED <input type="checkbox"/> SEPARATED
DRIVER'S LICENSE NUMBER			SOCIAL SECURITY NUMBER				
ADDRESS			CITY	STATE	ZIP	HOME PHONE ()	HOW LONG? YRS MOS
PREVIOUS ADDRESS (TO COVER 5 YEARS RESIDENCE)			CITY	STATE	ZIP	HOW LONG? YRS MOS	LIVED IN COMMUNITY? YRS MOS
PREVIOUS ADDRESS (TO COVER 5 YEARS RESIDENCE)			CITY	STATE	ZIP	HOW LONG? YRS MOS	LIVED IN COMMUNITY? YRS MOS
OCCUPATION	PRESENT EMPLOYER	ADDRESS	CITY	STATE	ZIP	PHONE (858) 672-1900	HOW LONG? 2 YRS MOS
PREVIOUS EMPLOYMENT (TO COVER 5 YEARS)		ADDRESS	CITY	STATE	ZIP	PHONE ()	HOW LONG? YRS MOS
		ADDRESS	CITY	STATE	ZIP	PHONE ()	HOW LONG? YRS MOS
. Jr, Jko7u6nibiNEAREST RELATIVE NOT LIVING WITH APPLICANT ZIP		ADDRESS	CITY	STATE	ZIP	PHONE ()	RELATIONSHIP

INCOME: **Joint Applicant's gross monthly income from employment**\$ _____
Alimony, child support, or separate income (need not be revealed if you do not wish to have it considered
as a basis for repaying this obligation).....\$ _____
Amount of other monthly income and source(s).....\$ _____
TOTAL MONTHLY INCOME.....\$ _____

SECTION C. Asset and Debt Information: List all debts including Alimony, Child Support, Separate Maintenance (Use a separate page if necessary.)

LANDLORD OR MORTGAGE HOLDER <input type="checkbox"/> OWN <input type="checkbox"/> RENT	J.C. Park	ADDRESS 4915 Bates Road	MORTGAGE BALANCE	PAYMENT OR RENT
DATE HOME PURCHASED MARKET VALUE	AGE OF HOME	PRICE PAID FOR HOME	2 ND MORTGAGE AMOUNT	PAYMENT
TYPE OF CREDIT	COMPANY NAME	ACCOUNT NO.	BALANCE	MONTHLY PAYMENTS
TYPE OF CREDIT	COMPANY NAME	ACCOUNT NO.	BALANCE	MONTHLY PAYMENT
TYPE OF CREDIT	COMPANY NAME	ACCOUNT NO.	BALANCE	MONTHLY PAYMENT
PRESENT VEHICLE FINANCED BY	ACCOUNT NO.		BALANCE	MONTHLY PAYMENT
BANK REFERENCE	ACCOUNT NUMBER		BRANCH <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS	BALANCE

Filling Out a Loan Application Worksheet and Answer Key

Lesson 6: Loans Worksheet 6-7 page 3

HAVE YOU EVER HAD ANY PROPERTY REPOSSESSED? <input type="checkbox"/> YES <input type="checkbox"/> NO		DO YOU HAVE ANY LAWSUITS PENDING AGAINST YOU? <input type="checkbox"/> YES <input type="checkbox"/> NO	HAVE YOU EVER FILED BANKRUPTCY? <input type="checkbox"/> YES <input type="checkbox"/> NO
PERSONAL FRIENDS KNOWN OVER ONE YEAR	ADDRESS	ZIP	PHONE
1.			
2.			

INSURANCE - IF YOU WISH TO APPLY FOR VEHICLE INSURANCE IN CONNECTION WITH THIS CREDIT APPLICATION, COMPLETE THE FOLLOWING:

PREVIOUS INSURANCE CO. OR AGENT	PHONE	WHERE WILL VEHICLE BE GARAGED?	POLICY NO.
HAS YOUR INSURANCE EVER BEEN CANCELED BY ANY COMPANY? <input type="checkbox"/> YES <input type="checkbox"/> NO		IF YES, WHY?	NO. OF INSURANCE LOSSES IN PAST 5 YEARS _____ TOTAL AMOUNT OF LOSSES \$ _____

I, the undersigned make the above representations, which are certified correct, for the purpose of securing credit.

X _____
Applicant's Signature

X _____
Co-Applicant's Signature

Filling Out a Loan Application Worksheet and Answer Key

Lesson 6: Loans Worksheet 6-7 page 4

Loan Application Answer Key

Loan Application

In order to fill out the form for Sam and Miranda, students can locate the following information in the readings and activities in this lesson:

Section A

Applicant

Last name: Reyes
First name: Samuel
Status: married
Birth date: Story states he is 26 years old. Students can figure year.
Occupation: custodian
Present Employer: Clean By Dawn for 3 years
Total Monthly Income: \$1400

Section B

Spouse or Co-Applicant

Last name: Reyes
First name: Miranda
Occupation: cashier
Present Employer: Electronics Depot
Income: \$950

Section C

Assets and Debts

Rent: \$750
Bank: California Mutual Bank, checking and savings
Balance: \$2040

Students can sign for Sam and Miranda. _____
If you would like, you can also dictate additional information (part or all) to students.

Section A

Driver's License Number: N9482776
Soc. Sec. Number: 660-25-9711
Address: 4019 Logan Ave.
#14 San Diego,
CA 92113
Samuel has lived there for 5 years.
Phone Number: 619-264-5995
Previous Employer: Number 1 Cleaners

Section B

No driver's license
Soc. Sec. Number: 699-11-0407
No previous employment
Nearest Relative: Miranda's brother Jose Garcia lives in San Diego.
His phone number is 619-640-9782.

Section C

No home purchased.
Credit: Credit Card -- Sears
No Balance
Account Number: 1010-5556-9321-0003
No property repossessed; No lawsuits; No Bankruptcy.
Personal Friends: Mike Johnson, San Diego, 92104, 619-280-5953
Cruz Castro, San Diego, 92093, 858-534-8224