**Independent Living Review Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. What is a lease?

2. What is a security deposit?

3. What is a front-end ratio?

4. If a house is being purchased for $225,000, what would be the range of expected closing costs?

5. What is the purpose of paying extra money each month with your mortgage payment?

6. What is the name for an accounting of the unpaid principal, monthly payment, amount allocated toward principal, and the amount allocated towards interest for a mortgage?

7. What is the difference between a tenant and a landlord?

8. A garden is in the shape of a regular pentagon. The length of one side is 10 feet and the apothem is 15 feet. What is the area of the garden?

9.. If you increase the length of a mortgage from 15 to 30 years, what will be the effect on the monthly payment and the balance at the end of 12 months?

10. Julio has been approved for a $170,000 loan, 30-year mortgage with an APR of 4.6%. He made a 20% down payment and is closing on December 10th. How much should he expect to pay in prepaid interest at closing?

11. Martin and Alejandra are borrowing $143,000 to purchase a new home. They have been approved for a 30-year loan with an interest rate of 6.14%. What will be their monthly payment?

12. The Johnsons pay a monthly mortgage payment of $753. They also pay an annual property tax bill of $1,841 and quarterly homeowner’s insurance of $310. The property tax and insurance are paid monthly into an escrow account to their lender. How much is their monthly payment to their lender?

13. Jim and Karen have been approved for a $182,000 15-year mortgage with an APR of 4.5%. How much of their first monthly payment will go to interest?