



Virtual Learning

Personal Finance

May 5, 2020



Lesson: **May 5, 2020**

Objective/Learning Target:

Students will be able to discuss potential living arrangements and how credit affects where and who they live with.

Success Starter

When you are old enough and move out of where you are living now, would you want to have roommates? Even if you do not know the roommates? Or would you want to live on your own?

After answering that question think about how credit would affect having roommates or being able to live on your own.

Living Arrangements

- To share expenses, you may wish to have a roommate.
- Be sure you are compatible with your potential roommate before you move in together.
- Discuss possible areas of disagreement that may cause trouble if not settled in advance.

Where to Live

- The decision of where to live will depend largely on finances.
- Other things to consider include:
 - Deposits and fees
 - A **security deposit** is a refundable amount paid in advance to protect the owner against damage or nonpayment.
 - Safety
 - Length of time you plan to live in the residence
 - Distance from work and school
 - Distance from services
 - Repairs and maintenance

What to Take

- Rental housing can come furnished or unfurnished.
 - A **furnished rental** means that the basics are provided—bed, dresser, sofa, lamps, dining table and chairs, and essential appliances.
 - An **unfurnished rental** may or may not include basic kitchen appliances such as a stove and refrigerator.

What to Take

(continued)

You can buy or rent furnishings.

- Compare purchase and rental payments carefully before you make a decision.
- With a **rent-to-own option**, you rent furniture with an option to buy later.
- You will need basic household and personal items necessary for setting up housekeeping.

Exit Ticket

Reflect on how finances and credit affect your ability to make the decisions about renting that you would want. Is it better to have a roommate? Where should you live? What should you take with you? Think about how your answers to all of those questions ultimately lead back to your credit score.