

Algebra Budget Project Choosing a Car

Car Expenses:

Go to <http://www.edmunds.com/calculators/simplified-pricing.html?sv>. Choose a new or used car and select your make and model. We will walk you through the steps in class and I will help you find the numbers for your car. *If you would like to do them on your own they are listed below:*

1. Select make and model
2. Choose NO car to trade in
3. Select \$0 down payment (you will not have any savings initially)
4. Select either a 4-6 year (48-72 month) payout period
5. Account for approximately a 6% interest rate

Description of the car: (make, model, year, etc.)

Car Payment: _____ (amount you pay per month)

Car Insurance:

Use 30% of your car payment to calculate your insurance costs.

_____ (amount you pay per month)

Show calculations here:

Gas for Car:

Gas runs around \$3.40 per gallon right now. You can expect to fill your car up at least 3 times in a month. Find out how many gallons of gas your car holds to find your monthly gas cost or use 30% of your car payment to calculate your gas cost.

_____ (amount you pay per month)

Show calculations here:

Name _____ Date _____

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Choosing a Living Space

Chances are you won't quite be making enough to buy your own house by the age of 24 or 25. Let's hope you've moved out of your parent's house by then too! So living on your own means that you'll need to rent a place to live - probably an apartment, duplex, townhome, or house. Remember - if you need to cut costs you can always find a roomie!

Finding a place to live:

Go to <http://www.apartmentguide.com/apartments/Texas/Arlington/>

On the website, you can check out different apartment complexes and decide on one that you would like to live in. If you decide to share an apartment with a friend to lower the cost make sure you mention this below in your description and divide the rent by two. Describe your apartment in detail here. Draw a floor plan for extra credit. (There are floor plans on the website).

Cost to rent apartment: _____ per month

Name _____ Date _____

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Now that you have a place to live you have to pay for all the amenities needed in a home! I'm sure you would like to have running water and electricity...

Utilities:

Some apartments include some of the utilities in your monthly rent, so make sure you check for that as you look at apartments. (If you have a roommate, you can divide each of the utilities by 2 and split the cost of each utility.)

Electricity: Find 12% of how much you pay for rent to calculate your electricity bill.

_____ (amount you pay per month)

Show calculations here:

Water: Find 5% of how much you pay for rent to calculate your water bill.

_____ (amount you pay per month)

Show calculations here:

Name _____ Date _____

Algebra Budget Project Required Amenities

When you move out, there's more than just finding a place to live and a car to drive. To survive in today's world you have to have other amenities. These extras are required not optional.

Phone Services:

Research different cell phone companies to find a plan that works for you. You may want to go to each site to find the best plan. Here are the top sites:

www.t-mobile.com; www.verizon.com; www.sprint.com; www.wireless.att.com

Description of the plan: (minutes allowed, weekends, etc)

Phone: _____ (amount you pay per month)

Food and Clothing:

Groceries: Calculate at least \$3 per meal, with about 20 meals per week. You can go over this amount but not under.

_____ (amount you pay per month)

You are also going to have to have clothes to wear, cleaning supplies to make that apartment nice for when mom comes to visit and shower supplies and deodorant so you don't scare anybody off at your new job.

Additional Items: May include clothes, shoes, toiletries, household items, etc. You can choose to pay whatever you think you will need for this but must be a minimum of \$100 a month.

_____ (amount you pay per month)

Name _____ Date _____

Algebra Budget Project Required Amenities Continued

Credit Card:

When you moved into your apartment there were many things you had to buy including furniture and other household items. You put all of these items on a credit card and now you have \$3,000 in debt! You have a 12.5% interest rate on your credit card. Calculate what you actually owe the credit card company and decide on a monthly payment. Show calculations here:

Amount you owe on the credit card: _____

_____ (amount you pay per month - keep in mind you have a minimum payment of \$25)

Student Loans:

If you went to college you now have several thousands of dollars of debt to pay back for your degree. You must pay these loans off in a timely manner. If you have student loans, come see me about how much to budget each month for this expense.

Student loans depend on the college you want to attend. Have an answer ready before you come see me.

_____ (amount you pay per month)