



# Short Answer Question

 Jackson is having difficulty paying all his bills. His furnace unexpectedly broke, and he had to replace his car tires. He wants to go to a cash advance place. The interest rate is very high. His mom offers to loan him the money.




 Who should he get the loan from?

Cash advance     Jackson's Mom

Why? Type your answer in the box below.

/2

# Reading Passage


 Using only your net income, how long would it take to save for the entire price of a home? Would you have to save for decades in order to buy a car? It would be very hard for most people to save this amount of money. This is when a loan comes in handy.

**Important Terms to Know:**  
**Lender** – Someone who gives out a loan, like a bank.  
**Borrower** – The one accepting the loan.

Borrowers must agree to the terms of the lender. These could include how long the loan is going to be repaid in, or how much interest is charged. Your credit score and loan history will affect the interest rate.

The principal is the amount of money the loan is for. It is the value of the purchase, like the cost of a house. For every day you haven't paid the loan back, it earns interest. Interest is added to the principal, so there is some perk for the lender.

# Comprehension Questions

 Aaliyah just moved into her new apartment and is missing a lot of furniture. She already is paying more rent than she did at her last place. She really wants to buy new living room furniture. Her credit score will affect whether she can get the loan or not. Match the credit score with the possible scenario that led to it. Use the chart on slide 24 as a reference.

- |   |         |   |                          |
|---|---------|---|--------------------------|
| 1 | 300-629 | Always pays bills on time, low use of available credit. | <input type="checkbox"/> |
| 2 | 630-689 | Never pays bills on time, many accounts in collection.  | <input type="checkbox"/> |
| 3 | 690-719 | Most bills paid on time, may have a high use of credit. | <input type="checkbox"/> |
| 4 | 720-850 | Some bills paid late, may have high use of credit.      | <input type="checkbox"/> |

/4

# Marking Rubric

Name:

**Marking Rubric**

	Level 1	Level 2	Level 3	Level 4
<b>Understanding Concepts</b>	Demonstrates a limited understanding of the concepts. Requires teacher intervention. <input type="checkbox"/>	Demonstrates a basic understanding of the concepts. Requires some intervention. <input type="checkbox"/>	Demonstrates a good understanding of the concepts. Requires no intervention. <input type="checkbox"/>	Demonstrates an excellent understanding of the concepts. Requires no intervention. <input type="checkbox"/>
<b>Responses to the text</b>	Expresses responses to the text with limited effectiveness; inconsistently supported by proof from the text. <input type="checkbox"/>	Expresses responses to the text with some effectiveness; supported by some proof from the text. <input type="checkbox"/>	Expresses satisfactory responses to the text with some effectiveness; supported by satisfactory proof from the text. <input type="checkbox"/>	Expresses thorough responses to the text with some effectiveness; thoroughly supported by proof from the text. <input type="checkbox"/>
<b>Analysis of Concepts</b>	Interprets various concepts from the text with limited, unrelated details and incorrect analysis. <input type="checkbox"/>	Interprets various concepts from the text with some details but also some incorrect analysis. <input type="checkbox"/>	Interprets various concepts from the text with satisfactory details and good analysis. <input type="checkbox"/>	Interprets various concepts from the text with excellent details and thorough analysis. <input type="checkbox"/>
<b>Application of Concepts</b>	Demonstrates a limited ability to apply various concepts from the text to activities, discussions, and situations. <input type="checkbox"/>	Demonstrates a basic ability to apply various concepts from the text to activities, discussions, and situations. <input type="checkbox"/>	Demonstrates a satisfactory ability to apply various concepts from the text to activities, discussions, and situations. <input type="checkbox"/>	Demonstrates a strong ability to apply various concepts from the text to activities, discussions, and situations. <input type="checkbox"/>

Total Score =  /27