

Lesson Plan
Affording The Rent

Text: Financial Algebra Southwestern, Cengage Learning, 2011

Chapter: 8 **Unit number:** 1

Title of unit: Independent Living - Finding A Place To Live

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Short Description (Be sure to include where in your unit this lesson takes place):

Students will determine a budget for obtaining a rental unit, based on a person's income. In the process, they will review the steps involved in multiplying decimals and converting fractions to decimals

LESSON PLAN

TEACHER: Teacher Prep/ Lesson Plan

- **Lesson Objectives:** Calculate the affordability of a monthly rental
- **List of prerequisite skills needed:** Understanding of decimals, percentages, and ratios.
- **Vocabulary:** apartment, landlord, furnished, unfurnished, lease, expires, evicted, and single family home
- **State Standards addressed:** *(You may use your District's Power Standards if applicable, Highlight "Green" Standards)*
Math: 6.1F Fluently multiply and accurately multiply and divide decimals

Leadership: DECA

- **Teacher Preparation:** *(Calculator -optional)*

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Lesson Plan **Affording The Rent**

Content Delivery

Step 1: Review objectives and vocabulary

Step 2: Have students read page 383 in the text.

Step 3: Discuss the pros and cons of renting or buying. Equity, taxes, personal freedom, economy. Discuss the stages of decisions required to rent or own, including credit, employability, income, and savings.

Step 3: Discuss income (gross salary and wages) in terms of Income, disposable income, and discretionary income.

Step 4: Have students read page 384 in the text

Step 5: Determine the disposable income if annual income is \$61,992 and taxes are 25%. $.25 \times 61,992 = 15,498$

Step 6: Calculate 1/3 of disposable income

$$61,992 - 15,498 = 46,494 \text{ (annual disposable income)}$$

$$46,494 \div 12 = \$3,875 \text{ per month (rounded to nearest dollar)}$$

$$3,875 \times .33 = 1,279 \text{ (1/3 of disposable income) Rental budget}$$

$$3,874.50 - 1,279 = 2,596 \text{ (2/3 of disposable income)}$$

Step 7 Which is larger .25% gross monthly income or 33% of disposable income?

Step 8 Discussion: What other cost are involved with occupancy?

Why might a person want to spend a higher % on rent?

(reduced cost of transportation, cheaper to entertain at home)

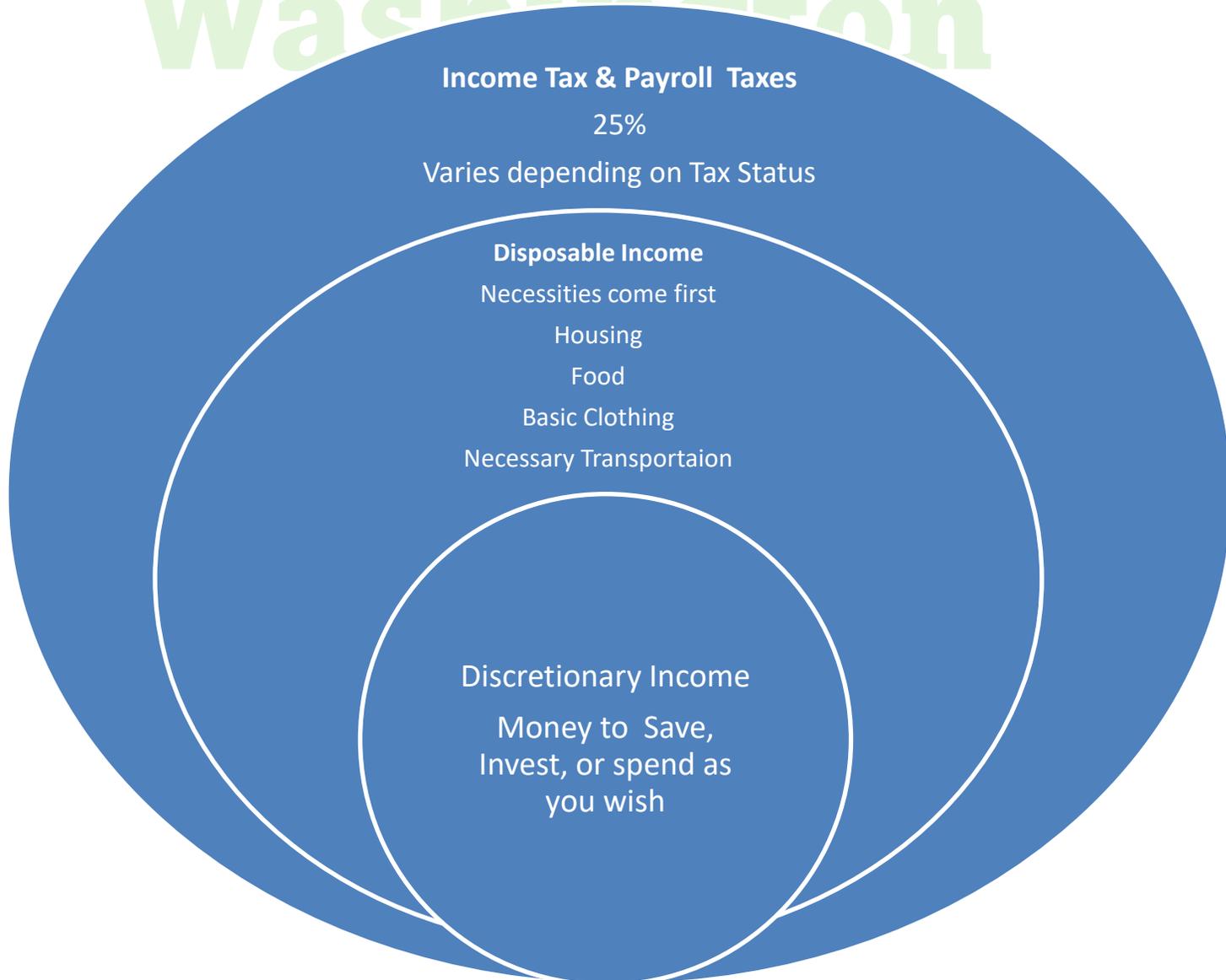
Why not? (Other needs and wants, savings, investment, automobile, travel)

- **Instructional Documents** (*Please attach any Worksheet, Quiz, Reading Guide, etc*)
- **Assessment Tool used in this Lesson** (*scoring method, guide, or rubric*)
- **Reinforcement/Intervention/Extension Activities**
- **Career Applications** (*When will this be used in “real life”?*)

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The Distribution of Your Income Diagram

Washington



<https://wa-appliedmath.org/>

Washington

ELL

Finding an Apartment

Terms

Applied

Interactive Media <http://www.esl-lab.com/vocab/v-housing.htm>

1. apartment
2. apartment manager
3. carport
4. condominium
5. dormitory
6. down payment
7. duplex
8. furnished / unfurnished
9. gas / light / water bill
10. housing
11. landlord
12. mortgage payment
13. parking space
14. rent
15. roommate
16. security deposit
17. tenant
18. townhouse
19. utilities
20. yard

Math

Council

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ELL Housing Vocabulary

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Now, complete the sentences below with the best answer:

1. You have to pay a _____ when you rent an apartment, and this money is often used to cover any damages you cause.

- A. down payment B. mortgage payment C. security deposit

2. Many international students live in a _____ on campus when they study abroad. It often doesn't have its own kitchen, but it often is furnished with a bed and desk.

- A. dormitory B. townhouse C. condominium

3. According to housing rules, _____ are not allowed to smoke or have pets in their apartments. A. apartment managers B. tenants C. landlords