

# Together Credit Union: Housing

<p>Welcome to Together Credit Union.</p> <p>Click for next slide.</p>	A presentation slide with a green header bar. On the left of the header is the 'Junior Achievement' logo, and on the right is 'JA Finance Park®'. The main text in the center reads 'Welcome to Together Credit Union!' in green. <p>Welcome to Together Credit Union!</p>
<p>Most people don't have the savings to buy a home, so they borrow the money. This type of loan is called a "mortgage."</p> <p>Click for next slide.</p>	A presentation slide with a green header bar. On the left of the header is the 'Junior Achievement' logo, and on the right is 'JA Finance Park®'. Further right in the header is the word 'Housing'. The main text in the center reads 'Mortgage' in large green font, followed by 'There are many factors that influence the size of your mortgage and your monthly payment.' in smaller green font. <p>Mortgage</p> <p>There are many factors that influence the size of your mortgage and your monthly payment.</p>
<p>Give each student a "monopoly" card. (Be sure to hand out all cards; some students may receive two).</p> <p>Take a few seconds to read your cards.</p> <p>Click on next slide.</p>	A presentation slide with a green header bar. On the left of the header is the 'Junior Achievement' logo, and on the right is 'JA Finance Park®'. Further right in the header is the word 'Housing'. The main text in the center reads 'Monopoly Cards' in large green font. <p>Monopoly Cards</p>

# Together Credit Union: Housing

Who has the Beltic Ave and Perk Place cards? Compare and contrast your information. (*Same house, but Perk Place is more expensive.*)

What are some reasons why this might occur.

Click on next slide for answers.

The slide features a green header with the Junior Achievement logo, 'JA Finance Park', and the word 'Housing'. Below the header are two purple-bordered boxes. The left box is titled 'BELTIC AVE.' and lists a price of \$259,000 and features: Three bedrooms, Two bathrooms, Living room, Dining Room, Eat-in Kitchen, Family Room, and Garage and Basement. The right box is titled 'PERK PLACE' and lists a price of \$429,000 with the same features as the Beltic Ave property.

Point out the similarities and differences.

For example: New York City vs St Louis

Click for next slide

This slide is identical to the one above, showing the comparison between Beltic Ave (\$259,000) and Perk Place (\$429,000). At the bottom of the slide, there is a red text note that reads: "same house, but they are in different locations".

Who has Laclede Ave and Lafayette St cards? Compare and contrast.

Click for next slide.

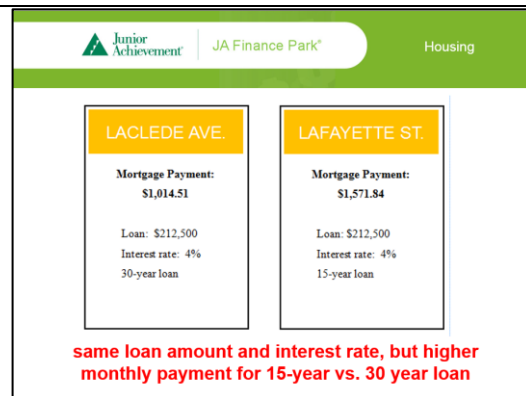
The slide features a green header with the Junior Achievement logo, 'JA Finance Park', and the word 'Housing'. Below the header are two yellow-bordered boxes. The left box is titled 'LACLEDE AVE.' and lists a mortgage payment of \$1,014.51, a loan amount of \$212,500, an interest rate of 4%, and a 30-year loan term. The right box is titled 'LAFAYETTE ST.' and lists a mortgage payment of \$1,571.84, a loan amount of \$212,500, an interest rate of 4%, and a 15-year loan term.

# Together Credit Union: Housing

Point out the similarities and differences.

*The 30-year mortgage has a lower monthly payment, but will cost \$82,292 more over the life of the loan!*

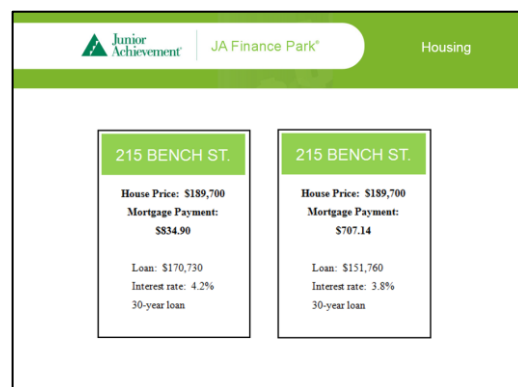
Click for next slide.



Who has 215 Bench St. cards? Compare and contrast.

Why are the mortgage payments different?

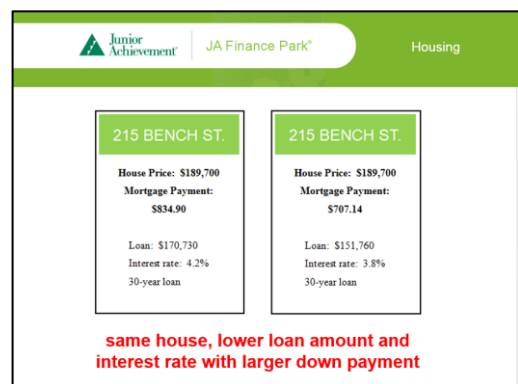
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Point out the similarities and differences.

Explain that a larger down payment will reduce the mortgage amount, interest rate, and monthly payments.


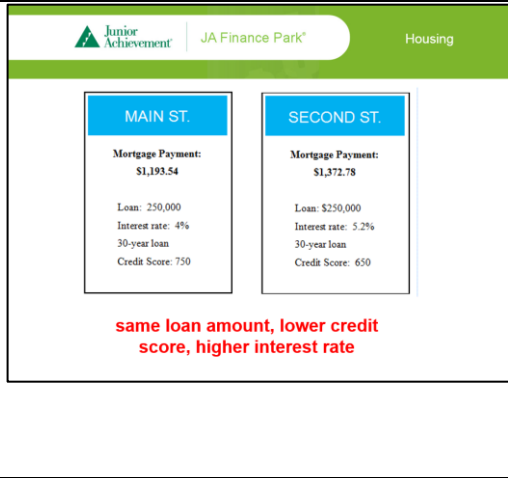
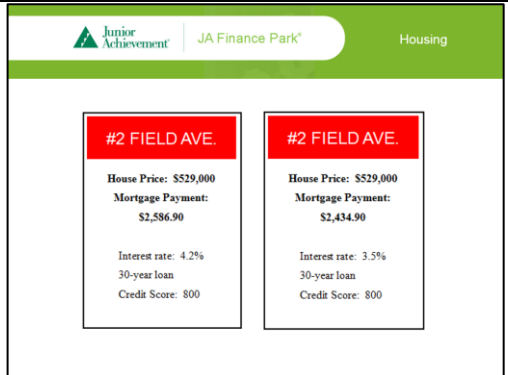
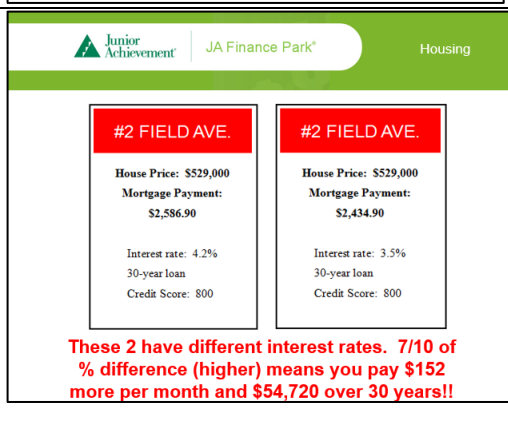
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Who has Main and Second St. Cards? Compare and contrast.

Click for next slide.

# Together Credit Union: Housing

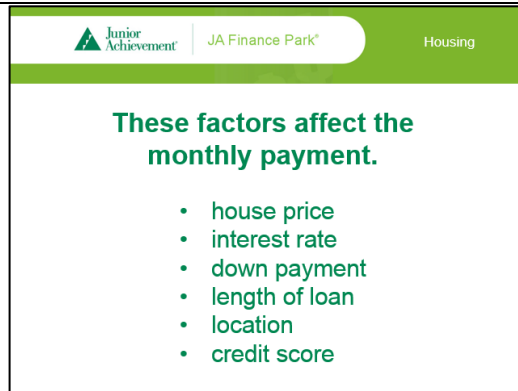
	 <p>JA Finance Park* Housing</p> <table border="1"> <thead> <tr> <th>MAIN ST.</th> <th>SECOND ST.</th> </tr> </thead> <tbody> <tr> <td>Mortgage Payment: \$1,193.54</td> <td>Mortgage Payment: \$1,372.78</td> </tr> <tr> <td>Loan: 250,000</td> <td>Loan: \$250,000</td> </tr> <tr> <td>Interest rate: 4%</td> <td>Interest rate: 5.2%</td> </tr> <tr> <td>30-year loan</td> <td>30-year loan</td> </tr> <tr> <td>Credit Score: 750</td> <td>Credit Score: 650</td> </tr> </tbody> </table>	MAIN ST.	SECOND ST.	Mortgage Payment: \$1,193.54	Mortgage Payment: \$1,372.78	Loan: 250,000	Loan: \$250,000	Interest rate: 4%	Interest rate: 5.2%	30-year loan	30-year loan	Credit Score: 750	Credit Score: 650
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30-year loan	30-year loan												
Credit Score: 750	Credit Score: 650												
<p>Point out the similarities and differences.</p> <p>Point out that poor credit scores translate into higher interest rates and monthly payments.</p> <p><b>Good credit matters!!</b></p> <p>Click for next slide.</p>	 <p>JA Finance Park* Housing</p> <table border="1"> <thead> <tr> <th>MAIN ST.</th> <th>SECOND ST.</th> </tr> </thead> <tbody> <tr> <td>Mortgage Payment: \$1,193.54</td> <td>Mortgage Payment: \$1,372.78</td> </tr> <tr> <td>Loan: 250,000</td> <td>Loan: \$250,000</td> </tr> <tr> <td>Interest rate: 4%</td> <td>Interest rate: 5.2%</td> </tr> <tr> <td>30-year loan</td> <td>30-year loan</td> </tr> <tr> <td>Credit Score: 750</td> <td>Credit Score: 650</td> </tr> </tbody> </table> <p><b>same loan amount, lower credit score, higher interest rate</b></p>	MAIN ST.	SECOND ST.	Mortgage Payment: \$1,193.54	Mortgage Payment: \$1,372.78	Loan: 250,000	Loan: \$250,000	Interest rate: 4%	Interest rate: 5.2%	30-year loan	30-year loan	Credit Score: 750	Credit Score: 650
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<p>Who has #2 Field Ave. card? Compare and contrast. <i>(Everything the same except for interest rates.)</i></p> <p>Click on next slide.</p>	 <p>JA Finance Park* Housing</p> <table border="1"> <thead> <tr> <th>#2 FIELD AVE.</th> <th>#2 FIELD AVE.</th> </tr> </thead> <tbody> <tr> <td>House Price: \$529,000</td> <td>House Price: \$529,000</td> </tr> <tr> <td>Mortgage Payment: \$2,586.90</td> <td>Mortgage Payment: \$2,434.90</td> </tr> <tr> <td>Interest rate: 4.2%</td> <td>Interest rate: 3.5%</td> </tr> <tr> <td>30-year loan</td> <td>30-year loan</td> </tr> <tr> <td>Credit Score: 800</td> <td>Credit Score: 800</td> </tr> </tbody> </table>	#2 FIELD AVE.	#2 FIELD AVE.	House Price: \$529,000	House Price: \$529,000	Mortgage Payment: \$2,586.90	Mortgage Payment: \$2,434.90	Interest rate: 4.2%	Interest rate: 3.5%	30-year loan	30-year loan	Credit Score: 800	Credit Score: 800
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<p>Point out the similarities and differences.</p> <p>The higher percentage means \$152 more per month and a greater total cost of \$54,720 over 30 years.</p> <p>Click for next slide.</p>	 <p>JA Finance Park* Housing</p> <table border="1"> <thead> <tr> <th>#2 FIELD AVE.</th> <th>#2 FIELD AVE.</th> </tr> </thead> <tbody> <tr> <td>House Price: \$529,000</td> <td>House Price: \$529,000</td> </tr> <tr> <td>Mortgage Payment: \$2,586.90</td> <td>Mortgage Payment: \$2,434.90</td> </tr> <tr> <td>Interest rate: 4.2%</td> <td>Interest rate: 3.5%</td> </tr> <tr> <td>30-year loan</td> <td>30-year loan</td> </tr> <tr> <td>Credit Score: 800</td> <td>Credit Score: 800</td> </tr> </tbody> </table> <p><b>These 2 have different interest rates. 7/10 of % difference (higher) means you pay \$152 more per month and \$54,720 over 30 years!!</b></p>	#2 FIELD AVE.	#2 FIELD AVE.	House Price: \$529,000	House Price: \$529,000	Mortgage Payment: \$2,586.90	Mortgage Payment: \$2,434.90	Interest rate: 4.2%	Interest rate: 3.5%	30-year loan	30-year loan	Credit Score: 800	Credit Score: 800
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Summarize the points that have been shown by the cards.

Collect cards.

Click on the next slide.

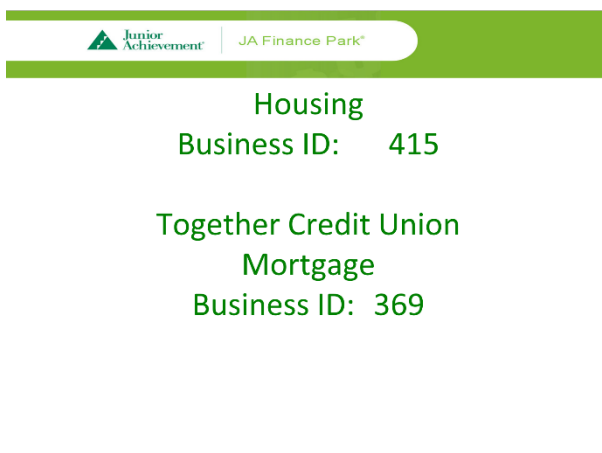


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**These factors affect the monthly payment.**

- house price
- interest rate
- down payment
- length of loan
- location
- credit score

After the group leaves, return to the first slide.



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Business ID: 415

Together Credit Union  
Mortgage  
Business ID: 369