Teacher Answer Key

Case Study

1. The $1,200 rent was half of his $2,400 take-home before anything else. Adding $150 utilities, $20 renter's insurance, and $300 groceries left only $730 for transportation, savings, and everything else.

2. The $950 apartment freed up $250 a month, which he put toward savings and an emergency fund. He still moved out on his own, but with room in the budget instead of living at the edge of it.

Multiple Choice

1. B

2. D

3. C

Matching

1-C, 2-D, 3-B, 4-E, 5-A

Fill-in-the-Blank

1) 30%, 2) Security deposit, 3) Utility

Short Answer (Sample Responses)

Q1: Security deposit, first month's rent, application fees.

Q2: Utilities can add significant costs, and failing to account for them may strain your budget.

Q3: An emergency fund ensures you can cover unexpected expenses, such as medical bills or job loss, without falling behind on rent or other bills.