

Chapter 8 Quiz

Life as a Homeowner

****To receive credit for the following assignment, the quiz, along with the Integrity Statement MUST be filled out in its entirety and signed. The completed quiz may be sent through email to, ddavis@urbanleagueok.org or may be faxed to (405) 427-3647. Please allow up to 24 hours on business days for a response regarding assignment grades and at least 48 hours on weekends and holidays.****

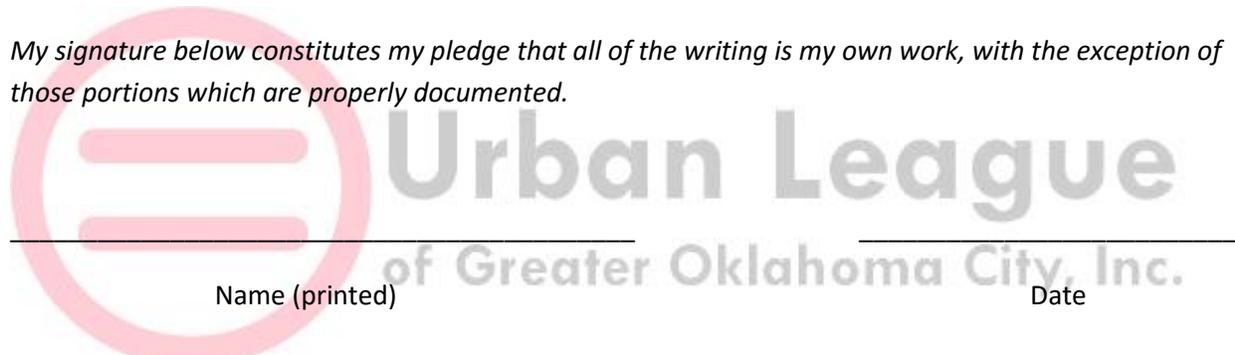
1. If you are unable to pay your mortgage on time you should
 - a. Wait for the creditor to call you and then explain why you didn't pay
 - b. Call the loan servicer as soon as possible and discuss your options
 - c. Find an additional source of income and then call the loan servicer
 - d. Reduce your expenses and hope for the best
2. All of the following are important survival expenses, except:
 - a. Housing
 - b. Food
 - c. Transportation
 - d. Credit card payments
3. How many percentage points lower should the interest rate be before you consider refinancing?
 - a. One
 - b. Six
 - c. Two
 - d. Never
4. Prepayments on a mortgage
 - a. Can greatly reduce the total cost of the loan by reducing interest charges
 - b. Can be easily done by paying a small amount more each month
 - c. May result in prepayment penalties that offset any advantage of prepaying
 - d. Should be considered after appropriate levels of savings and insurance are in place
 - e. All of the above

5. In the abbreviation PITI,
 - a. The second "I" stand for mortgage insurance
 - b. The second "I" stands for homeowners insurance
 - c. The second "I" stands for title insurance
 - d. None of the above

6. Homeowners should maintain their property and vote in local elections because
 - a. Elections approve new taxes that can increase their payments
 - b. Local candidates may run on platforms that could affect their property
 - c. Not maintaining the property can result in reducing its value
 - d. All of the above
 - e. None of the above

Integrity statement

My signature below constitutes my pledge that all of the writing is my own work, with the exception of those portions which are properly documented.



Name (printed) _____
Date

Signature _____
Date