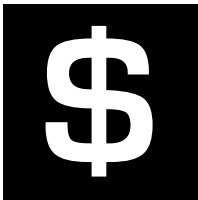


Student Activities



Lesson Two

Living On Your Own



estimate the cost of your bedroom furnishings

directions

On a sheet of paper, prepare an itemized list of every major object in your bedroom, including furniture, linens, and creature comforts. Then, estimate the cost of each item and answer the questions below.

1: What items did you include?

2: How did the total compare to what you expected?

3: What items did you underestimate the cost of?

4: What items did you overestimate the cost of?



calculate the cost of setting up an apartment or redecorating a home

directions

Each team member should pick one room (choices include kitchen, dining room, bedroom, living room, and bathroom). Research how much it would cost to furnish and equip the room. Consider various alternatives, including secondhand stores, garage sales, donations from relatives, etc.

1: What items did you include?

2: What was your source for each item?

3: What was the total cost?

4: How did the total compare to what you expected?

name: _____

date: _____



set up a budget to begin living on your own or upgrade your lifestyle

Use this form to set up a budget that would allow you and your teammates to rent and furnish an apartment.

income

Job #1	\$
Job #2	\$
Other	\$
total monthly income	\$

fixed expenses

Rent/mortgage	\$
Car insurance	\$
Car payment	\$

flexible expenses

Savings	\$
Food	\$
Utilities (gas, electric, water)	\$
Transportation	\$
Bus fare	\$
Gas and oil	\$
Parking and tolls	\$
Repairs	\$
Clothing	\$
Entertainment	\$
Household items	\$
Personal items	\$
Tuition	\$
School expenses	\$
total monthly expenses¹	\$

budgeting to live on your own (continued)

Continue to calculate what you and your teammates would pay to rent and furnish an apartment.

moving-in costs

Rent for first month	\$
Rent for last month	\$
Cleaning deposit	\$
Security deposit	\$
Utilities deposit	\$
Telephone deposit	\$
Moving costs	\$

total cost to move in² **\$**

cost of furnishing and equipping an apartment

Bedroom #1	\$
Bedroom #2	\$
Living room	\$
Dining room	\$
Kitchen	\$
Bathroom	\$
Other	\$

total cost³ **\$**

summary

total cost for first month (1+2+3)	\$
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would you sign this lease?

directions

Use the attached lease form to answer the following questions.

1. For which utilities, if any, does the landlord pay?
2. If you were to fall down a wet flight of stairs and break your leg while in the apartment building, could you hold the landlord legally responsible for your medical bills?
3. If you break any provision of the lease, what recourse does the landlord have?
4. What terms and conditions apply if you choose to stay after the lease has expired?
5. If the landlord changes (or waives) any provision in the lease, how are the other provisions affected?
6. If you want to let the landlord know you are moving out, what must you do?
7. Is there anything in this lease you would change?
8. Would you add any provisions to this lease?

lease agreement

lease

1. Parties/Premises:

This Lease is made this 27th of August, 2008, by and between Alice Chan (herein referred to as "Landlord") and Tim Baker (herein referred to as "Tenant"). Landlord hereby leases to Tenant certain real property situated in the City of San Francisco, State of California, commonly known as 123 Main Street and described as Two Bedroom Apartment (hereinafter called the "Premises").

2. Term:

The term of this Lease shall be for one year commencing on September 1, 2008, and ending on September 1, 2009.

3. Rent:

Tenant shall pay to Landlord as rent for the Premises the sum of \$850.00 dollars per month, on the first day of each month. Rent shall be payable without notice or demand at the address as the Landlord may designate to Tenant in writing.

4. Utilities:

Tenant shall make all arrangements and pay for all gas, heat, light, power, telephone, and other utility services supplied to the Premises and for all connection charges.

5. Hold Harmless:

Tenant shall hold Landlord harmless from any and all claims arising from Tenant's use of the Premises. Except for Landlord's willful or grossly negligent conduct, Tenant assumes all risk of damage to property or injury to persons in or about the Premises.

6. Default:

If Tenant shall default and breach any covenant or provision of the Lease, then the Landlord, after giving the proper notice required by law, may re-enter the Premises and remove any property and any and all persons therefrom. The undersigned Resident(s) whether or not in actual possession of the premises, are jointly and severally liable for all obligations under this rental agreement.

7. Holding Over:

If Tenant, with the Landlord's consent, remains in possession of the Premises after expiration of this Lease, such possession shall be a tenancy from month-to-month at a rental in the amount of the last month's rent. Tenant must notify Landlord in writing at least thirty days prior to evacuating the Premises. All other provisions remain the same.

8. Waivers:

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof.

Landlord By:

Alice Chan

signature

Tenant By:

Tim Baker

signature



would you sign this rental agreement?

directions

Use the following rental agreement form to answer the following questions.

1. Except in an emergency, how much notice must the landlord give you before entering your apartment?
2. What must you do if you want to alter the apartment in any way?
3. Under what circumstances may the landlord withhold your security deposit?
4. After you move out of the apartment, how long does the landlord have to return your security deposit (assuming you leave the apartment clean and in good condition)?
5. What recourse, if any, does the landlord have if you sublease the apartment without prior consent?
6. You rent the apartment with a friend, and you both sign the rental agreement. Then, you decide to move out but do not notify the landlord. At a later date, your former roommate defaults on the rent. Can the landlord hold you legally responsible?
7. Is there anything in this rental agreement you would change?
8. Is there anything you would want to add to this rental agreement?

rental agreement

rental agreement (month-to-month)

This agreement is entered into this 23rd day of January, 2008, by and between Jim Cook "Owner" (Landlord) and Sarah White "Resident" (Tenant), hereafter referred to as "the parties."

IN CONSIDERATION OF THEIR MUTUAL PROMISES THE PARTIES AGREE AS FOLLOWS:

1. Owner rents to Resident(s) and Resident(s) rents from Owner, for residential use only, the following "premises" known as: 325 Shady Lane, Fremont, California.
2. Rent is due in advance of the first day of each and every month, at \$500.00 per month, beginning on the first day of February 2008. If any rent shall be due and unpaid five (5) or more days after the due date, or if default shall be made by Resident(s) in any of the other covenants herein contained, then Owner, at his option, may terminate the tenancy by law.
3. Owner is given the right to enter and/or inspect the apartment for the following purposes:
 - (a) In case of emergency.
 - (b) To make necessary repairs or improvements, supply necessary services, or exhibit the dwelling unit to prospective or actual purchasers, tenants, or contractors.
 - (c) When Resident(s) has abandoned or surrendered the premises. Except in cases of emergency, or if it is impractical to do so, Owner shall give Resident(s) reasonable notice of his intent to enter. Twenty-four hours shall be presumed to be reasonable notice.
4. No pets, barbecues, or dangerous items shall be kept or allowed in or about the premises without Owner's written permission.
5. No alterations or decorations shall be made by Resident(s) without Owner's prior written consent. Any improvements to the premises shall become property of Owner at the end of the tenancy.
6. Resident(s) shall pay for any damage or injury to any portion of the premises, common areas, furnishings, fixtures, or appliances, or for personal injury caused by Resident(s).
7. Resident(s) shall pay for all utilities, services, and charges, if any, made payable by or predicated upon occupancy of Resident(s), except monthly water and garbage bills.
8. Resident(s) shall deposit with Owner, as a security deposit, the sum of \$500.00. Owner may claim and withhold from the security deposit only such amounts as are reasonably necessary to remedy Resident's defaults as follows:
 - (a) in the payment of rent; or
 - (b) to repair damages to the premises, if necessary, upon termination of the tenancy. No later than two weeks after Resident(s) has vacated the premises, Owner shall furnish Resident(s) with an itemized written statement of the basis and the amount of any security and shall return any remaining portion of such security to Resident(s).
9. Resident(s) shall neither assign nor sublet these premises or any part thereof or otherwise permit others to occupy the apartment without written consent of Owner. This clause is a special consideration for this contract and its violation shall result in termination of this contract.
10. The undersigned Resident(s), whether or not in actual possession of the premises, are jointly and severally liable for all obligations under this rental agreement.

The undersigned Resident(s) acknowledges having read and understood the foregoing.

Owner
Jim Cook

Resident
Sarah White

signature

signature



create an apartment handbook

1. Interview your family and friends about:

- How much it costs to rent an apartment
- How costs are divided up among roommates
- The pros and cons of having roommates
- How to read and interpret a lease
- What it costs to furnish an apartment
- Setting up and sticking to a budget

2. Write up your findings. As a class, collate your findings and create a handbook.



select an apartment

Compare two or three different rental units based on the following factors:

location

Place of employment, schools, churches, synagogues, shopping, public transportation, recreation

building exterior

Condition of building, grounds, parking availability, recreation facilities

building interior

Exits, security, hall maintenance, condition of elevators, access to mailboxes

apartment layout and facilities

Condition, size, closets, carpeting, appliances, type of heat, air conditioning, plumbing, water pressure, storage area, room size, doors, locks, windows

financial aspects

Rent amount, length of lease, security deposit, utilities, other costs



lesson two quiz: living on your own

true-false

1. ____ An electric bill is commonly considered a fixed living expense.
2. ____ A security deposit covers the rent for the first month when moving into an apartment.
3. ____ A roommate may reduce the financial burden of renting an apartment.
4. ____ Saving money for a down payment to buy a house is usually considered a short-term goal.
5. ____ A lease is designed to protect the rights of both a tenant and a landlord.

multiple choice

6. ____ A common flexible expense associated with apartment renting is:
A. a security deposit
B. apartment insurance
C. electricity
D. rent
7. ____ A ____ deposit refers to money held to cover possible damage in an apartment.
A. cleaning
B. security
C. telephone
D. utilities
8. ____ A common moving-in cost for an apartment would be:
A. a down payment
B. building insurance
C. real estate taxes
D. a security deposit
9. ____ A long-term goal would be to:
A. rent an apartment
B. own an apartment building
C. move to a larger apartment
D. buy additional furniture
10. ____ The agreement between a renter and a landlord is a:
A. security deposit
B. mortgage
C. lease
D. deed

case application

Ruth recently completed high school. She is working full time and taking courses in the evening and on weekends at a local community college. Since she is making a good income, Ruth wants to get an apartment. She believes this would give her more privacy to study, resulting in higher grades and a better chance to transfer to a top four-year college or university.