Task: Pick an Option

HIGH SCHOOL FINANCIAL PLANNING PROGRAM
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NAME: **DATE:**

Directions:

Jesse did the math on a laptop deal and realized the bargain wasn't a bargain at all. See if you can spot a bargain in the offers below. For each purchase, check the option that you think would be the best credit deal.

*Best Deal	Option	Purchase Price	Monthly Payments	Total Interest	Total Cost
Purchase a Computer					
☐	Store Financing: 24 monthly payments at 11.9% APR	$1,400	$	$	$
☐	Credit Card: 36 monthly payments at 15.9% APR	$1,400	$	$	$
Purchase a Stereo System					
☐	Store Financing: 12 monthly payments at 13.5% APR	$800	$	$	$
☐	Credit Card: 24 monthly payments at 18% APR	$800	$	$	$
Purchase a Car					
☐	Car A: 7% APR for 60 months	$20,000	$	$	$
☐	Car B: 3.9% APR for 30 months	$23,000	$	$	$
Purchase a Big Screen TV					
☐	Store Financing: no payments for three months, but monthly interest charges start immediately at 10% APR; then six months of payments.	$1,900	$	$	$
☐	Credit Union: 11% APR for 12 months	$1,900	$	$	$
Purchase a Truck					
☐	Option A: $1,500 rebate; 2.9% APR for 48 months	$25,000	$	$	$
☐	Option B: $0 rebate; 0.9% APR for 36 months	$25,000	$	$	$

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