Personal Finance Vocabulary Cloze

Fill in the blanks with the vocabulary items listed above each paragraph:

limit	**cash advance**	**debt**	**pay back**
default	**funds**	**purchase**	**interest**
afford			

Credit Cards



Credit cards are a convenient way to _____ goods. They also come in handy when you have a shortage of _____. If you need a little extra money for the weekend, you can take out a _____ _____.

In spite of these benefits, credit card _____ can also cause serious problems for people. People spend more than they can _____. And because of the high _____ on money borrowed, the credit card debt becomes harder and harder to _____ _____. Eventually, some people are forced to _____ on their payments. This is why credit card companies put a _____ on the amount that people can borrow.

credit risk	**mortgage**	**savings**	**credit evaluation**
afford	**co-sign**	**default**	

Mortgages



Most people don't have enough in _____ to purchase a house so they take out a house loan, which is called a _____. Before you get a mortgage, the bank will do a thorough _____ _____ to make sure you can _____ the loan. If the bank feels you are a _____ _____ they may ask you to find somebody else to _____ your mortgage. This person will be responsible to pay your mortgage if you _____.