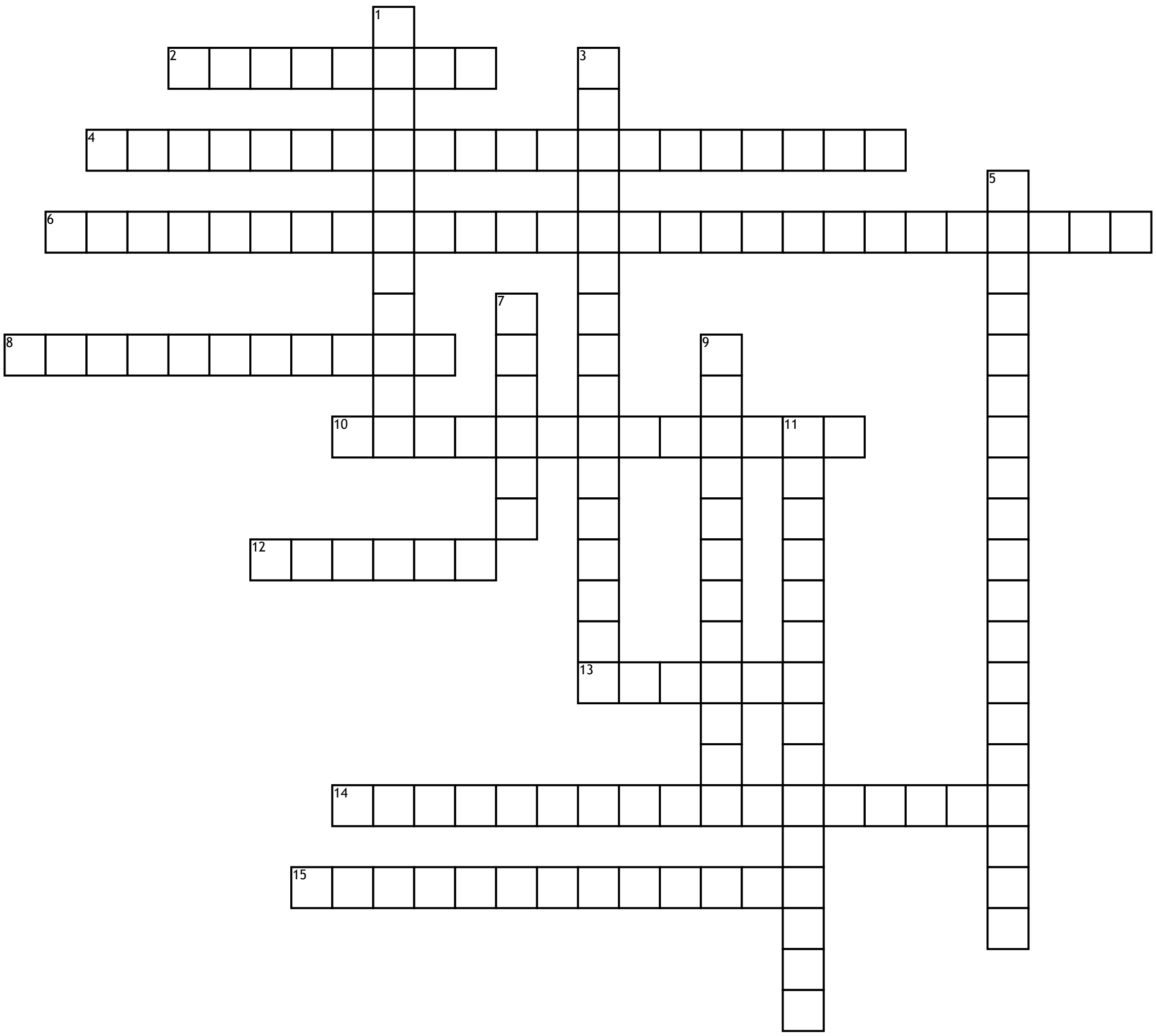
Name: ____ Date: ________

Chapter 8 Buying a House



Across

2. the person or people that own a rented house or apartment

4. Required by mortgage holders, a type of insurance that covers damage to the home due to fire and other natural disasters; also covers the contents of the home in case of theft or vandalism.

6. A mortgage in which the monthly payment and the APR may change, as specified in the signed agreement.

8. a form of home ownership where each unit is individually owned

10. costs that occur on a regular basis

12. What % of gross income people should spend on rent?

13. a person who rents a house or apartment

14. A ratio of monthly expenses to monthly gross income; offers a realistic view as to where a person stands financially with the amount of debt presently being carried.

15. a factor banks use when deciding whether to lend money for a mortgage; ideally <28%

Down

1. The act by a bank of taking possession of a home when the homeowner cannot pay the mortgage.

3. one-time costs

5. The earnest money, or good-faith deposit, is the money paid to the seller by an interested buyer to show that the buyer is serious about buying the house.

7. The money the bank collects from borrowers, for insurance and property taxes; the bank pays those bills for the homeowner when they are due.

9. a factor banks use when deciding whether to lend money for a mortgage; ideally <36%

11. The money given to the landlord from the tenant as protection in the event that the tenant causes damage to the rented property; refunded when the tenant moves out if there is no damage, and can range from 1 to 4 month's rent.