

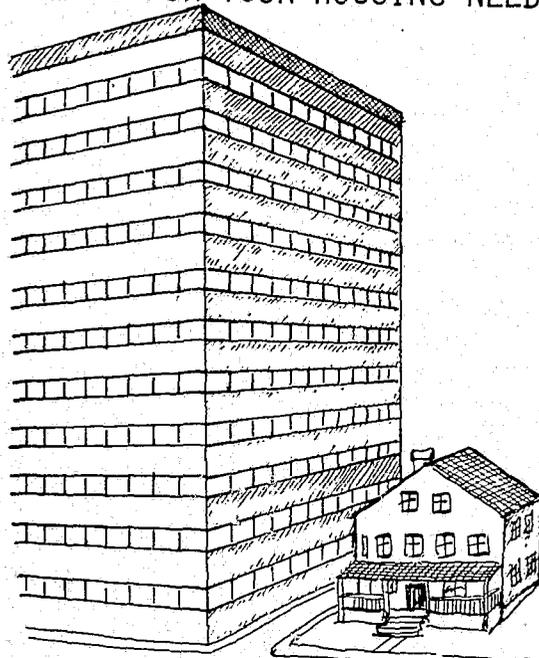


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X ACA
X COMPREHENSIVE WORK
ENTRY PROGRAM

UNIT 13

X PROVIDING FOR YOUR HOUSING NEEDS



DO NOT WRITE IN THIS BOOKLET!

NCJRS

DEC 27 1979

ACQUISITIONS

CCOEP STAFF

Osa D. Coffey, Ph.D.
Director

Conan N. Louis
Assistant Director

Mary O'Connell Fulton
Administrative Assistant

THE AMERICAN CORRECTIONAL ASSOCIATION

Norman A. Carlson
President

Anthony P. Trivisono
Executive Director

Raymond S. Olsen
Associate Executive Director

Illustrations

James B. Donnelly

This publication may be ordered from: The American Correctional Association
4321 Hartwick Road
College Park, MD 20740
301/864-1070

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UNIT GOALS

After completing this unit, you will be able to:

Recognize some basic information about housing

Identify the good points of renting

Recognize that you are not responsible for upkeep and repairs

Recognize that you don't have to pay property taxes

Recognize that all you need at the beginning is your first month's rent and a security deposit

Identify a security deposit as money used to cover any damages when you leave

Recognize that if there are no damages when you leave your security deposit will be returned to you

Recognize that you can move out at the end of your lease or at the end of any month if you have no lease

Identify a lease as a written agreement for the rental of an apartment or a house for a period of time at a stated rate

Recognize that your rent cannot be raised until the end of your lease

Identify the good points of buying a house

Recognize that buying a house is an investment

Recognize that when you own your own home you can make any changes you want

Recognize that owning your own home can help you to develop a good credit rating

Identify housing costs

Identify rent or house payments as housing costs

Identify the cost of utilities as housing costs

Identify gas or oil as a utility

Identify water as a utility

Identify electricity as a utility

Recognize that no more than one-fourth of your monthly income should be spent on housing

Recognize that the total cost of a house should not be more than 2 1/2 times your yearly income

Identify the information you should ask for when you call to ask about an apartment or house

Rent

Number of bedrooms

Utilities included

Address

Amount of security deposit

Length of lease

Furnished (furniture included)

Appliances (stove, refrigerator, dishwasher)

Walk-up or elevator

Recognize that if you have any questions about housing in your area you should contact your local Housing and Urban Development (HUD) office

Recognize that the HUD office can be found in the telephone directory under the heading "U.S. Government"

DIRECTIONS

Before you begin this unit, complete the test items on the Unit Test. Use a blank sheet of paper to write down your answers, or an answer sheet provided by your instructor. DO NOT WRITE IN THIS BOOKLET! When you have finished, check your answers using the Unit Test Key which you will find in the back of the booklet. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -6). After you have finished reading the text, take the Unit Test again. When you have finished, check your answers using the Unit Test Key. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -1). By comparing the two scores, you can see how much you have learned.

In the unit you will find review questions to check your progress. Answer the review questions on a separate sheet of paper. Then, check your answers using the Review Question Key. You will find the answers printed upside down. If you answer any of the questions wrong, read over the section right before the questions. If you answer all of them right, keep reading.

At the back of the booklet, you will find a list of words and their meanings. If you come across a word you do not understand, look it up in the word list. Words which appear in the list are underlined in the text.

Unit Test

For each of the following test items, circle on your response sheet the letter which most correctly completes the statement. DO NOT WRITE IN THIS BOOKLET!

1. The good point of renting instead of buying is that:
 - a. you're not responsible for upkeep and repairs
 - b. you don't have to pay property taxes
 - c. you can move out more easily
 - d. all of the above

2. In order to rent a house or apartment you need:
 - a. your first month's rent
 - b. a security deposit
 - c. both a and b
 - d. neither a nor b

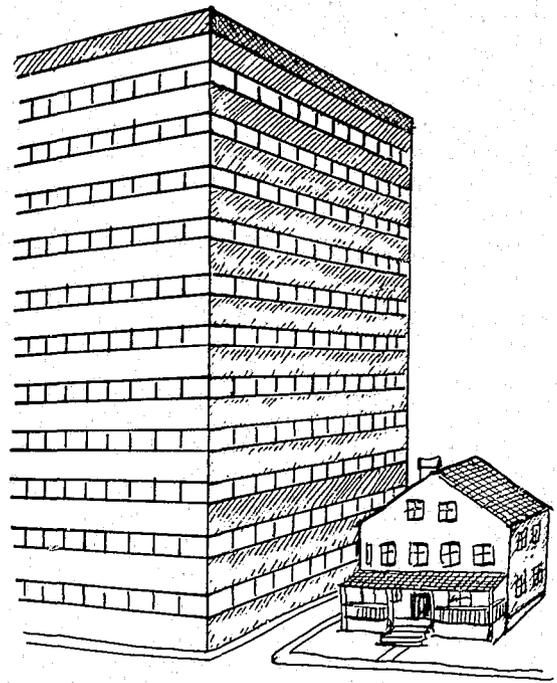
3. Your security deposit:
 - a. will be used to cover any damages when you leave
 - b. will be returned to you in full if there are no damages
 - c. both a and b
 - d. neither a nor b

4. When you have a lease:
 - a. you can leave at any time
 - b. your rent can be raised at any time
 - c. you have a written agreement to rent for a period of time at a stated rate
 - d. none of the above

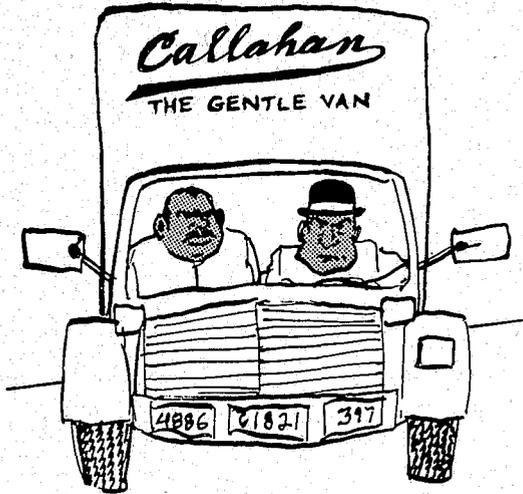
5. The good point of buying a house is that:
 - a. it is an investment
 - b. you can make any changes you want
 - c. it helps you to develop a good credit rating
 - d. all of the above

6. Housing costs include:
- rent or house payments
 - utilities
 - both a and b
 - neither a nor b
7. Utilities include:
- telephone
 - security deposits
 - electricity
 - none of the above
8. The cost of housing should be:
- no more than one-third of your monthly income
 - no more than three times your yearly income
 - no more than one-fourth of your monthly income
 - no more than one-half of your weekly income
9. The total cost of a house should be:
- no more than one-fourth of your monthly income
 - no more than three times your yearly income
 - no more than one-half of your weekly income
 - none of the above
10. On your response sheet place a check mark (✓) to the left of the information you should ask for when you call to inquire about an apartment or house.
- | | |
|-------------------------------------|-----------------------------------|
| <u> </u> a. rent | <u> </u> g. security deposit |
| <u> </u> b. noisy neighbors | <u> </u> h. length of lease |
| <u> </u> c. number of bedrooms | <u> </u> i. furnished |
| <u> </u> d. utilities included | <u> </u> j. babysitters |
| <u> </u> e. address | <u> </u> k. appliances |
| <u> </u> f. landscape | <u> </u> l. elevator |
11. The U.S. Department of Housing and Urban Development:
- should be able to answer any questions about housing in your area
 - can be found in the telephone directory under "U.S. Government"
 - both a and b
 - neither a nor b

It's a fact that you have to live somewhere. Therefore, you should know a few things about housing, whether you're planning to rent or buy. Both renting and buying have their good points and it is up to you to decide which is better for you.



When you rent an apartment or a house, you're not responsible for upkeep and repairs. You don't have to pay property taxes, and you don't need a large sum of money for a down payment as you would if you bought a house. As a matter of fact, all you need at the beginning is your first month's rent and a security deposit.



Your security deposit (usually the amount of one month's rent), will be used to cover any damages when you leave. If there are no damages, your security deposit will be given back to you in full.

Another advantage of renting is that you can move more easily than you can if you have bought a house. You can leave at the end of your lease, or at the end of any month if you have no lease.

A lease is a written agreement between you and your landlord for the rental of an apartment or a house for a period of time, and at a stated rate. Although it is true that you cannot leave unless the landlord is willing to let you, it is also true that your rent cannot be raised until the end of your lease.

If, when your lease is up, you decide to move, write a letter to your landlord at least 30 days before you plan to move, to let him/her know.



Check your progress by answering the following review question.

DIRECTIONS:

On your response sheet write the letter of the phrase which most correctly completes the statement.

When you rent a house or apartment:

- a. you should be sure to make all necessary repairs
- b. your security deposit will be used to cover any damages
- c. you pay less property taxes than you would if you bought a house
- d. your rent can be raised at any time

Check your answer by using the key below. If you get the answer right, keep reading. If you get it wrong, go back over what you have already read.

b

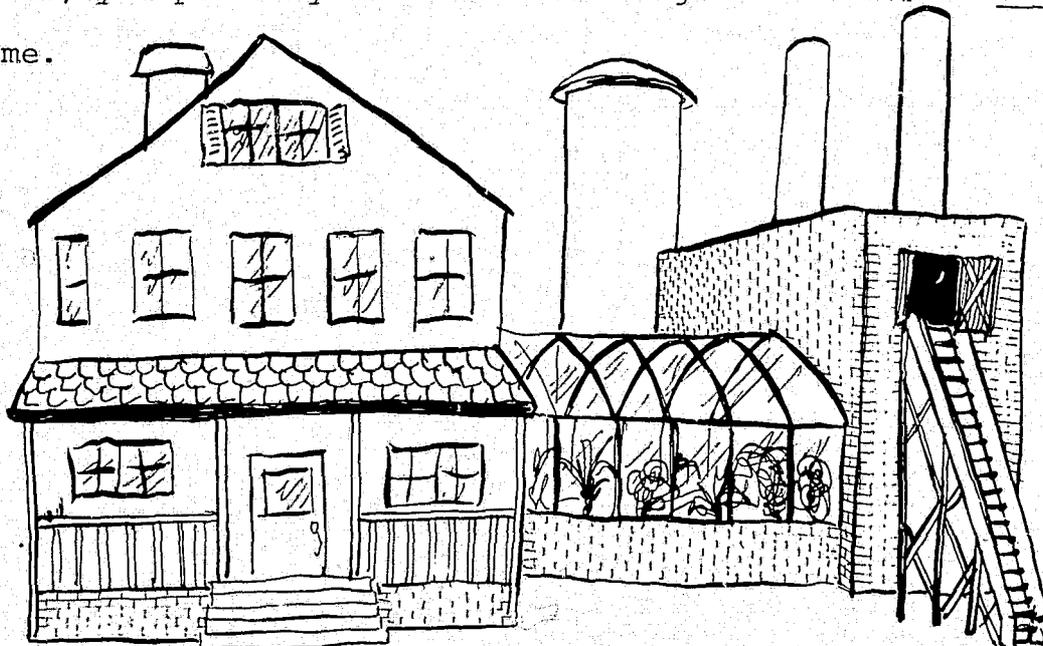
Review Question Key

Although you may not think you can afford to buy a house, it might be possible some day, and you should think about it. Buying a house has its advantages too. Probably the greatest advantage is that buying a house is an investment. This means that the value of what you buy will probably increase over the years so that it will eventually be worth more than what you paid for it.



In addition, when you own your own home, you can make any changes you want. In most apartments, if you make any changes, even painting the apartment in a color you like, you will probably lose your security deposit, unless you get permission from the landlord.

Finally, owning your own home can help you to develop a good credit rating. Of course, unless you have a good credit rating to begin with, you probably won't be able to get the money to finance your home.





One of your major concerns in deciding how to handle your housing situation is cost. Housing costs will include your rent or house payments and the cost of utilities (gas, water, electricity).

A good rule in deciding how much rent you can afford to pay, or how large a house you can pay without difficulty, would be to spend no more than one-fourth of your monthly income on housing costs. For example, if you make \$500 per month, you should not spend more than \$125 per month on rent. Another way to look at it would be to make sure that your housing costs will be no more than one week's pay.

If you're buying a house, the total cost of your house should not be more than $2\frac{1}{2}$ times your yearly income. For example, if you make \$500 per month, your yearly income is \$6,000. This means that you should not buy a house for more than $6,000 \times 2\frac{1}{2}$ or \$15,000.



Check your progress by answering the following review questions.

DIRECTIONS:

On your response sheet write the letter of the phrase which most correctly completes the statement.

1. When you buy a house:
 - a. you can make any changes you want
 - b. you are developing a good credit rating
 - c. both a and b
 - d. neither a nor b

2. The cost of housing should be:
 - a. no more than one-fourth of your monthly income
 - b. no more than $2\frac{1}{2}$ times your yearly income
 - c. both a and b
 - d. neither a nor b

Check your answers by using the key below. If you get the answers right, keep reading. If you get either of them wrong, go back over what you have already read.

1. c
2. c
Review Question Key

When you call to ask about a house or apartment, there are certain things that you should ask about. Find out how much rent you will be expected to pay and the number of bedrooms. Is the cost of utilities included in the rent, or will you be asked to pay for them in addition to your rent?

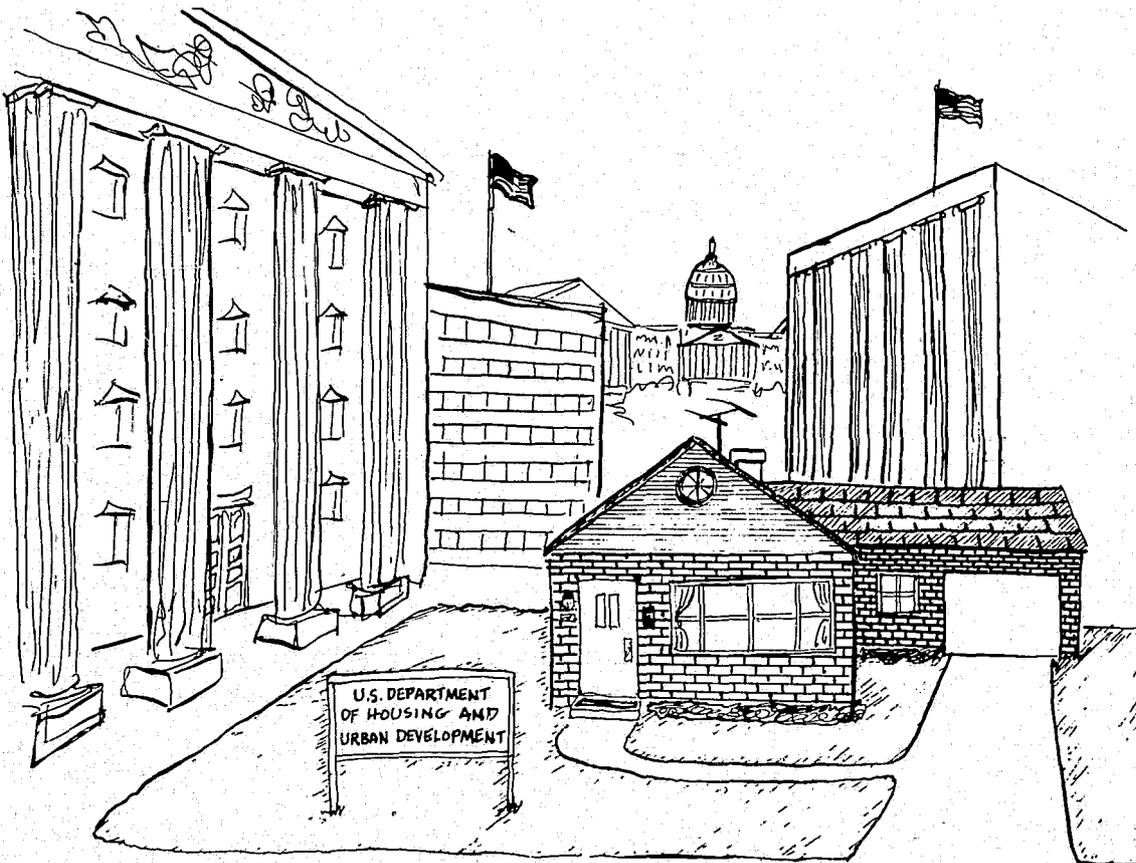


How much of a security deposit will you have to put down? How long is the lease? (usually one year). Is the apartment furnished (furniture included)? What appliances are included? Stove? Refrigerator? Dishwasher? Washing Machine? Dryer?

Find out the address, and if it's a high rise apartment, whether the building has an elevator.

Once you get the answers to these questions, you will be better able to decide whether the house or apartment is right for you.

If you have any questions about housing in your area, you should contact your local HUD office. Look for the Department of Housing and Urban Development in your telephone directory under the heading "U.S. Government".



Check your progress by answering the following review question.

DIRECTIONS:

On your response sheet write the letter of the phrase which most correctly completes the statement.

Information you should ask for when you call to inquire about an apartment includes:

- a. rent
- b. furnished or unfurnished
- c. utilities included
- d. all of the above

Check your answer by using the key below. If you get the answer right, take the Unit Test again. If you get the answer wrong, go back over what you have already read.

d

Review Question Key

Now that you have completed the text, take the Unit Test again. When you have finished, check your answers using the Unit Test Key. Count the number of items you answered wrong and mark your score on your answer sheet (for example, -1). By comparing the two scores, you can see how much you have learned.

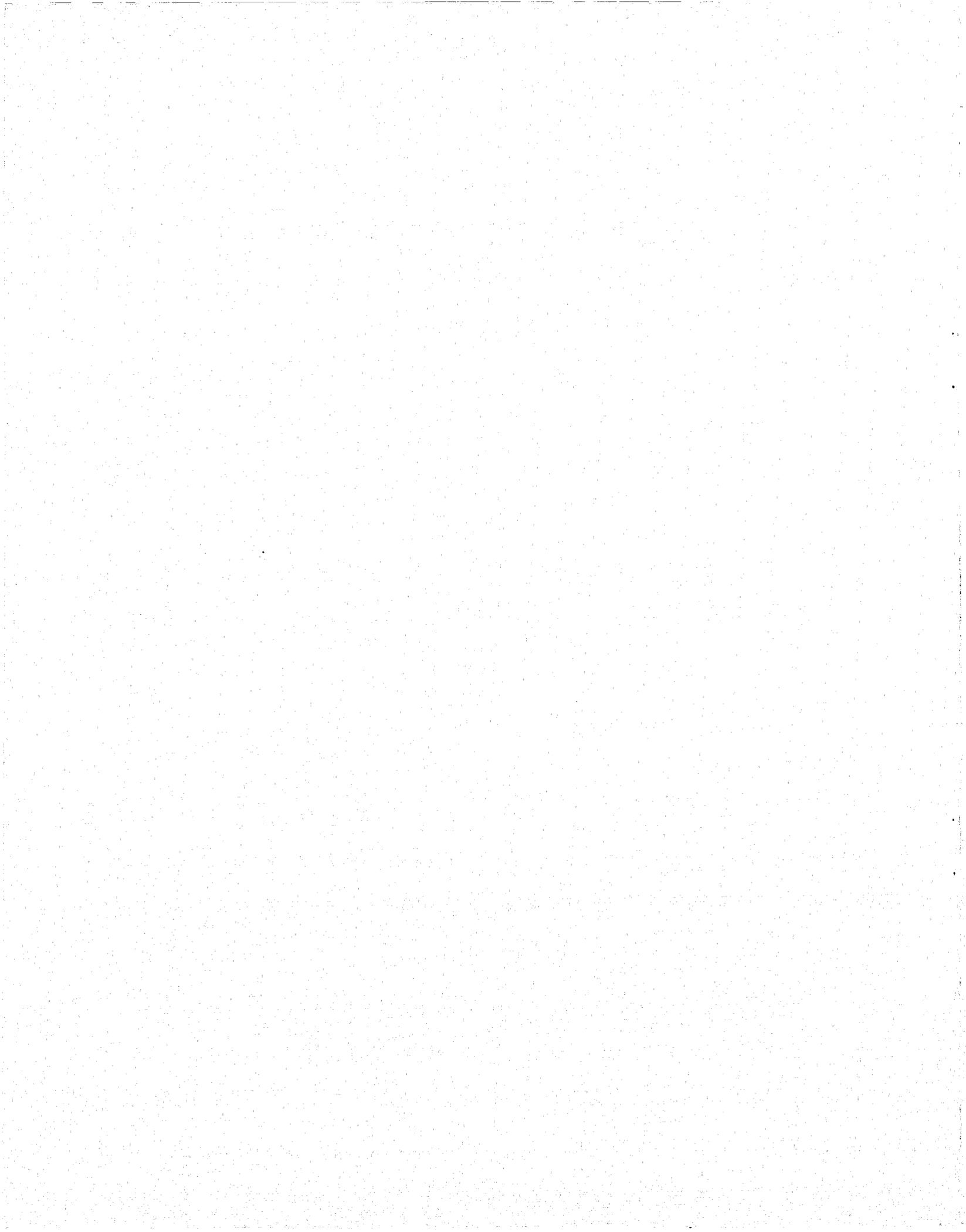
Unit Test Key

- | | | | |
|----|---|-----|-------------------|
| 1. | d | 7. | c |
| 2. | c | 8. | c |
| 3. | c | 9. | d |
| 4. | c | 10. | a c d e g h i k l |
| 5. | d | 11. | c |
| 6. | c | | |

* * * * *

WORD LIST

1. appliances - machines which help do household work
(example, stove, refrigerator, dishwasher)
2. credit rating - a record kept by a private company which
gives a history of how well you have
handled your bills
3. investment - something you buy which increases in value over
the years so that after a period of time it is
worth more than what you paid for it
4. lease - a written agreement signed by you and your landlord
5. property taxes - money you have to pay the government for
owning a house
6. security deposit - money you pay before you move into an
apartment. When you move out, it is
usually returned to you unless you have
damaged the apartment.
7. utilities - gas, water and electricity



END