

LESSON 15: Buying a Home



Money Mastermind Lesson 15, Worksheet 1:

Loans, Loans, Loans

Review the scenario below and the profiles of each of the three friends.

Scenario:

Three friends are at the mall shopping for Joe's birthday. Shaun, Rachel and Hayden all want to get him what he really wants, but there's a snag in the plan when two of the three friends come up short on cash. After reading each of the friends' stories below, decide who Shaun should loan his money to and why.

SHAUN (LENDER)

Shaun works after school and on weekends, so he usually has money in his wallet. He wants to get Joe a new portable game console, which he can easily afford. His friends are always borrowing money from him because they know he saves, and today is no different.

RACHEL (BORROWER)

Rachel sees the perfect gift for Joe, but she only has \$20 and the gift costs \$100. She tries to convince Shaun to loan her the money for the gift, explaining that she only needs \$80 because she can contribute \$20. She reminds Shaun that she has borrowed money from him before, and always pays debts back on time. As an added bonus, she tells Shaun he can borrow her car and her tablet in case she isn't able to pay the money back right away.

HAYDEN (BORROWER)

Hayden wants to buy a new video game for Joe, but he doesn't have the money right now. He borrows money from his friends all the time and has the reputation of being late in paying it back—sometimes he forgets entirely. He tries to convince Shaun to loan him \$100 for the gift.

Who should Shaun loan his money to?

Why?