

Name: _____

Date: _____

Do I qualify?

- Using the resources provided by the teacher, make a table, which compares short-term loans, lines of credit and consolidation loans.

Features	Short Term Loan	Line of Credit	Consolidation Loan
INTEREST			
FLEXIBILITY			
QUALIFICATION			

- Insert the completed table into your Borrower's Guide under the heading of Short Term Loan Options*

- Write sentences using the following terms (You can use the loan documents provided by the teacher or use the internet):

Prime rate: _____

Variable rate: _____

Term: _____

Consolidation: _____

Line of credit: _____

Payment frequency: _____

Collateral: _____

Credit history: _____

Principal: _____

- Add these terms and definitions to your Borrower's Dictionary. You can also add other terms, which you see to be important for your Borrower's Guide.*

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3. In groups of 2 or 3, identify some criteria a person would have to meet before the banks would lend them money:

4. Propose five interview questions for a potential loan applicant, using the information from the previous question.

- i. _____
- ii. _____
- iii. _____
- iv. _____
- v. _____

5. Summarize the characteristics of a “good borrower”.

6. Give a few suggestions on how a person could become a “good borrower”.
