Name _____ Date _____

Renting an Apartment: Deposits, Leases and Monthly Costs

Directions: Questions requiring calculations draw on Hana's two apartments and the move-in requirement described in the table's caption. Enter each number in dollars, leaving out dollar signs and commas.

Hana's Two Apartments

Two apartments Hana is comparing, each offered with a 12-month lease. At signing, each apartment requires the first month's rent, the security deposit and the application fee. Rules about deposits, including what a landlord may deduct and how quickly the rest must be returned, vary by state, so this activity describes them only in general terms.

Cost detail	Apartment A	Apartment B
Monthly rent (dollars)	950	1,050
Estimated utilities paid separately each month (dollars)	140	60
Security deposit, paid once at signing (dollars)	950	1,050
Application fee, paid once at signing (dollars)	40	25

1. Adding the monthly rent and the estimated utilities together, what is Apartment A's total monthly cost for Hana? Type your answer without a comma.

_____ dollars

2. Following the move-in requirement described in the caption, how much must Hana pay at signing for Apartment B? Type your answer without a comma.

_____ dollars

3. Counting rent and estimated utilities for all 12 months of the lease, but leaving out the one-time deposit and application fee, which apartment costs Hana less, and by how much?

A. Apartment B, by $960

B. Apartment B, by $240

C. Apartment A, by $240

D. Apartment A, by $1,200

4. If Hana shares Apartment B with a roommate and they divide the rent and estimated utilities equally, what is Hana's individual share each month?

_____ dollars

5. When the original lease ends, Apartment A's landlord offers a new 12-month lease with the monthly rent increased by 4%; what would the new monthly rent be?

_____ dollars

6. Hana's personal budgeting rule is to spend no more than 30% of her monthly take-home pay on rent, so if she takes home $3,400 a month, what is the maximum rent her rule allows? Type your answer without a comma.

_____ dollars

7. When Hana moves out of Apartment A, the landlord discovers a damaged door that costs $210 to repair, which is damage beyond normal wear and tear; if the landlord deducts only that repair from her $950 deposit, how much does she get back?

_____ dollars

8. Rental agreements and related documents regularly use these four terms; match each one with the description that explains it.

Write the letter of the matching answer on each line.

1. _____ Lease
2. _____ Security deposit
3. _____ Renter's insurance
4. _____ Normal wear and tear

Choices for question 8

A. Money the landlord holds during the rental and may use toward unpaid rent or damage, returning what is left

B. A fee charged for ending a lease before its last month

C. A policy that helps pay to replace a tenant's own belongings after covered events such as theft or fire

D. Ordinary aging of a rental from everyday living, such as paint that slowly fades

E. A signed contract that sets the rent, how long the rental lasts and the rules both sides agree to

9. In general terms, which of these problems could a landlord usually charge to a tenant's security deposit at move-out?

A. Light wear on the carpet from everyday walking

B. Curtains that yellowed in the sunlight over time

C. A large hole punched through a wall

D. Paint that faded slowly over several years

10. Before moving into Apartment A, what can Hana do to protect her security deposit against unfair deductions later?

A. Pay the deposit in cash without asking for a receipt.

B. Skip the walk-through, since the landlord already knows the condition.

C. Wait until move-out to mention problems that were already there.

D. Record the apartment's condition with dated photos and a move-in checklist, and keep copies.