

Chapter 10 – Housing Costs

I-Summary

This chapter helped you learn about housing costs. When you decide to buy a house, there will be many costs to consider. In addition to the mortgage, you need to factor the cost of home insurance, real estate taxes, maintenance, and utilities.

I-Quiz

1. What is the *Fire Protection Class number* assigned to a home based on?
 - A. whether or not a firefighter owns the home
 - B. whether a house is made of wood or brick
 - C. how close the house is to a fire hydrant
2. Which of the following are associated with *closing costs* in the purchase of a home?
 - A. credit checks, title searches, and surveys
 - B. the cost of moving your furniture
 - C. the realtor's commission
3. What is the *value* assigned to your property for the *purpose of taxation* called?
 - A. market value
 - B. principal value
 - C. assessed value
4. What rights does a mortgage grant the *lender* in the event you fail to make payments?
 - A. seize and sell the property
 - B. rent the property from you
 - C. ask you to remodel the property
5. To receive full payment for any loss of your home, you must insure it for at least 80% of:
 - A. what you paid for it
 - B. its resale value
 - C. its replacement value

Answer Key

- 1. B**
- 2. A**
- 3. C**
- 4. A**
- 5. C**