Agenda: March 1, 2007
Finance 442—Financial Planning

1. Handouts
   
   Lecture notes for Chapter 5

2. Do you know what these terms mean?
   
   Condominium (condo)
   Cooperative apartment (co-op)
   Loan-to-value ratio
   Mortgage points
   Fixed-rate mortgage
   Adjustable-rate mortgage (ARM)

3. Items for Discussion (Chapter 5)
   
   - How to implement a plan to research and select a new or used automobile.
   - How to decide whether to buy or lease a car
   - Identify housing alternatives, assess the rental option, and perform a rent-or-buy analysis
   - How much housing can you afford?
     i. Benefits of owning a home
     ii. The cost of home ownership
     iii. Home affordability analysis
   - Describe the home-buying process
   - Choose mortgage financing that meets your needs

4. In-class Exercises (Chapter 5)
   
   - Financial Planning Exercises: #3, #4, #7, #8, #10.

5. Homework (Chapter 5)
   
   Xtra! Quiz: chapter 5

   End of Chapter Questions
   - Financial Planning Exercises: #2
   - Contemporary Case Applications: #5.1 -- #5.3

   For Next Time, Read Chapter 6