

# Home-Buying Basics

**Media Type:** Video  
**Duration:** 45 minutes

**Goal:** To describe the basic process of becoming a homeowner.

**Description:** Homeownership is a major life decision, and buying a house can be an overwhelming process to those who are unfamiliar with it. This presentation provides students a step-by-step guide to homeownership. The benefits and drawbacks of homeownership are compared to those of renting and factors to consider when making the decision to purchase a home are discussed. In addition, the processes involved in the purchase are examined, including hiring a lender and agent, getting pre-approved, house hunting, making an offer and closing.

**Objectives:**

1. To examine the pros and cons of homeownership versus renting.
2. To discuss steps involved in preparing to buy a home, including hiring reliable professionals and getting pre-approved.
3. To investigate factors to consider when looking for a home and methods of house hunting.
4. To analyze the process of making an offer to purchase a property.
5. To describe the process of closing on a home purchase.



College & Career Readiness Anchor Standards for Language

Language Standards	
Vocabulary Acquisition & Use	Determine or clarify the meaning of unknown and multiple-meaning words and phrases by using context clues, analyzing meaningful word parts, and consulting general and specialized reference materials, as appropriate.
	Acquire and use accurately a range of general academic and domain-specific words and phrases sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.
	<b>9-12.4</b> Determine or clarify the meaning of unknown and multiple-meaning words and phrases based on grades 9–12 reading and content, choosing flexibly from a range of strategies.
	<b>9-12.6</b> Acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

College & Career Readiness Anchor Standards for Speaking and Listening

Speaking & Listening Standards	
Comprehension & Collaboration	Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others' ideas and expressing their own clearly and persuasively.
	Integrate and evaluate information presented in diverse media and formats, including visually, quantitatively, and orally.
	<b>9-12.1</b> Initiate and participate effectively in a range of collaborative discussions with diverse partners on grades 9–12 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively.
	<b>9-10.2</b> Integrate multiple sources of information presented in diverse media or formats evaluating the credibility and accuracy of each source.
	<b>11-12.2</b> Integrate multiple sources of information presented in diverse formats and media in order to make informed decisions and solve problems, evaluating the credibility and accuracy of each source and noting any discrepancies among the data.

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College & Career Readiness Anchor Standards for Writing

Writing Standards	
Text Types & Purposes	Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.
	Write informative/explanatory texts to examine and convey complex ideas and information clearly and accurately through the effective selection, organization, and analysis of content.
	<b>9-12.1</b> Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.
	<b>9-12.2</b> Write informative/explanatory texts to examine and convey complex ideas, concepts, and information clearly and accurately through the effective selection, organization, and analysis of content.
	Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.
	Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach.
Production & Distribution of Writing	Use technology, including the Internet, to produce and publish writing and to interact and collaborate with others.
	<b>9-12.4</b> Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.
	<b>9-10.5</b> Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience.
	<b>9-10.6</b> Use technology, including the Internet, to produce, publish, and update individual or shared writing products, taking advantage of technology's capacity to link to other information and to display information flexibly and dynamically.
	<b>11-12.5</b> Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience.
	<b>11-12.6</b> Use technology, including the Internet, to produce, publish, and update individual or shared writing products in response to ongoing feedback, including new arguments or information.
Research to Build & Present Knowledge	Conduct short as well as more sustained research projects based on focused questions, demonstrating understanding of the subject under investigation.
	Gather relevant information from multiple print and digital sources, assess the credibility and accuracy of each source, and integrate the information while avoiding plagiarism.
	Draw evidence from literary or informational texts to support analysis, reflection, and research.
	<b>9-12.7</b> Conduct short as well as more sustained research projects to answer a question or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation.
	<b>9-10.8</b> Gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the usefulness of each source in answering the research question; integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and following a standard format for citation.
	<b>11-12.8</b> Gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the strengths and limitations of each source in terms of the task, purpose, and audience; integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and overreliance on any one source and following a standard format for citation.
<b>9-12.9</b> Draw evidence from literary or informational texts to support analysis, reflection, and research.	

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## Lesson Plan

*\*Note: This lesson is most effective when prefaced by the Home-Buying Basics: Understanding the Language Microsoft® PowerPoint® lesson.*



Video  
10 min.

**Class 1:** Begin class by passing out the *Home-Buying Glossary Activity*. Instruct students to note any unfamiliar terms used in the presentation and to include these in their glossaries. Pass out the *Home-Buying Basics Vocabulary Handout*, *Mortgages Student Handout* and *Worksheet* for students to use during the presentation. Show *Home-Buying Basics - Deciding to Be a Homeowner*. Follow the segment with its *Assessment*.



Video  
10 min.

**Class 2:** Remind students to continue using the *Vocabulary Handout*, *Worksheet* and *Home-Buying Glossary Activity*. Show *Home-Buying Basics - Getting Prepared*. Follow the segment with its *Assessment*. Have students complete the *Getting Prepared Activity*. Allow students to finish it for homework if necessary. Distribute the *Mortgage Calculations Activity* for homework.



Video  
11 min.

**Class 3:** Remind students to continue using the *Vocabulary Handout*, *Worksheet* and *Home-Buying Glossary Activity*. Show *Home-Buying Basics - House Hunting*. Follow the segment with its *Assessment*. Introduce the *House Hunting Project* and have students work on it the remainder of the class period.

**Class 4:** Allow students the entire class period to work on the *House Hunting Project*. Instruct them to finish it for homework.



Video  
9 min.

**Class 5:** Begin class with a brief discussion about what students learned from the *House Hunting Project*. What about the housing options surprised students? Remind students to continue using the *Vocabulary Handout*, *Worksheet* and *Home-Buying Glossary Activity*. Show *Home-Buying Basics - Making an Offer*. Follow the segment with its *Assessment*. Introduce the *Making an Offer Project* for students to begin.

**Class 6:** Allow students the entire class period to work on the *Making an Offer Project*. Instruct them to finish it for homework.



Video  
5 min.

**Class 7:** Begin class with a brief discussion about what students learned from the *Making an Offer Project*. What about the current housing market surprised students? Remind students to continue using the *Vocabulary Handout*, *Worksheet* and *Home-Buying Glossary Activity*. Show *Home-Buying Basics - Closing*. Follow the segment with its *Assessment*. Have students complete the *Closing Checklist Activity*. Inform students the *Home-Buying Glossary Activity* will be due during the next class.

**Class 8:** Allow students to share a few terms from the *Home-Buying Glossary Activity* and discuss what students gained from the *Activity*. Administer the *Home-Buying Basics Final Assessment*.



## Lesson Links

### U.S. Department of Housing and Urban Development: Buying a Home

- [http://portal.hud.gov/hudportal/HUD?src=/topics/buying\\_a\\_home](http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home)

### Realtor.com

- <http://www.realtor.com/>



## Career & Technical Student Organizations

### Future Business Leaders of America

- LifeSmarts
- Personal Finance

### DECA

- Financial Literacy Promotion Project

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## Career Connections

Using the *Career Connections Activity*, allow students to explore the various careers associated with this lesson. See the *Activity* for more details. *If student licenses have been purchased:* Students will select the interviews to watch based on your directions. *If only a teacher license is purchased:* Show students all the career interviews and instruct them to only complete the interview form for the required number of interviews.

- iCEV50516, Tim White, Vice President of Real Estate Lending, Plains Capital Bank
- iCEV50435, Sally Martinez, Realtor, Greg Garrett GMAC Real Estate



## Lab Activities

### Home-Buying Glossary

#### Directions:

Students will create a glossary of home-buying terminology. Glossaries should have at least 15 terms, and for each term, a definition and usage example should be provided. If applicable, they may also consider including an explanatory image. Students should take note of any unfamiliar terms used in the presentation to include in their glossary, but they should also perform some research to identify other terms unique to the home-buying process.

### Getting Prepared

#### Directions:

Students will imagine they are preparing to enter the real estate market and will identify lender and agent options in your area. They should also find out what types of documentation the lenders would require for pre-approval. For more details, see the *Getting Prepared Activity*.

### Mortgage Calculations

#### Directions:

Students will calculate the answer to various mortgage problems. An *Answer Key* has been provided.

### Closing Checklist

#### Directions:

Working in groups of two, students will research common tasks a home buyer needs to complete after the seller has accepted the offer and before the closing date. Then they should create an informative and visually appealing checklist for first-time home buyers to use as a guide.



## Projects

### House Hunting

#### Directions:

You may want to consider bringing a few current real estate catalogs from your area to class for students' use. You will give each student one of the housing needs assignments, one of the must-have feature assignments, and one of the desired feature assignments, all of which are provided on the *House Hunting Teacher Instruction Sheet*. Each student should find four homes fitting their criteria and should answer the provided questions discussing each home's features, pros and cons. For more details, see the *House Hunting Teacher Instruction Sheet*. Note: Once students complete this *Project*, it will be used to complete the *Making an Offer Project*.

### Making an Offer

#### Directions:

Students will choose their favorite home from their *House Hunting Project* and will imagine they are making an offer to purchase it. Before deciding on their offer, they should do plenty of research to determine a fair price. Then they will write a two-page report containing their research findings, initial offer, maximum offer and rationale for each. They should also include a bibliography documenting their sources. For more details concerning requirements, see the

*Making an Offer Project.*

