

Unit 2 Assignment: Time Value Money in Everyday Life

Due Date: 11:59 pm EST Sunday of Unit 2

Points: 100

Overview:

This assignment will give you the opportunity to apply what you have learned about Time Value Money to everyday life. In this instance, calculating a mortgage's monthly payment and principle.

Instructions:

Congratulations! You have just signed a contract to purchase your first home. Your purchase price is \$300,000 and you plan to put 20% down. Calculate your monthly principal and interest payments for the life of the loan for:

- a 15-year mortgage at 2.875%
- a 30-year mortgage at 3.25%.

Compare and contrast these two options.

- What are the Pros and Cons of each?

Requirements:

- Add the specifics for type of media, length, and format.
- Submit a Word document or Excel spreadsheet.
- At least 1 page in length.

Be sure to read the criteria below by which your work will be evaluated before you write and again after you write.

Evaluation Rubric for Unit 2 Assignment

CRITERIA	Deficient	Needs Improvement	Proficient	Exemplary
	0 – 14 points	15 – 19 points	20 – 24 points	25 points
Mortgage: 15-year at 2.87%	The mortgage calculations are missing or incorrect.	The mortgage is calculated but is missing key details or months.	The mortgage is calculated but is missing minor details or months.	The mortgage is calculated correctly, demonstrating the monthly payments throughout the life of the loan.
Mortgage: 30-year at 3.25%	The mortgage calculations are missing or incorrect.	The mortgage is calculated but is missing key details or months.	The mortgage is calculated but is missing minor details or months.	The mortgage is calculated correctly, demonstrating the monthly payments throughout the life of the loan.
Pros and cons of each	The pros and cons are missing or poorly written.	The the pros and cons are discussed but are missing key details.	The the pros and cons are discussed but are missing minor details.	The pros and cons are thoughtfully and accurately discussed.
	0 – 5 points	6 – 7 points	8 – 9 points	10 points
Paper Length	Less than one page	n/a	n/a	At least one page.
	0 – 8 points	9 – 11 points	12 – 14 points	15 points
Clear and Professional Writing	Errors impede professional presentation.	Significant errors that do not impede professional presentation.	Few errors that do not impede professional presentation.	Writing and format are clear, professional, and error-free.