

Renting vs. Owning | Worksheet



Matching

Match the definition in Column A with the term in Column B.

Column A

- _____ Money borrowed that is paid back over time with interest.
- _____ Holding legal rights to property.
- _____ Value decreases over time, especially after purchase.
- _____ Initial large payment of a loan.
- _____ Temporarily using property with fixed terms and costs.

Column B

- a. Renting
- b. Ownership
- c. Down Payment
- d. Loan
- e. Depreciate

Multiple Choice

1. **Which of the following illustrates a key difference between renting and owning?**
 - a. Purchased items cost more over time, but rented items cost more upfront.
 - b. Rented items can be modified, but purchased items require following strict rules.
 - c. Owning costs more upfront, but renting requires payments as long as you have an item.
 - d. Renting makes sense for long-term needs, but purchasing makes sense for short-term needs.
2. **Which of the following is NOT considered a disadvantage of renting?**
 - a. Renting can cost more money in the long run.
 - b. Renting requires following certain rules, or you could face penalties.
 - c. When renting, the owner can decide to raise the rent.
 - d. Renting generally costs less upfront.
3. **What is one positive implication of owning over renting?**
 - a. You can resell, modify, or rent out the items that you own.
 - b. You pay less upfront but more over time.
 - c. Some purchased items depreciate, meaning you can sell them for more.
 - d. Taxes, fees, and maintenance costs rarely apply to purchased items.
4. **It's important to consider all of the following when choosing between renting and owning EXCEPT...**
 - a. Shopping around for discounts and deals before deciding.
 - b. Only purchasing items that will increase in value over time.
 - c. Weighing pros and cons based on the time needed and personal cash flow.
 - d. Determining how the item fits into your budget as a rental and a purchase.

Application

Deciding whether to rent a car, house, or even clothing for a formal event can impact you financially in both positive and negative ways. Consider purchases you're likely to make in the future and brainstorm a list of what you think is better to rent or to own and why. Be prepared to give a rationale for the things you deem better rented or bought.



Renting vs. Owning Quiz | Answer Key

Matching

Match the definition in Column A with the term in Column B.

Column A

- d. Money borrowed that is paid back over time with interest.
- b. Holding legal rights to property.
- e. Value decreases over time, especially after purchase.
- c. Initial large payment of a loan.
- a. Temporarily using property with fixed terms and costs.

Column B

- a. Renting
- b. Ownership
- c. Down Payment
- d. Loan
- e. Depreciate

Multiple Choice

1. Which of the following illustrates a key difference between renting and owning?
 - a. Purchased items cost more over time, but rented items cost more upfront.
 - b. Rented items can be modified, but purchased items require following strict rules.
 - c. **Owning costs more upfront, but renting requires payments for as long as you have it.**
 - d. Renting makes sense for long-term needs, but purchasing makes sense for short-term needs.
2. Which of the following is NOT considered a disadvantage of renting?
 - a. Renting can cost more money in the long run.
 - b. Renting requires following certain rules, or you could face penalties.
 - c. When renting, the owner can decide to raise the rent.
 - d. **Renting generally costs less upfront.**
3. What is one positive implication of owning over renting?
 - a. **You can resell, modify, or rent out the items that you own.**
 - b. You pay less upfront but more over time.
 - c. Some purchased items depreciate in value, meaning you sell them for more.
 - d. Taxes, fees, and maintenance costs rarely apply to purchased items.
4. It's important to consider all of the following when choosing between renting and owning EXCEPT...
 - a. Shopping around for discounts and deals before deciding.
 - b. **Only purchasing items that will increase in value over time.**
 - c. Weighing pros and cons based on the time needed and personal cash flow.
 - d. Determining how the item fits into your budget as a rental and a purchase.

Application Answer

Review student responses to assess whether they have grasped the concepts from the lesson.