



Renting vs. Owning | Lesson Plan

How do the choices between renting and owning impact your financial future and personal flexibility in the short and long term?

Students will understand the differences between renting and owning, including costs, responsibilities, and long-term effects, to make informed choices based on their needs and finances.

Learning Objectives:

- Articulate the advantages and disadvantages of renting versus owning.
- Define and provide examples of what it means to rent.
- Describe owning and its implications.
- List factors that can help someone decide when it is best to rent versus own.
- Distinguish between situations in which renting or owning is the better option.

Key Vocabulary:

- **Renting:** Temporarily using property with fixed terms and costs.
- **Ownership:** Holding legal rights to property.
- **Down Payment:** Initial large payment of a loan.
- **Loan:** Money borrowed that is paid back over time with interest.
- **Depreciate:** Value decreases over time, especially after purchase.

Educational Standards: CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

Academic Subject Areas: Financial Literacy, Finances, Life Skills

What You'll Need

- Video: Ca\$h Cour\$e: Renting vs. Owning (Watch [Here](#))
- Worksheet: Ca\$h Cour\$e: Renting vs. Owning (Click [Here](#))
- An image of a formal gown and/or tuxedo

Lesson Plan (45 mins.)

Warm-Up: (10 mins.)

1. Introduce the lesson by asking students to imagine that they have a big event coming up, like a formal school dance, a wedding, or a graduation ceremony. Tell them they need a special outfit for this event, and show them an image of a formal gown and/or tuxedo. Ask them how they would go about getting this outfit. Would renting or owning an outfit they might only wear once make more sense? Why or why not?



2. Have students share their thinking with a partner and then call on a few students to share with the class. Option: Use a t-chart with the categories of renting versus buying to write down students' ideas as they share.
3. Introduce the lesson's objectives and explain that they will learn about the advantages and disadvantages of renting and owning.
4. Using context or examples your class will relate to, preview the vocabulary students will learn in the video.

Watch and Apply: (20 mins.)

1. Show the video *Ca\$h Cour\$e: Renting vs. Owning*.
2. Pause when needed to discuss important terms and concepts. Ask students guiding questions:
 - What are the differences between renting and owning?
 - What are the pros and cons of owning?
 - What are the pros and cons of renting?
 - What does it mean that something depreciates after you buy it?
3. After watching the video, have students complete the worksheet. (These can be collected as a formative assessment.) Optional: Allow students to collaborate to complete the worksheet, discussing answers and rationales with a partner.

Wrap-Up: (10 mins.)

1. Following the worksheet activity, review the answers together as a class. Address any areas where students may need further explanation or have lingering questions.
2. Facilitate a discussion on factors contributing to someone's choice to rent. Ask students to discuss the factors that may cause someone to buy instead. Discuss how thinking futuristically and accounting for one's financial and life goals can help one decide between renting and buying clearly.
3. In your way, explain to students that renting versus buying isn't *all* good or *all* bad. Understanding one's needs, financial situation, and long-term goals are a few factors that affect whether it is wiser to rent or buy.

Don't have time for the full lesson? Quick Activity (5-10 mins.)

- Distribute the worksheet and allow students to complete it while they follow along with the video.
- Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.