



QUIZ

Demystifying Mortgages

NAME: _____

TOTAL
/ 3 pts

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer to each question.

1. What does APR stand for?
 - a. Average Price Return
 - b. Annual Percentage Rate
 - c. Amortization, Principal and Repayment

2. In a fixed-rate mortgage...
 - a. The interest rate is set when you take out the loan and it does not change over time
 - b. The interest rate is based on a chosen index, so it changes throughout the term of your loan
 - c. The interest rate can be renegotiated whenever you feel like it
 - d. All of the above

3. With an adjustable-rate mortgage...
 - a. The interest rate changes over time and is based on a chosen index
 - b. It usually has a lower advertised rate
 - c. It can be unpredictable and harder to budget for
 - d. All of the above