**NAME:**       **DATE:**

**Directions:**

Jesse did the math on a laptop deal and realized the bargain wasn’t a bargain at all. See if you can spot a bargain in the offers below. For each purchase, check the option that you think would be the best credit deal.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Best Deal** | **Option** | **Purchase Price** | **Monthly Payments** | **Total Interest** | **Total Cost** |
| Purchase a Computer | |  |  |  |  |
|  | Store Financing: 24 monthly payments at 11.9% APR | $1,400 | $ | $ | $ |
|  | Credit Card: 36 monthly payments at  15.9% APR | $1,400 | $ | $ | $ |
| Purchase a Stereo System | |  |  |  |  |
|  | Store Financing: 12 monthly payments at 13.5% APR | $800 | $ | $ | $ |
|  | Credit Card: 24 monthly payments at  18% APR | $800 | $ | $ | $ |
| Purchase a Car | |  |  |  |  |
|  | Car A: 7% APR for 60 months | $20,000 | $ | $ | $ |
|  | Car B: 3.9% APR for 30 months | $23,000 | $ | $ | $ |
| Purchase a Big Screen TV | |  |  |  |  |
|  | Store Financing: no payments for three months, but monthly interest charges start immediately at 10% APR; then six months of payments. | $1,900 | $ | $ | $ |
|  | Credit Union: 11% APR for 12 months | $1,900 | $ | $ | $ |
| Purchase a Truck | |  |  |  |  |
|  | Option A: $1,500 cash back now with  2.9% APR for 48 months | $25,000 | $ | $ | $ |
|  | Option B: $0 cash back and 0.9% APR for 36 months | $25,000 | $ | $ | $ |