

BUYING POWER
Worksheet

Directions - Below are a series of steps that you are asked to follow. Each step contains a new set of instructions on how to spend your inheritance. Read each case scenario carefully and compile your list of needs and wants and the cost associated with each need or want. Keep in mind that needs are necessary and wants are negotiable. Have Fun!

Scenario #1: Assume you have just inherited one million dollars from a distant relative and been granted an opportunity to spend the million dollars any way you wish. Below is a list of your personal needs and wants and the cost for each need and want. Select from the list a combination of identified wants and needs that will give you the greatest satisfaction while completely depleting your funds.

Scenario #2: Assume you were a bit hasty in spending your inheritance and a portion of your money in the amount of \$250,000.00 was used to settle your distant relative's estate. Based on the remainder of your inheritance, assume that the same list of wants and needs is available from which to choose. How would you now allocate your funds until the last penny is spent?

Scenario #3: Assume, that your distant relative placed a stipulation upon your being able to receive your inheritance. Assume that your inheritance was held in a special account that earned interest and you received an additional \$300,000. How would you spend your inheritance?

<u>Wants and Needs</u>	<u>Cost</u>
Monthly mortgage	\$ 1,200.00
Foreign Sports Car	225,000.00
Sports Utility Vehicle	65,000.00
Designer Wardrobe	175,500.00
Utilities	175.00
Trip to Europe	8,500.00
Cellular Bill	125.00
Telephone	50.00
Condominium in Miami	145,000.00
Mansion in California	2,250,000.00
Cable	80.00
Home Insurance	475.00
Customized Home Entertainment Center	2,500.00
Car Insurance	1,500.00
Beach Home in Hawaii	325,000.00
Health Insurance	3,000.00
Maid Service	1,500.00
Home Security System	2,000.00
Three Vintage Cars	555,000.00
Yacht	325,000.00
Home for Parents	250,000.00
Favorite Charity	100,000.00

BUYING POWER
Formative Assessment Sheet

Name _____

Date _____

S=SATISFACTORY	N=NEEDS REVISITING	U=UNOBSERVED
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SKILL	RATING	COMMENTS
Participates in Class Discussion		
Completes Group Activity		
Listens and follows Directions		
Defines (non) financial factors		
Understands wants v/s needs		
Identifies forms of economic activity		
Identifies forms of (non)financial factors		
Communicates orally and in written form		

Note: This assessment sheet may be altered to reflect the skills the teacher wishes to observe.