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Home Sales In Two-Month Decline

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WASHINGTON (AP)- A cooling housing market may put buyers in the driver's seat while an improving job market could give workers and job-seekers more *leverage*, economists say.

The average rate on 30-year mortgages in November was 6.33 percent, up from 6.07 percent in October. This week, however, rates on 30-year mortgages dipped to 6.22 percent.

Thursday's housing report also showed that the number of existing homes available for sale rose 1.2 percent in November to a pace of 2.90 million units, the highest since

April 1986.

The median sales price of an existing home stood at \$215,000 in November. That was down slightly from \$218,000 in October but was up a sizable 13.2 percent from November 2004. The median price is where half sell for more and half sell for less.

The slowing in housing comes as the Federal Reserve has been boosting short-term interest rates for nearly two years. The Fed earlier this month lifted a key rate to its highest level in 4 1/2 years to keep the economy and inflation on an even keel. Another rate increase is expected on Jan. 31.

Even with expectations that housing — a major supporter of overall economic activity — will slow in 2006, the economy should still log respectable growth next year, analysts said.

1. If one commits to a 30-year mortgage, including leap years, approximately how many *months* can he or she anticipate making payments?
2. If you purchased a home for \$150,000 and your monthly payments were \$1,175, upon completion of the 30-year mortgage, how much more was spent in interest than the original price of the home?
3. What is the mean, median, mode, range, and if applicable, outlier of the average rates on a 30-year mortgage during the months of October, November and December?
4. Can just one percentage point on a loan have a significant impact on the final cost of a home? Explain your answer and provide a specific example.
5. Create five prices of homes, which result in a mean of \$215,000.
6. Explain the reasoning behind the sudden decreases in home purchases. What are the projections for 2006?
7. In the passage above, in paragraph form, explain at least seven ways using the "**Reading Across The Curriculum**" poster simplifies understanding of the material. Be specific.
8. In paragraph form, list at least five ways using guidelines from the **Writing Guidelines** will make you a stronger and more convincing writer; specifically, on The Daughtry Times.
9. Using contextual clues, explain the meaning of the italicized word *leverage* above.
10. In paragraph form, explain five legitimate and educational purposes behind The Daughtry Times.