

BETTER MONEY HABITS HIGH SCHOOL LESSON: THE TRUE COST OF MOVING TO A NEW PLACE

HANDOUT 3.1 – A MOVING EXPERIENCE: HOW MUCH DOES IT COST?

List all the potential move-in costs you could encounter when moving to a new place as presented in the video. The first one is listed for you.

Fees and Deposits Before Moving

1. **Apartment Application Fee** (including a background and credit check).

Usual Cost = \$50.00

Note: Potential landlords might also want copies of:

- A. Recent pay stubs
- B. Letter of employment from your workplace
- C. Proof of any assets you might have (e.g. savings account)

2. **Deposit.** An amount equal to the _____ and _____ month's rent.

_____ + _____

This assures the landlord that you won't leave abruptly without paying before the end of your lease. If you do, at least they're covered for a month to clean the space and find a new tenant.

If the rent is \$775, the first and last month's rent is equal \$_____.

3. _____ **Deposit.** An amount equal to _____ month's rent.

This deposit is to ensure that you'll leave the space in the condition that you found it. If you leave the place undamaged, you *should* get this deposit back when you move out.

If the rent is \$775, this deposit is equal to \$_____.

4. **Finder's Fee.**

You may need to pay a finder's fee if you need help finding a place, which tends to happen in an area where the housing market is very competitive (or a location that is unfamiliar to you). If you are moving into such an area, you might work with a real estate agent that specializes in apartment location. In this case, you may need to pay a fee or a commission to assist you in finding a place to live. Such fees are generally 10 percent of the annual rent, but the amount can be negotiable.

If the rent is \$775, the finder's fee is equal to _____.

(To calculate the answer, 10% of the annual rent is \$775 times _____ months = \$_____.

Then, 10% of that amount is \$_____.)

Total Fees and Deposits from page 1

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Application Fee \$ _____

Deposit: \$ _____

_____ Deposit \$ _____

Finder's Fee \$ _____

Total BEFORE Moving

\$ _____

OTHER POSSIBLE COSTS:

5. Moving Costs

These costs vary greatly.

Can you get a few friends to help you move; maybe buy them pizza?

Rental Truck for a Day with friends = \$100.00 plus \$50 for pizza and drinks

OR hire a moving company to load and move your stuff?

You could pay as much as \$ _____.

Get an estimate or use their free estimators on their websites.

Estimated Moving Costs

\$ _____

TOTAL COSTS

\$ _____

Summary: Which of the five up-front, move-in costs surprised you the most? Explain your answer. What can you do to reduce these costs?
