

Bellwork:

1. if you make \$14 per hour and work, on average, 35 hours per week, how much can you afford for rent? Assume that you want to spend between 25-30% of your gross monthly salary on rent. (hint: calculate annual pay first, then convert that to monthly pay)

$$14 \times 35 = \$490/\text{WK}$$

$$\rightarrow 490 \times 52 = \$25,480/\text{YR}$$

$$\rightarrow \frac{25480}{12} = \$2,123.33/\text{MONTH}$$

25%

$$2123.33 \times .25 = \$530.83$$

30%

$$2123.33 \times .3 = \$637.00$$

2. if you make \$14 per hour and work, on average, 35 hours per week, how much can you afford for a monthly car payment assuming that you want to spend no more than 12% of you gross monthly pay? (hint: calculate annual pay first, then convert that to monthly pay)

$$\frac{14 \times 35 \times 52}{12} = \$2123.33/\text{MONTH}$$

$$\$2,123.33 \times .12$$

$$= \$254.80/\text{MONTH}$$