

How to Buy a Home in the United States

Unit 3: Lesson 1: What you should know about mortgage loans

Comprehension check

Choose the best answer and circle the letter.

1. When you shop for a mortgage loan, you should
 - a. look for the lowest interest rate.
 - b. ask for a term of 30 years.
 - c. compare the terms of a loan.

2. The principal is the
 - a. amount of money that you borrow.
 - b. charge for using the lender's money.
 - c. amount of time you have to repay the loan.

3. _____ include the loan application fee, the lawyer's fees, and the credit report fee.
 - a. Points
 - b. Closing costs
 - c. Down payment requirements

4. Some special mortgage programs
 - a. help first-time buyers who have difficulty paying the down payment and closing costs.
 - b. give you a free home.
 - c. help first-time home buyers who get money from relatives.