

NAME: _____

DATE: _____

ACTIVITY

Jordan's Loan Options

What + Why: Find out what really happens to Jordan's money each month when different car payments hit the budget.

Choosing a loan affects more than just the car—it changes the entire monthly budget. In this activity, you will calculate how each loan option impacts Jordan's cash flow and explain what the results reveal about her flexibility and risk.

Key Term

- **cash flow:** the total amount of money coming in minus the total amount of money going out over a period of time

Supporting Materials:

Jordan's Financial Snapshot - Part 4: Estimated Monthly Loan Payments (Case Study)

Jordan's Cash Flow (previously completed)

Instructions

1. With your group, review the information contained in the **Estimated Monthly Loan Payments** case study chart.
2. Calculate how each loan option changes Jordan's monthly cash flow and answer the reflection questions.

Jordan's Loan Options

Car Option	Money Remaining After Expenses	Monthly Loan Payment	New Monthly Cash Flow	Surplus or Deficit?
Option A	\$25			
Option B	\$25			
Option C	\$25			

1. How does each loan option change Jordan's monthly cash flow, and what does that mean for her financial flexibility?
2. What do these results suggest Jordan must consider before choosing a loan?