

**Daily Life - Asking For A Loan** (C0165)

B: Hello Sir may I help you?

A: Yes. I would like some information for requesting a loan.

B: Very well, here are the general terms of our loan policies. We pride ourselves in having the lowest interest rate in the country for personal loans.

A: I see. So let me get this straight. If I borrow let's say, ten thousand dollars, how much will I have to pay each month?

B: It depends on how long you take to pay it back. If we lend you ten thousand dollars at an annual interest rate of ten percent for forty eight months, you would have to pay each month a portion of the loan which is called the principal and another small portion of the annual interest rate. This of course is considering that you don't default on a payment!

A: It sounds good but, there is just one problem. I have a terrible credit score.

B: That is a very serious problem you see, the bank must assess your personal information, past loans, assets and any other relevant information such as your credit score in order to approve your loan.

A: You know what? I don't really need the money. Thanks anyways!

### Key Vocabulary

interest rate	<i>common noun, singular</i>	percentage of the money paid to you by the bank
general terms	<i>phrase</i>	common rules listed in an agreement
calculate	<i>principle verb, past simple</i>	measure
credit score	<i>phrase</i>	the score given to an individual to determine the

### Supplementary Vocabulary

mortgage	<i>common singular</i>	<i>noun,</i>	the transfer of an interest in property from a borrower to a lender as a security for a loan of money
mortgage broker	<i>common singular</i>	<i>noun,</i>	person who finds a lender for a homebuyer and brings them together with the goal of them originating a mortgage loan
mortgage lender/banker	<i>common singular</i>	<i>noun,</i>	originates and services a loan with a borrower
foreclosure	<i>common non-variable</i>	<i>noun,</i>	when a homeowner is unable to make payments on the mortgage so the lender can seize and sell the property as agreed upon in the mortgage contract
creditor	<i>common singular</i>	<i>noun,</i>	someone who extends credit by giving permission for a loan if the borrower promises to pay it back at a later date