

Assessment type (example Project 1/2/3)

Course: MTH 101

Topic: Rental Market Comparison Project

Dateline: 2 weeks

Submission Instructions: Individual, submitted to D2L

Activity goals

Create a budget by using (50/30/20) rule. %50 for needs, %30 for wants, %20 saving and investing.

- i. List your needs and wants (Example of needs: Rent, car payments, groceries, utilities)
- ii. Calculate the budget for these needs, wants and savings
 - a. Choose East Lansing in the preprocessed and compute the cost of rent by using the rental excel task data for each unit type (This step will already be done in the previous task)
- iii. Explain which housing type you will prefer according to your budget
- iv. Do research about expected utilities.
- v. Explain which type of information you'll use median or mean.
- vi. Explain how you will choose dining plan, housing etc. (we can ask them to list what are other components they consider in budget computations)

Pre-requisite

- i. Please read these articles
 - ☐ The 50/30/20 Budget Rule Explained With Examples
<https://www.investopedia.com/ask/answers/022916/what-502030-budget-rule.asp#:~:text=The%20rule%20is%20to%20split,to%20meet%20your%20financial%20goals>
 - ☐
- ii. Complete **New Excel Task 1 for Rental Market** activity

Instructions

Based on the preprocessed data of the rental prices data in your previous, **excel task 1** activity you will perform your budget analysis.

1. Identify **the 50/30/20 Budget Rule** based on the article above
2. List your 50/30/20 Rule description and explain what expenses fall into needs, wants and saving categories.
3. Identify Different Budgets: You need to prepare a monthly budgeting plan for the given two budgets:
 - i. Budget 1 = \$1200
 - ii. Budget 2 = \$2000
4. Identify suitable housing options for each budget: Assume utilities cost \$200 per month for each house option. Be aware that if you will have roommates, you can split the cost.

5. Determine which types of apartments (0BR, 1BR, 2BR, etc.) fall within the given budget.
6. Consider different measures (mean, median, mode) that you have found in your **Excel 2 Task** to identify suitable options. Explain how these measures help you to do your analysis explicitly.

Explain your budgeting for two different given budgets detailly

Reflection Questions:

Reflect on the process you followed to create your budget using the 50/30/20 rule by answering the following questions:

- i. How did calculating the mean, median, and mode help you understand rental prices in Lansing/East Lansing?
- ii. What factors did you consider when choosing an apartment within your budget? Were there any trade-offs you had to make?
- iii. What did you learn about the importance of budgeting and financial planning through this project?
- iv. How can the skills and knowledge gained from this project be applied to other areas of your life?
- v. How confident do you feel about managing a budget after completing this project? What areas do you feel you still need to improve?
- vi. What aspects of the project did you find most beneficial or enjoyable? Why?