**Practice**

1. Use the interval 25%–30% to find the monetary range that is recommended for the monthly housing budget in each situation. Round to the nearest dollar.

a) Mark makes $86,000 per year.

b) Linda makes $7,000 per month.

c) Meghan makes $1,500 per week.

2. Jackie’s financial advisor believes that she should spend no more than 28% of her gross monthly income for housing. She has determined that amount is $1,600 per month. Based on this amount and her advisor’s recommendation, what is Jackie’s annual salary?

3. Polo makes $20.50 per hour. He works 36 hours a week. He pays 22% of his gross earnings in federal and state taxes and saves 5% of his monthly gross income. He is considering renting an apartment that will cost $1,550 per month.

1. Is this monthly rental fee within the recommended 25%–30% housing expense range?
2. Based upon his expenses, can he make the monthly payments?

4. Janine has a gross biweekly income of $2,250. She pays 20% in federal and state taxes, puts aside 10% of her income to pay off her school loan, and puts 5% of her income aside for savings. She is considering an apartment that rents for $1,300 per month.

1. Is this monthly rental fee within the recommended 25%–30% housing expense range?
2. Based on her expenses, can she make the monthly payments?

5. Edgar and Megan paid a $250 application deposit for the 1,125-square foot apartment they are renting. They are required to provide a credit report that costs $30 and pay a security deposit equal to one month’s rent. The landlord also requires the last month’s rent at the time of signing the lease. The broker charged 6% of the yearly rent. How much should they expect to pay to be able to move into the apartment if their rent is $1,695 per month?