

Part B: Making a Move

- Rhea gave birth to a boy and a girl.
- Max and Rhea currently rent a 1-bedroom apartment.
- Next month, they plan to move into a house. They are buying a 3-bedroom semi-detached home.

1. Rhea and Max’s typical monthly budget is below. These figures show their status before Rhea went on pregnancy leave and before they bought a house.

Income (\$)		Expenses (\$)					
Max	1600	Rent	750	Groceries	475	Save for down payment	300
Rhea	1400	Apartment insurance	75	Dining out	150	RRSP	50
		Internet/cable TV	90	Car payment	315	Save for vacation	90
		Cell phone	35	Car insurance	230	Save for gifts	45
		Clothing	50	Fuel	250	Charities	20
						Movies/plays	75
a) Total Income = \$ _____		b) Total Expenses = \$ _____					
c) Monthly Balance (Income – Expenses) = \$ _____							

Calculate

- a) their total income
- b) their total expenses
- c) the balance

Record the amounts in the table.



Name: _____ Date: _____

Master 2
(continued)

2. a) Rhea will be on parental leave for the next 12 months. On parental leave, she receives 60% of her net income. Calculate her net monthly income for the next year.

Income (\$)	Expenses (\$)		
Max	Mortgage/ property tax	Groceries	RRSP
Rhea	Home insurance	Dining out	Save for vacation
	Utilities	Car payment	Save for gifts
	Internet/ cable TV	Car insurance	Charities
	Cell phone	Fuel	Movies/plays
	Clothing		
Total Income = \$	Total Expenses = \$		

- b) Max has received a raise. His net monthly income is now \$1850. Record both incomes in the Income column of their budget.
- c) Max and Rhea estimate the following expenses.
- Mortgage and property taxes will be \$925 per month.
 - Utilities cost approximately \$325 per month.
 - Home insurance costs \$90 per month.
- Record the data in the Expenses column.
- d) List other expenses that Rhea and Max might have. Refer to the budget template you completed in Part A. Include the items that you identified that might apply to them in the near future. Estimate the monthly cost of each expense.



Name: _____ Date: _____

Master 2
(continued)

- e) Change the amount spent on each item as necessary to create a balanced budget. Explain any changes that Max and Rhea might need to consider.

- f) How does the budget you developed for Max and Rhea reflect what you think might be important for them now that they have a house and two children?

