



2nd Quarter Vocab

Week 11

Week 12

Week 13

Week 14

Vocab Review III

1st Quarter Vocabulary

Week 12 Vocabulary



principal

The amount borrowed, or the unpaid amount owing on a loan. Interest is calculated on the unpaid principal



interest

The fee charged by a lender for the use of borrowed money.



term

The period of time for a loan contract



maturity

The date on which a borrowed sum becomes due



mortgage

A loan to finance the purchase of real estate



points

Finance charges paid by the borrower at the beginning of the loan.

1% of the loan = 1 point



Prepayment penalty

A penalty sometimes charged to a borrower for early loan pay-off



variable

Able to change. Some interest rates are variable



debtor

An individual or company that owes debt to another



debtor

An individual or company that owes a debt to another



insolvent

Unable to meet debt obligations
