

PROJECT: WHERE SHOULD I SAVE?

Remember Vincent from earlier in the unit? Now he is twenty-three years old and a little wiser. He has started saving his money, and he has been reading about different savings options. He learned that for some savings options, it may take twenty or even thirty years for the savings to **mature**, or reach their full value. In other words, he may have to wait thirty years for a bond to mature. In this project, you will help Vincent select the appropriate savings option.

VOCABULARY

mature when a savings product has been saved for the full term and reaches its full value; becoming payable or due

READ THE FOLLOWING SCENARIO

Example:

Vincent has set a financial goal to purchase a home in five years. He wants a two-bedroom house with a small backyard in the north side of the city. He has \$5,000 currently in his savings account. He doesn't deposit or withdraw any money. Keep in mind that he wants to have the most money in his account at the end of five years. Use this information and the information you have learned in the last three lessons to decide which savings option is best for Vincent. Use the PACED decision-making method and show your work.

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|-------------------------------------|----------|
| 1. Define the PROBLEM | P |
| 2. List the ALTERNATIVES | A |
| 3. Select CRITERIA | C |
| 4. EVALUATE the alternatives | E |
| 5. Make a DECISION | D |

P:

A:

C:

E:

D:

Which savings option is best for Vincent? Provide the name of the financial institution and the account name.

Describe how this option best benefits Vincent.