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The 4 page 60 minute ESL British English lesson – 15/06/14

## Want a mortgage in Britain?

Want a mortgage in Britain? If you apply for one now you are likely to be asked some new bizarre questions! This is because the UK property market is overheating. There is a 'super bubble' in the London area. The tsunami like effect is rippling outwards, right across the South East of Britain. Its effect is pushing property prices up. London has seen prices increase in the last year by approximately 17%\*. Year-on-year prices rose across the UK by an average of 8%\*. Prices are expected to increase another 10%.

To quell the increase, without putting up interest rates, a bizarre new list of questions has been introduced by the Financial Conduct Authority that mortgage lenders are now having to ask applicants. In this lesson we will look at some of these questions... The result will overall see a reduction in the amount of new loans offered to applicants. While some mortgage offers may now be halved others could be reduced by £100,000.

The new 'stress tests', as they are known, may ask you about the price of haircuts or whether you play golf. If you are a woman your hair cut costs could go against you far more than a man's would. Golfing fees could go against men! Plans to have children and hopes over pay rises are also covered by the new rules. In fact childcare costs could severely dent your chances of getting a loan.

The new 'Spanish inquisition' style questioning lasts up to three hours. Ultimately they aim to check whether a borrower could cope with higher mortgage rates. Many people will find these new tests intrusive. Despite the crackdown on new mortgage applicants in the UK the housing bubble continues. However, we all know what happens to bubbles...

## SPEAKING – WARM UP

What is a mortgage? Think of three things you know about mortgages. Go round the room swapping details with others.

## LISTENING – WRITING - DICTATION

The teacher will read some lines of the article slowly to the class.

## READING

Students should now read the article aloud, swapping readers every paragraph.

## SPEAKING - UNDERSTANDING

**1) The article** – Students check any unknown vocabulary or phrases with the teacher.

**2) The article** - Students should look through the article with the teacher.

- 1) What is the article about?
- 2) What do you think about the article?
- 3) Was this an easy or difficult article to understand?
- 4) Was this a boring or interesting article?
- 5) Discuss the article.

**3) Article quiz** - Students quiz each other in pairs. Score a point for each correct answer. Score half a point each time you have to look at the article for help. See who can get the highest score!

### Student A questions

- 1) Name the authority.
- 2) What is a 'super bubble'?
- 3) What does 'crackdown' mean?
- 4) Explain the term 'Spanish inquisition'.
- 5) How much are prices expected to increase?

### Student B questions

- 1) What is overheating?
- 2) What does 'quell' mean?
- 3) How much property have prices in London gone up by?
- 4) Ultimately what do these stress tests aim to do?
- 5) Explain about golfing fees and haircuts!

\*to the 31<sup>st</sup> March 2014

**Category: Economic / House Prices / Mortgages  
Intermediate / Upper Intermediate**

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### WRITING / SPEAKING

*In pairs.* On the board write as many words as you can to do with '**Mortgages**'. *One-two minutes.* Compare with other teams. Using your words compile a short dialogue together.

### WRITING / SPEAKING

*In pairs* – Choose three things from the article. Write them below. Talk about them.

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

**Add** three other things YOU know about mortgages. Write them below. Discuss together. What does this tell us?

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

*The teacher* will choose some pairs to discuss their findings in front of the class.

### WRITING / SPEAKING

*In pairs* – **Look online!** – Think of ten ways to cool the UK housing market bubble!

*The teacher* will choose some pairs to discuss their findings in front of the class.

### SPEAKING – ROLEPLAY 1

*In groups.* One of you is the interviewer. There are up to four guests. You are in the *BBC World News* TV studio in London. Today's interview is: *Want a mortgage in Britain? 10 mins.*

- 1) A young single mortgage applicant.
- 2) A young couple mortgage applicant.
- 3) A mortgage lender.
- 4) The Bank of England Governor.

*The teacher* will choose some groups to roleplay their interview in front of the class.

### SPEAKING - ROLEPLAY 2

*In pairs* - *Student A* is someone wanting a mortgage. *Student B* is a mortgage lender. *Discuss together. 5 mins.*

### SPEAKING – DISCUSSION

Allow 10 minutes – As a class.

**Want a mortgage in Britain?**

**Want a mortgage in your country?**

Compare both countries!

**Google it!**

*The teacher* can moderate the session.

### DISCUSSION – LIKELY APPLICANT QU'S

#### Student A questions

- 1) If the mortgage rate goes up from 4% to 7% will you be able to afford the payments?
- 2) Do you plan to have any more children?
- 3) How often do you have steak for dinner?
- 4) Is your husband a member of a golf club?
- 5) Do you expect your spouse to get a pay rise this year?
- 6) Are you a regular gambler?
- 7) How much do you gamble per month?
- 8) How much do you spend on your pets?
- 9) How much are your monthly utility bills?
- 10) Can you show me your bank statements for the last three months to validate your point in question 9?

### DISCUSSION – LIKELY APPLICANT QU'S

#### Student B questions

- 1) How much a month do you spend on toiletries?
- 2) How often do you spend money on a haircut?
- 3) How much do you give to charity?
- 4) Do you plan to continue with £18-a-month milk deliveries when you move?
- 5) Will you go back to work after having children?
- 6) What do you give your children as regular pocket money?
- 7) Do you pay any alimony?
- 8) What credit card debts do you have?
- 9) How much is your TV licence?
- 10) Can you prove your income?

## GAP FILL: READING

### Want a mortgage in Britain?

Want a (1)\_\_\_ in Britain? If you apply for one now you are likely to be asked some new (2)\_\_\_ questions! This is because the UK property market is overheating.

There is a 'super (3)\_\_\_' in the London area. The tsunami like effect is rippling outwards, right across the South East of Britain. Its effect is pushing property prices up. London has seen prices increase in the last year by (4)\_\_\_ 17%\*. Year-on-year prices rose across the UK by an (5)\_\_\_ of 8%\*. Prices are expected to (6)\_\_\_ another 10%.

To (7)\_\_\_ the increase, without putting up interest rates, a bizarre new list of questions has been introduced by the Financial Conduct Authority that mortgage lenders are now having to ask (8)\_\_\_. In this lesson we will look at some of these questions...

**Approximately / quell / applicants / increase / bizarre / mortgage / average / bubble**

The result will overall see a (1)\_\_\_ in the amount of new loans offered to applicants. While some mortgage offers may now be halved others could be reduced by £100,000.

The new '(2)\_\_\_ tests', as they are known, may ask you about the price of haircuts or whether you play golf. If you are a woman your hair cut costs could go against you far more than a man's would. Golfing fees could go against men! Plans to have children and hopes over pay rises are also covered by the new rules. In fact childcare costs could (3)\_\_\_ dent your chances of getting a (4)\_\_\_.

The new 'Spanish inquisition' style questioning lasts up to three hours. (5)\_\_\_ they aim to check whether a borrower could (6)\_\_\_ with higher mortgage rates. Many people will find these new tests (7)\_\_\_. Despite the (8)\_\_\_ on new mortgage applicants in the UK the housing bubble continues. However, we all know what happens to bubbles...

**loan / ultimately / crackdown / stress / intrusive / severely / cope / reduction**

## GAP FILL: GRAMMAR

### Want a mortgage in Britain?

Want a mortgage in Britain? (1)\_\_\_ you apply (2)\_\_\_ one now (3)\_\_\_ are likely to be asked some new bizarre questions! This is because the UK property market is overheating.

There is a 'super bubble' (4)\_\_\_ the London area. The tsunami like effect is rippling outwards, right across the South East of Britain. Its effect is pushing property prices up. London has seen prices increase in (5)\_\_\_ last year by approximately 17%\*. Year-on-year prices rose across the UK by an average (6)\_\_\_ 8%\*. Prices are expected to increase another 10%.

To quell the increase, without putting up interest rates, (7)\_\_\_ bizarre new list of questions has been introduced by the Financial Conduct Authority that mortgage lenders are now having to ask applicants. In this lesson (8)\_\_\_ will look at some of these questions...

**we / if / of / in / a / you / for / the**

The result will overall see a reduction in the amount of new loans offered to applicants. (1)\_\_\_ some mortgage offers may now be halved others could be reduced by £100,000.

The new 'stress tests', as they are known, may ask you about the price of haircuts or whether you play golf. If you are a woman your hair cut costs could go against you far more (2)\_\_\_ a man's would. Golfing fees could go against men! Plans to have children and hopes over pay rises are also covered by the new rules. In fact childcare costs (3)\_\_\_ severely dent (4)\_\_\_ chances of getting a loan.

The new 'Spanish inquisition' style questioning lasts up to three hours. Ultimately they aim to check (5)\_\_\_ a borrower could cope with higher mortgage rates. (6)\_\_\_ people will find (7)\_\_\_ new tests intrusive. Despite the crackdown on new mortgage applicants in the UK the housing bubble continues. (8)\_\_\_, we all know what happens to bubbles...

**however / these / whether / your / could / while / than / many**

**GAP FILL: LISTENING**

**Want a mortgage in Britain?**

Want a \_\_\_\_\_? If you apply for one now you are likely to be asked some new bizarre questions! This is because the UK property market is overheating.

There is a '\_\_\_\_\_' \_\_\_\_\_ London area. The tsunami like effect is rippling outwards, right across the South East of Britain. Its effect is pushing property prices up. London has seen prices increase in the last year by approximately 17%\*. Year-on-year prices rose \_\_\_\_\_ average of 8%\*. Prices are expected to increase another 10%.

To \_\_\_\_\_, without putting up interest rates, a bizarre new list of questions has been introduced by the Financial Conduct Authority that \_\_\_\_\_ now having to ask applicants. In this lesson we will look at some of these questions...

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The new '\_\_\_\_\_' style questioning lasts up to three hours. Ultimately they aim to check whether a borrower could cope with higher mortgage rates. Many people will find these new tests intrusive. Despite the crackdown on new mortgage applicants \_\_\_\_\_ in \_\_\_\_\_ the \_\_\_\_\_ UK \_\_\_\_\_ the \_\_\_\_\_.

**WRITING/SPELLING**

**WRITING / SPEAKING**

**1) On the board** - In pairs, as a class - write down 20 things you know about getting a mortgage. 5-10 mins.

**2) Sentence starters** - Finish these sentence starters. Correct your mistakes. Compare what other people have written.

- 1) Applicants \_\_\_\_\_
- 2) Getting a mortgage \_\_\_\_\_
- 3) Banks \_\_\_\_\_

**3) Homework** - Write and send a 200 word email to your teacher about: **Getting a mortgage in my country.** Your email can be read out in class.

**GAP FILL READING**

- 1) mortgage
- 2) bizarre
- 3) bubble
- 4) approximately
- 5) average
- 6) increase
- 7) quell
- 8) applicants

**ANSWERS**

- 1) reduction
- 2) stress
- 3) severely
- 4) loan
- 5) ultimately
- 6) cope
- 7) intrusive
- 8) crackdown

**SPELLING**

The teacher will ask the class individually to spell the following words that are in the article. Afterwards check your answers.

- 1) mortgage
- 2) stress
- 3) bizarre
- 4) bubble
- 5) overheating
- 6) tsunami
- 7) approximately
- 8) increase
- 9) quell
- 10) without

**SPELLING**

Use the following ratings:

- Pass = 12**
- Good = 15**
- Very good = 18**
- Excellent = 20**

- 11) applicants
- 12) haircuts
- 13) intrusive
- 14) whether
- 15) severally
- 16) loan
- 17) inquisition
- 18) style
- 19) borrower
- 20) cope

Want a mortgage in Britain? – *15<sup>th</sup> June 2014*