

BUYING CARPET



Name _____ Date _____

You have been hired by Mrs. Jones to investigate the following:

Mrs. Jones wanted to buy new carpet. After picking out the carpet, Mr. Smith came to Mrs. Jones' house and measured the rooms needing carpet. Her total bill for carpet, padding, installation, and moving furniture would be \$7401.76 if she decided to buy from Mr. Smith.

In order to take advantage of a special sale, Mrs. Jones gave Mr. Smith a refundable deposit for \$1000.00. (This means she gave him \$1000.00. If she buys the carpet, \$1000.00 would come off the purchase price. If she decided not to buy the carpet, she would get her \$1000.00 back.) This gave her time to think over the offer and to take advantage of the sale, which was ending the day Mr. Smith came.

After checking with other carpet stores, Mrs. Jones decided to order carpet from Mr. Smith. She knew he would want money down. However, she once lost money ordering a sofa. After placing an order and paying for it, the company went bankrupt. She didn't get her sofa and all her money was gone! After this experience she wanted to put as little money down as possible. When she called Mr. Smith, he stated that to order carpet, he would need half down. He then did the following:

$$\begin{array}{r} \$7401.76 \\ - \$1000.00 \\ \hline \$6401.76 \end{array} \quad \rightarrow \quad \$6401.76 \div 2 = \$3200.88$$

He then told Mrs. Jones to send a check for \$3200.88 so that he would have a deposit of half the cost. Mrs. Jones wants you to help her decide if \$3200.88 is half down.