

C1.3 UNIT 8

EXERCISE 1 Read through the sentences and choose the expression that best fits each gap.

<i>pricey</i>	<i>asking price</i>	<i>(to) cost an arm and a leg</i>	
<i>good value for money</i>	<i>cost-effective</i>	<i>dirt cheap</i>	<i>cost of living</i>
<i>priceless</i>	<i>(to) drive the price down</i>		<i>(to) spend money like water</i>

- 1- This surplus _____ to a point where it was below production costs.
- 2- The _____ in many cities throughout Alaska is affordable and is significantly less expensive than San Francisco
- 3- Many of the greatest works of art ever created are considered _____.
- 4- We chose their advertising agency because of their sector expertise and competitive pricing. They definitely are _____.
- 5- Everything in that fancy department store _____. I can't afford to buy anything there.
- 6- The _____ for a property is an approximate value allocated to the property, usually by an estate agent.
- 7- Lisa has so much money! There's very little she appreciates more than several hours spent walking in and out of stores and _____.
- 8- I usually go on holidays in late September as flights can get pretty _____ in summer.
- 9- Everything is _____ in this store. I can't believe this jacket is 70% off!
- 10- At about \$15 a bottle, it is a _____ way of captivating party guests and intriguing connoisseurs.

EXERCISE 2 Place punctuation marks where necessary (periods, punctuation marks, question marks, etc.).

James will you stop calling me I have had it up to my eyeballs Could you divert your attention elsewhere What you are doing borders on lunacy it may even be called sociopathic James we enjoyed ourselves for a weekend but I have had my fill of you Leave me alone or I will have to resort to more extreme measures This has gone on too long Yours Sylvia

EXERCISE 3 Read the text and answer the questions.

As we noted last month, soaring house prices in Britain have put homeownership out of the reach of many young Britons. Although there are many causes behind this—such as the difficulty of finding graduate jobs, population growth and a chronic shortage of new housebuilding—policymakers are now turning on Britain’s growing number of buy-to-let landlords. Earlier this month, George Osborne, the Chancellor of the Exchequer, announced that he was trimming tax relief for interest payments on buy-to-let mortgages (a handout that those with owner-occupier mortgages do not receive). And the Bank of England revealed that it had launched a review about tightening up rules for lending to landlords. These measures, some hope, will level the playing field between owner-occupiers and buy-to-let landlords in accessing mortgage finance, helping to solve Britain’s affordability crisis. But research suggests that they are likely to be disappointed.

It is true that the loose regulation of buy-to-let mortgages is difficult to defend, not least because small landlords are prone to speculation. The Bank of England’s latest Financial Stability Report, for instance, highlights loose regulation of the buy-to-let lending sector as a potential source of house price inflation that would price youngsters out, as well as financial instability.

But in truth, the effect of the buy-to-let sector on house prices is not well understood. On the one hand, the introduction of buy-to-let mortgages in 1996 cut costs for landlords, increasing lending and putting pressure on house prices. On the other, the surge in landlords should have boosted competition in the rental sector, potentially reducing the demand for home-ownership by making renting cheaper.

There has only been a very limited amount of empirical research conducted on whether buy-to-let lending inflates house prices. But that which has been done suggests that the effect is minimal. A report published in 2007 by the National Housing and Planning Advice Unit, a British quango, tried to isolate the impact of buy-to-let lending on house prices, using an economic model controlling for other factors known to drive prices. They found that just 7% out of a total increase in house prices of 150% between 1996 and 2007 was due to increased lending to landlords. The broad consensus among economists is still that rising incomes, lower interest rates, a growing population, and the wider increase in credit availability more readily explains rising prices. Ultimately, there is only one solution to Britain’s housing affordability crisis: build more houses.

(Courtesy of The Economist)

True or False:

1. Houses are within the grasp of young British people.
2. George Osborne is decreasing tax relief.
3. The Bank of England remains as lenient as ever to landlords.
4. There has been an increase in house prices since 1996.
5. An increase in population has been a contributing factor to the lack of affordable housing.

EXERCISE 4 Complete the second sentence so that it has a similar meaning to the first sentence, using the phrase given.

1-They say it is very easy to live cheaply in Spain.

COST-EFFECTIVE

It isto live in Spain.

2-Harold paid too much for such a chair.

THROUGH THE NOSE

Harold..... for the chair

3-Harold and Maude had to look over their finances.

PRICE RANGE

It was necessary for Harold and Maude.....

4-They say the chair is quite expensive

COST AN ARM AND A LEG

That chair could

EXERCISE 5 Choose from the box the word or phrase to complete the sentences.

Supply	Demand	Barter (1)	Barter (2)	Surplus	Deficit
Recession	Inflation	Stock market	Socialism		

1- To negotiate the price of goods or services instead of agreeing to the first price or quote: _____.

2- A political ideology advocated by Karl Marx : _____.

3- When the amount of money earned over a period of time is less than the amount of money spent or owed:_____.

4- When a country’s economy shrinks continuously for an extended period of time : _____.

5- Rising prices of goods and services:_____.

6- An excess of resources amounting to more than what is wanted:_____.

7- A market where stocks and bonds are traded. : _____.

8- The quantity of products or services that customers need or desire in the market. : _____.

9- An exchange of services : _____.

10- The quantity or mass of a service offered : _____.