

Teacher Version

Extension Activity

1. Toxic assets are also known as (overvalued assets/ **troubled assets**).
2. Mortgages that became toxic (**lost**/ gained) much of their value. As a result, they were (easy/ **difficult**) to sell.
3. In 2009, the U.S. Department of Treasury created TARP (Troubled Asset Relief Program) to address \$700 (million/ **billion**) of toxic real estate assets.
4. Which answer best describes a toxic asset?
 - a. when the price of a house has fallen below the amount of the home loan**
 - b. when the price of a house is higher than normal supply and demand factors suggest
 - c. when the price of a house is above the amount of the home loan