

Alabama Securities Commission

Spending Tips and Tricks



A financial empowerment
program for women in Alabama.



Presentation Outline

LIST OF TOPICS

- Spend your way to wealth
- Manage your debt
- Save for a rainy day





SPENDING YOUR WAY TO WEALTH TIPS & TOOLS

Don't try to keep up with the Jones. They may have it now, but by saving you can get it in the future (without going into debt).

Always shop around for health, car and home insurance. Find the best deals on products by doing research.

Shop the sales rack (end of season is an excellent time to get good deals).

Remember some things we want, some things we need.



**AVOID
"I DESERVE IT"
TYPE
PURCHASES**

The "I deserve it" purchase can be the pitfall of any good budget. The item looks different for everyone, but the solution can be simple. If yours is a coffee out, find a make at home version. If yours is shoes or clothing, wait a few weeks and save for it- you may even decide you don't want it after all.

Shop around

- Consumerreports.org
- Cars: Edmunds.com & KBB.com
- Retail stores with reviews
- usnews.com for mutual funds and ambest.com for insurance



GET THE BEST DEAL BY RESEARCHING COMPETITORS

Spending Habits

Spending habits can make or break the success of building wealth

Recap:

- Always do your research on products
- Wait a few weeks and save before you buy
- Try a make at home option



Debt

Student loan debt?

Pay down your
highest interest
loans first. Interest
accumulates
QUICKLY!



Debt

Credit Card Loans?

You've probably realized by now it's not free money. Make the necessary budget cuts and if you can, make more than the minimum monthly payment.



Debt

Home loans

Before you buy, make sure you understand all the fees and insurance associated with home ownership.

A home can be a wonderful asset, once you have paid it off. Remember, our talk about keeping up with the Joneses? This is the time to remember that. Just because you are approved for a larger loan, doesn't mean you should take on that financial burden.

Most lenders require you to pay 20% of the home's total cost upfront. Don't be shy about renting or getting roommates (or even staying with your parents) until you are financially ready.





Saving for a rainy day

Prepare for the unexpected now to avoid debt later.

Save

Save 3-6 months of expenses.
Budget for a little bit at a time.