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How to make your money stretch...



As most of us find that lately money is becoming very tight; learning some tricks may help you to “stretch” your money or cut down on unnecessary costs. Learning to deal with the stress that comes with money may also be overwhelming for some people, so finding a way to deal with this stress is also very important!

5 ways to stretch your money! The following are 5 ways to help stretch your money, or cut down on costs.¹

1) Buying groceries-Compare prices for your groceries or toiletries. Most people do not know how much these items typically cost, so try to keep a log book. Also, if you find a good buy on things like toiletries try to buy enough for six weeks, as sales typically come in a four-to-six week cycle.

2) Buying major appliances-Most people think that buying major appliances, like a washer and dryer, would put a serious dent in your pocket, but there are definitely ways to cut down on your costs. One way is by buying last year’s model, or a newer model with some cosmetic dents or scratches. Be very cautious when buying used appliances though, as most will not last very long.

3) Buying a home-Buying a home in a up-and-coming neighborhood is always a good bet, but if this seems out of your budget, try to buy a home with “curable” defects, or ones that you know can be fixed. While you may get a discount for things such as a busy street, this will not help your selling costs.

4) Paying off a mortgage-If you can afford it, setting up a biweekly payment plan can help you to save up to 29 percent in interest in your overall loan. Beware of any extra costs and/or penalties may be applied to your payment, always make sure to double check all of your payments and any bills you may receive.

5) Going on Vacation-There are many tricks that can help you to save money while on vacation. Take your time deciding where you want to go and what you can afford. Do your research on activities to do in the area, and try to cut

down on food costs as much as possible by bringing your own food with you.

Other tips to help...

There are also other tips that may help you to save your money, or make sure that what you are buying is really necessary.²

***Adopt the Two-Week Rule**-If you think you really want something, wait two weeks before you get it. This helps you to cut down on impulse buys, and really helps to evaluate what you really need.

***Avoid Unnecessary Waste**- Avoiding waste is not only good for yourself, but also the environment. While you should not continue to use items that need to be replaced, be sure not to throw away ones that still have value. Along with this, comes not wasting things such as electricity or water. Cut these items off if you are not watching or using them.

***Become a Coupon Clipper**-While coupon clipping may seem tedious and unnecessary to some people, it can actually save you a lot of money in the long run. Don't spend hours using your time cutting coupons, but try to just spend 5 minutes every week clipping coupons; it really adds up!

Handling money wisely³...



Handling your money means that you must do some financial planning, which includes:

- Setting goals
- Developing a tactic to reach these goals
- Living within your budget
- Taking charge of your financial responsibility

By developing a financial plan, you will be able to help yourself to handle your money wisely, and feel in control of your money situation.

The following tips may help you to handle your money wisely:

- Spend less than you make
- Create a budget
- Keep paperwork (including a tax file)
- Beware of credit card debt
- Use the power of compound interest
- Get help before you get in trouble

Finding help with your money problems....

It is very important that you do get help with your money situation if it has seemed to become an overwhelming part of your life. While this help may just mean going to a bank, or setting a budget, for others it may be seeing a therapist to talk things over; whichever the situation, it is important to get the help you need!

References:

- 1) "5 ways to stretch your money," by Jeanne Sahadi. http://money.cnn.com/2002/04/03/pf/saving/q_fivethings_s

Contact Us

Hours: Monday – Friday, 8:30-5:00pm. Evening hours are available on a limited basis.

(540) 989-6605 or 800-699-9396

Nights and weekends call RESPOND:

(540) 776-1100 or 800-541-9992

Advantage EAP does not necessarily endorse any products or services mentioned.



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- 2) *"Investing Unit 3: Stretch your money,"* http://www.extension.org/pages/Investing_Unit_3:_Stretch_Your_Money
 - 3) *"Handling Money Wisely,"* http://novella.mhhe.com/sites/0079876543/student_view0/freshman_year-999/your_finances3/money_management.html
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