

Money Management (Personal)





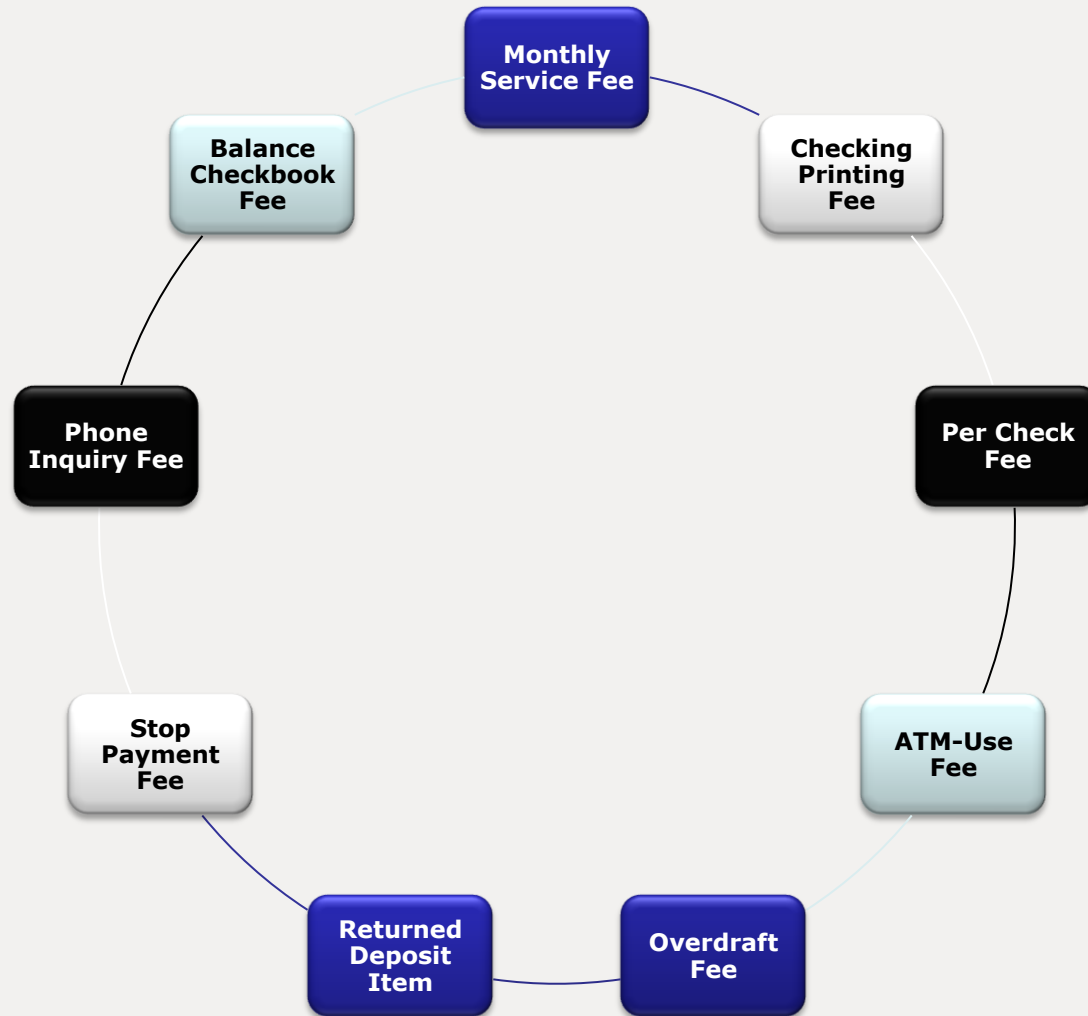
Are You Ready to Buy a Home?

(1 of 5)

◎ Ask yourself...

- Do you have a steady source of income? This usually means having a job or other source of income.
- Have you been employed on a regular basis for 2-3 years?
- Do you have a credit history? Have you ever borrowed money for any purpose?
- Is your income reliable?
- Do you have a good record of paying bills?
- Are you able to pay your bills and other debts?
- Do you have the ability to make a mortgage payment every month and handle additional costs for taxes, insurance, maintenance, and repairs?
- Do you have money saved for a down payment and closing costs?

What Fees Can I Expect?





Program Objectives

- ⊙ Create and maintain a balanced budget.
- ⊙ Make loan and lease decisions.
- ⊙ Make knowledge-based home and car purchasing decisions.
- ⊙ Responsibly avoid debt.
- ⊙ Write checks.
- ⊙ Repair credit problems.



Money Management (1 of 2)

- ⊙ Financial management is perhaps one of the most important yet complex skills required by everyone for daily survival.
- ⊙ Lack of knowledge or consideration in this area can lead to catastrophic financial problems that can take decades to fix.



Budget Box System

- ◎ The budget box is a small box with dividers for each day of the month.
- ◎ When you receive a bill, check the due date, and place it behind the divider that represents the bill's due date.
- ◎ As you receive income, pay all bills that are due.



Monthly Expenses (2 of 2)

◎ **Flexible expenses** are expenses that you can control.

- When it comes to flexible expenses, consider what you *need* and what you *want*.
- This will help you control your spending.
- Set aside money from each paycheck, and put it towards your savings.
- Savings needs to be listed as an expense.



Buying a Car



Dealer Financing (1 of 5)

- ◎ If you are going to apply for a loan at the dealership, make sure you first negotiate the best price on the car.
- ◎ Beware of dealers who insist on asking you how much you can afford every month.

Buying a Home





How Much Mortgage Can I Afford?

- ◎ Many people estimate they are able to afford a mortgage of two to three times their household income.
- ◎ Just because you qualify for an amount, it does not mean you can afford to be comfortable with those monthly payments.
- ◎ You need to consider your particular circumstances and your future financial needs and goals.



Consequences of Bouncing a Check (1 of 3)

◎ If you write a bad check...

- Each bad check might cost you a fee of \$10 to \$30.
- Additional checks you have written may not be paid.
- Your negative activity can be reported to account verification companies like ChexSystems and TeleCheck. This can make it difficult to cash checks and to open accounts in the future.



Bankruptcy (2 of 3)

- ◎ With a bankruptcy on your credit report, you will pay higher credit rates and receive less favorable terms on loans in the future.
- ◎ Bankruptcy might also make it difficult to get a mortgage, open a bank account, buy life insurance, or get a job:
 - Because creditors and employers can run a credit check to determine your history of financial commitments.



Credit Report

◎ Everyone is entitled to one free credit report a year if you:

- Have been denied credit recently based on your credit history.
- Have been denied employment or insurance recently based on your credit history.
- Suspect someone has been fraudulently using your account.
- Are unemployed and intend to apply for employment within 60 days.
- Receive public welfare assistance.



Building Credit History (1 of 5)

⦿ Remember:

- If you have a problematic credit history, building credit can take some time.

⦿ Here are some steps to help you build your credit:

- Get a copy of your credit report, and review it for errors. Take action to address any errors you find.
- Apply for a small loan at the bank, thrift, or credit union where you have checking and savings accounts.

Credit Cards and Spending





Download “**Money Management**” PowerPoint presentation at **ReadySetPresent.com**

176 slides include: 5 slides on prioritizing your budget, 12 slides on budgeting systems, 11 points on types of expenses, 10 points on selling a car, 8 steps for car loan shopping, 5 slides on dealer financing, 3 slides on loaning or leasing, 10 trade-in tips, 6 points on IDAs, 4 points on home owner education programs, 9 points on government loan programs, 5 slides on readiness for buying a home, 7 points on components of a low mortgage loan payment, 4 slides on loans, 5 slides on what lenders look for and require, 4 slides on mortgage terms, 6 slides on checks, 11 points on bounce protection, 9 types of checking account fees, 13 slides on choosing a type of checking account, 10 points on bouncing checks, 7 points on protecting yourself from bouncing checks, 9 points on deposit slips, 4 points on mistakes and void checks, 6 points of less cash received, 7 consumer protection laws, 15 points on collateral, 7 points on bankruptcy, 9 points on credit counseling, 5 slides on debt management, 8 points on credit reports, 7 slides on credit counseling agencies, 9 questions to ask before applying for credit, 11 points on the cost of credit, 5 slides on building a credit history, 9 slides on repairing credit, 10 spending tips, how to's and much more.

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