

Shopping Seasonally

One way to cut back on expenses incurred throughout the year is to shop seasonally for specific items. Shopping seasonally goes beyond food. There are specific times of the year when certain things go on sale. Purchasing items during those times will help reduce expenses. Here's a list of items that will be going on sale in the upcoming months:

September: School supplies, house wares, bicycles, gardening equipment

October: Fishing equipment, lawn mowers, patio furniture, cars, jeans

November: Appliances, coats, suits, candy, tools

December: Champagne, golf clubs, swimming pools

January: After Christmas sales, furniture, sports equipment, bedding

February: Furniture, rugs, mattresses, used cars

March: Garden supplies, luggage, laundry appliances, ski equipment

April: Women and children's coats, men's and boys' suits

May: Blankets, sportswear, tires

June: Refrigerators, building materials, lumber

July: Shoes, bathing suits

August: Yard tools, lamps, barbeque sets, fans

If you know you have a big purchase coming up, like a new appliance or lawn mower, investigate what time of year you can find the best prices on these items and plan to make your purchase then.

Tips

Having some savings set aside for emergency expenses can help increase financial stability. Here are some tips for bulking up your emergency savings fund:

- **Track your expenses** - You'll identify miscellaneous spending and will most likely find ways to cut back and put the extra money towards your savings. It might be cutting back on meals or drinks outside the home or spending less on clothes and shoes each month.
- **Save it before you see it** - If possible, have some savings set aside from your paycheck before it ends up in your checking account. Making an automatic deposit into your savings account will make you more likely to keep up with your savings goals.
- **Spare change adds up** - Start saving your change. Make it a routine to clean out your purse or pockets each night and stash the change in a large container. Once it's filled, check to see if your bank has a change machine you can use for free. If not, get rolling...change machines in the grocery store may take a healthy percentage of your profit.



Q: I'm looking to save some additional money in my monthly budget and want to cut back on my grocery costs. Do you have any suggestions?

A: Reducing your grocery costs is a good place to start when trying to cut expenses. There are several ways you can cut costs at the grocery store.

First, consider where you are shopping. Are you shopping at traditional grocery stores, where the prices may be higher? Consider checking out discount grocery stores or local markets. Discount grocery stores can save you significant money on most items.

If discount stores are not convenient, consider a different tactic while grocery shopping: buying store brands only. In most cases, store brands are processed at the same plants as traditional name brands, but at a much reduced cost.

Another way to save money grocery shopping is by planning out meals for the week and shopping with a list. Eliminating additional trips to the grocery store saves you money because you're not stopping at the store for that night's dinner, plus the extra items that always end up in your grocery cart. You'll also find your weeknights are less stressful because you don't have to figure out what's for dinner.

If you make these changes and still are not satisfied with your monthly savings, consider a budget counseling session or accessing one of the Agency's online products. A certified counselor will review your monthly budget and may be able to identify other areas for you to save.

Are You Ready for Home Ownership?

Home Ownership, it's the American Dream. But while the thought of owning your own home is exciting, are you prepared to take on this role as a home owner?

There are a lot of things to think about with owning a home. Where do you want to live? Do you have enough money for a down payment? How much money will you need for the closing? Can you afford a mortgage payment on your income? Are there any programs available to help you with the costs?

First things first, can you afford a home? You want to get pre-qualified to see how much of a home you can afford. It's also a good idea to meet with a Certified Housing Counselor to be sure you are ready to buy a home. A pre-purchase counseling session will educate you on the home buying process, and the costs to purchase and run a home. Remember, your utilities will be a bit higher than what you are paying with a small apartment. You also have to consider that you will now have taxes, homeowners insurance and upkeep. It's also important to save for emergencies. Your housing counselor will help you come up with a game plan so you're ready when these situations occur.

Any time you are thinking about making a major purchase, it's a good idea to check your credit reports from the three credit bureaus: Experian, Equifax and TransUnion. We are all able to check our credit report from these three major credit bureaus once a year for free. This free report will not include the credit score. If you want your score you will have to pay a small fee. When making a large purchase, it's a good idea to pay to get the score so you know where you stand. Your credit score does impact your interest rate. It's important to check all three reports because not all creditors report to all three credit bureaus, so each one can be different. You don't know which credit bureau your lender will use. Sometimes they pull a tri-merged report so they have all three.

You want to give yourself ample time to check your credit report so you have time to improve it if necessary. To check your credit report you can go online at www.annualcreditreport.com.

Next, you want to choose a realtor. You need a realtor that will work for you and has your best interest in mind. By getting pre-qualified, your realtor knows what price range of houses to show you. They will have you sign a Consumer Notice confirming your agent representation.

Once you find your dream home, you make your offer. If it is accepted, you will have to make a deposit on the home and sign a Sales Agreement.

You complete a mortgage application with your lender. Be sure you have appropriate documentation with you such as proof of income (generally two months of pay stubs and your last two years of tax returns if self-employed), identification and your Sales Agreement. By law, your lender will give you a "Loan Estimate" of your closing costs. This is an estimate, but should be accurate at closing time.

Before closing you will need to schedule a home inspection. Although this may seem like an additional expense, it is worth the money. You want to be there during the home inspection so the home inspector can point things out to you. Sometimes there could be something that needs to be repaired that could cost a lot of money. This can be addressed prior to the closing and may give you some negotiating power.

Once you are approved, you should receive a commitment letter. This will show you if anything needs to be addressed prior to the closing (Examples: an old outstanding debt on your credit report needs to be paid or proof of home owners insurance if not yet received). Schedule your closing date and you should also be prepared to bring a cashier's check to the closing to cover your closing costs.

Once you go to the closing, sign all of the paperwork, you'll get the keys to your new home. You are now a homeowner!

To determine if you're ready for homeownership, schedule a pre-purchase session by calling 1-888-511-2227.

Resources

www.myfico.com

www.annualcreditreport.com

www.onlinebudgetadvisor.com

www.bankrate.com

The Advantage Challenge

Advantage CCS challenges you to ...check your credit report and if you can, your credit score. Use the website, www.annualcreditreport.com and select your report from one of the three bureaus. If it's in your budget, opt to pay for your score. Examine your credit report to see what you need to work on and to make sure it's correct. Take steps to increase your score and check it again early next year. Let us know what changes you make. Email hmurray@advantageccs.org

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