3 Rules that Guarantee Financial Success
Rule 1 – Set Goals

In writing

SMART
Rule 2 – Spend according to goals

Spending plan
For each pay day
Rule 3 - Cut Expenses

Keep goals visible
Examine expenditures
Ask tough questions
Separate needs and wants
Use cash
Pay off credit cards
Improve credit score
Lower auto insurance premium
Pay off Credit Cards

- Stop using
- Lower APR
- Drop annual fee
- Pay on time
- Make multiple payments
- Pay more than minimum
Credit Score – Why be concerned

- Insurance rates
- Cell phone
- Rental/leases
- Job
- Interest rates
On a $300,000 30-year fixed rate mortgage

<table>
<thead>
<tr>
<th>Credit Score</th>
<th>APR</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>760-850</td>
<td>5.94%</td>
<td>$1,789</td>
</tr>
<tr>
<td>700-759</td>
<td>6.17%</td>
<td>$1,832</td>
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<tr>
<td>660-699</td>
<td>6.45%</td>
<td>$1,887</td>
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<tr>
<td>620-659</td>
<td>7.26%</td>
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<tr>
<td>580-619</td>
<td>9.37%</td>
<td>$2,494</td>
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<tr>
<td>500-579</td>
<td>10.30%</td>
<td>$2,701</td>
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</tbody>
</table>
Improving Credit Score

Get copy of credit report from each agency
Review report for errors
Pay bills on time
Pay down balances
Limit number of accounts
Group inquiries
Lower Auto Insurance Premium

- Maintain high credit score
- Consider insurance cost before buying
- Raise deductible
- Drive less
- Drive a low-profile car
- Drop coverage on older cars
- Ask for discounts
- Shop around
Vernon Williams

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