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100% Effective Natural Hormone Treatment
Menopause, Andropause And Other Hormone Imbalances
Impair Healthy Healing In People Over The Age Of 30!

Can I Afford This?

By Terry J. Rigg

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It's time to replace that old car. Your repair bills are starting to add up to more than the payment would be. But how do you know for sure if you can afford another vehicle?

People ask themselves this question regularly, and not just about cars. Unless you have control of your finances there is no way to tell. You have to know how much your income is and how much your bills and expenses are to find out if you have enough left over for any purchase.

The only way to accomplish this is to have a budget in place. Your budget has to be as accurate as possible and include money for your long and short term savings. All of these things must be considered before you can determine if you can afford to buy anything.

The best way to start is to determine how much disposable income you have. You do this by only using your take home pay plus any other income you may have after any deductions.

The next step is to put down on paper all of your reoccurring bills such as your house payment or rent, utilities, phone, internet costs, car payments, insurance, etc. These are fairly simple to determine, however, you will have to estimate bills that do not have a constant payment each month like your electric bill.

Now comes the hard part. You have to find out how much you spend each month on your household expenses. This includes

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everything from car gas to groceries. The most common method of doing this is to keep track of everything you spend for 30 to 60 days, however, it seems like most people will not stick to this for that long.

I would suggest that you sit down with a piece of paper and brain storm what your expense are. I will tell you now that you won't be able to think of everything so you will have to make adjustments later. It's hard to remember things like Vet bills.

Now that you know what your income, bills and expenses are you have to set up your savings if you don't already have one. This

should be split into long and short term savings. This should be considered just as important as your bills.

It is best to save at least 10% of your income with 50% each going to long and short term savings. The short term saving is going to be your buffer to cover unexpected expenses and possibly for things that are only paid every three, six or twelve months.

Your long term savings needs to be invested in some way. It is always best to consult a professional financial adviser before making a decision how to invest.

Now to answer the question "Can I Afford This?". If you have enough money left over, after considering all of the above, to afford an extra payment then go for it.

Here is a simple formula:

Income – Bills – Expenses – Savings = How much money you have to pay that extra bill

If the item you are considering is important you may want to use some of your short term savings toward things like a down payment. But remember you still have to have enough money each month to cover the regular payment.

What if you don't have enough to cover that extra payment? Then you quite simply Can't Afford It.

Terry Rigg is the author of *Living Within Your Means – The Easy Way* <http://www.homemoneyhelp.com/ebookadpage.html> and editor of *The FREE Budget Stretcher*

Newsletter and Budget Stretcher web site <http://www.homemoneyhelp.com>. He has 25 years of experience counseling individuals and families concerning their personal finances.

Deciding What Used Car Loan Interest Rate You Can Afford

By L. Sampson

Getting a good interest rate is one thing, determining whether or not you can afford it is another. Before shopping for either a used car or a loan, you need to know what used car loan interest rate you can afford. This article offers tips on deciding what used car loan interest rate you can afford:

Doing the Math

Calculating your monthly payment under different interest rates is easy, and you don't even have to do the math yourself. Simply type "loan calculator" into your preferred search engine and several websites will pop up. Choose one that offers free loan calculators and enter in your principal amount, loan term, and interest rate. Play around with different principal amounts, different interest rates, and different numbers of years. When you've found a monthly payment that you can afford, you'll have a good idea of what type of car you can afford and what interest rate you need to obtain.

Consider Car Insurance

If you've been driving around in a car that only has liability insurance, or, worse, a car that is uninsured, the cost of full coverage insurance can be shocking. Whenever a lender loans money to a borrower, they make them keep full coverage insurance on the car for the life of the loan. This protects them in the case that the car is wrecked -- they can get their money back. It also protects you from paying on a car that you can no longer drive. It's easy to find out what your insurance would cost. Simply call your insurance company and tell them the year, make, and model of the car you're considering buying. They should be able to give you a quote immediately.

Consider Other Expenses

You'll also want to make sure that you can afford both your automobile loan and your payments on your other debts. Always consider all of your finances before signing any loan contract. It's never a good idea to forgo one responsibility for another.

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