

Once You Have Decided To Sell Your House... What Is Next? Planning For Your Financial Future And Regaining Peace of Mind



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You have decided to sell your house and this decision was not easy to make. You are about take on new challenges and you need to take this opportunity to regroup and to plan for your financial future. Here are a few tips that may help you get started:

Setting Your Priorities

- Finding a new place to live
- Rebuilding your credit
- Replenishing Your Savings
- Buying a new house
- Saving for your kid's education
- Saving for retirement

Priority #1

Save some money for the move & secure a new place to live

- We can help you search for a new house to rent
- Keep in mind you will have to save enough money for a deposit on a lease. Some landlords may require a larger deposit because your credit may have been affected by being late on your mortgage
- We can help you secure a lease and assist you in writing a compelling letter for a landlord to approve you as a new tenant

Priority #2

Once the move is over, the next step is to prepare your future and to set some financial goals

You have set a budget and your family is sticking to it, but you would like to have some money to put toward buying a new house. Or maybe you have some credit card debt you would like to pay-off, contributing to a 401(K) plan or saving for your children's education. Whatever your situation, if you set financial goals, you will get where you want to go faster.

Identify Your Goals

Financial goal setting is easy to master. Create goals that are specific, with beginning and end dates. The easiest way to do it is to answer the questions who, what, when, where and why.

- **Who?** Since you are the one setting the goals, you are the "who" here.
- **What?** What you want to accomplish (*i.e.*, save \$1,000 or pay off a credit card).
- **When?** Set specific start and end dates for meeting your goals.
- **Where?** Where you are getting the money from to meet your goals (*i.e.*, saving, cutting back other expenses, second job)
- **Why?** The most important question. Decide why your goal is important to you. Your "why" is what keeps you from spending \$300 on clothing instead of transferring the money into savings.

By answering these questions in your goal statement, you will create specific, achievable and realistic goals. Additionally, keep your goals positive. Focus on what will happen, not what will not happen.

Break Down Your Goals

A goal that seems enormous at first glance becomes much more manageable when you divide it into small, attainable steps.

Here's an example: Tracy wants to eliminate her credit card debt, so she's created the following goals: 'Beginning this month, I will eliminate my \$5,000 credit card debt in 6 months'.

Here is where the "How" part of the question comes in. Tracy is not focusing on the large \$5,000 amount, but instead has broken it up into smaller, manageable chunks (about \$833). She then figures out she can chip away at that \$833 each month by creating action steps.

She has decided to bring lunch to work each day instead of dining out (\$140 a month), referee three high school and middle school soccer game a week (\$500 a month) and get a roommate in the unoccupied extra bedroom (\$300 a month). By doing these things, Tracy will actually exceed her initial goal and can reward herself with a nice dinner.

How you partition your goals is up to you. The most important part of creating action steps is to make them attainable so that you don't get discouraged.

Implement Your Plan

Follow your action steps and track your progress. You might even find the act of crossing off these "to-do's" addictive.

Don't be too hard on yourself if you get off-track. All you need to do is review your goals and adjust them appropriately. Remember, there are often many routes to the same result.



Goal Setting Worksheet

Write your financial goals in the space below. Remember, a goal is achievable when it is specific. Improve a goal like "I want to be able to retire early" by changing it to "I want to retire in 20 years with an annual income of \$60,000."

Prioritize and Organize

Decide which goals are short-term (less than 1 year). Intermediate (1 to 3 years) and long-term (5 years or more). Add up the monthly amounts to determine the feasibility of your goals or decide which ones you should tackle first.

	Goals	Date Needed	Total Cost	Required Monthly Savings
Short-Term Goals 1 year or less				
Intermediate Goals 1-5 years				
Long-Term Goals 5 years or more				