

Lesson: Other 8-1

Planned Buying

How to Buy Smart:

- An ill-advised large purchase can have negative effects on your
 - Do not buy on
 - Pay cash if there is a
 - Buy at the (Ex: sale, time of year)
 - Do not pay extra for a
- Recognize the high price of (ex: cost of a soda at HEB vs. gas station)
- Get the “_____”. It is an item with acceptable quality at a

Planned Buying:

- It is thinking through all of the details of purchase from the initial desire to buy to your
- It makes the most of one's earnings and puts more money available to save and invest thereby enhancing.
- Use it for
- Ex:

Planned Buying Steps

Step 1: Prioritize your wants: What will you buy?

- Needs:
 - They are (shelter, food, & safety)
 - Ex:
- Wants:
 -
 -
 - Ex:

Step 2: Do Pre-shopping research:

- Wise buyers become
- Gather information _____ interacting with sellers.
- Cost per use: It provides a way to compare among

$$\text{Cost per use} = \frac{\text{Cost}}{\# \text{ of Uses}}$$

Ex: Types of Car Research:

- A. Become knowledgeable about
 - Manufacturer's Suggested Retail Price (or MSRP): The initial
 - Dealer Invoice Price: Includes
- B.
 - What is my trade-in worth?
 - Should I trade-in or sell my old vehicle
 - It may be better to
 - Dealers offer a low price for for your vehicle because they need to make a

Step 3: Fit the purchase into your budget:

Can I afford it based on:

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