

Wants <==> Needs

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WANTS VS. NEEDS

Jenn and I went through a season where we were SICK of paying mortgage payments. At this moment, we had been debt-free except for the house for nearly four years, but the stupid house mortgage made us angry!

If we had paid the regular monthly payment for a thirty year mortgage at a fixed rate of 6% interest, only 17% of the principal & interest payments made in the first year would have gone towards the principal! Where did the other 83% go? To the mortgage lender!!!

No wonder people aren't winning financially!

So, Jenn and I decided to attack the mortgage. This translated to the fact that were boosting income and cutting spending.

As part of the "cutting spending", Jenn and I had the Wants vs. Needs discussion.

I have got to tell you, it was BRUTAL!

Here is what was up for cutting or eliminating in our budget:

- Cable TV
- Spending Money
- Babysitting Money
- Internet
- Entertainment Money
- Gasoline Money
- Christmas Money

Here is NOT what was up for cutting or eliminating in our budget:

- Vacation Money (we save for this monthly)
- Retirement Savings
- College Savings

Do you need to have the Wants vs. Needs discussion today? What is on your list of wants? What is on your list of needs?