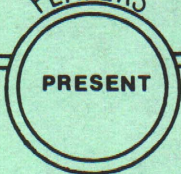


THE \$QUEEZE

FAMILY

PLAYERS

PRESENT



SHOULD WE USE

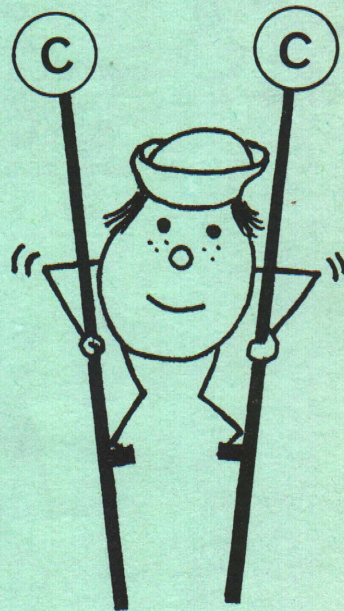
CASH

?

OR

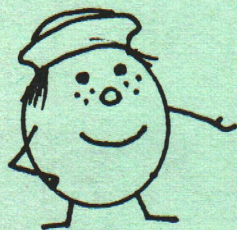
CREDIT

?



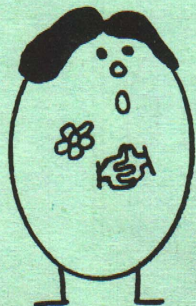
Cooperative Extension Service - Michigan State University

BEFORE YOU START.....



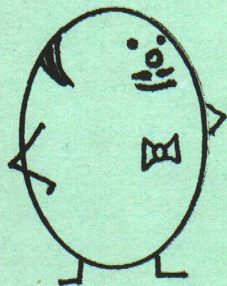
CREDIT IS a temporary substitute for cash. You get money, goods or services now and pay later, usually with interest charges added.

CONSUMER CREDIT, the kind we talk about here, is short term - usually 36 months or less.

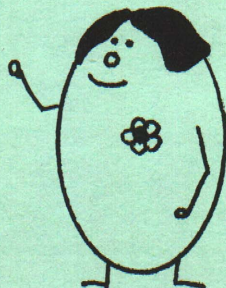


FOR INFORMATION about credit, ask your Extension Home Economist for E-488, "Managing Your Family's Credit...A Consumers Guide," and other materials she may have available. Contact her at the Cooperative Extension Service Office in your county.

I WONDER IF
WE SHOULD
USE CASH
FOR THIS
PURCHASE.



DO WE KNOW THE COST OF
THE BEST BUY, INCLUDING
INSTALLATION COSTS?



YES

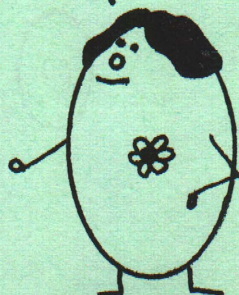
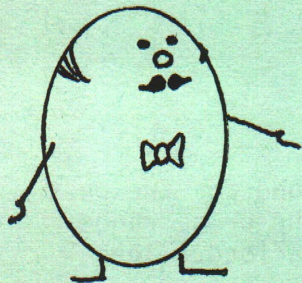
Go to #2

NO

Shop around for the best
buy in the price range
you can afford. Then
go to #2.

DO WE HAVE ENOUGH CASH TO PAY FOR IT NOW OR DURING THE INTEREST-FREE PERIOD ON OUR CHARGE ACCOUNT?

REMEMBER WHAT WE MUST HAVE MONEY FOR, NOW AND LATER...LIKE FOOD, RENT OR HOUSE PAYMENTS, GAS, UTILITIES, INSURANCE AND DEBT PAYMENTS.



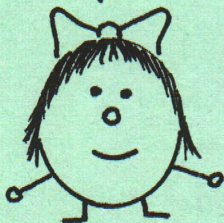
YES

Pay cash or use charge account

NO

Go to #3

CAN WE WAIT UNTIL WE HAVE ENOUGH
CASH FROM OUR REGULAR INCOME?

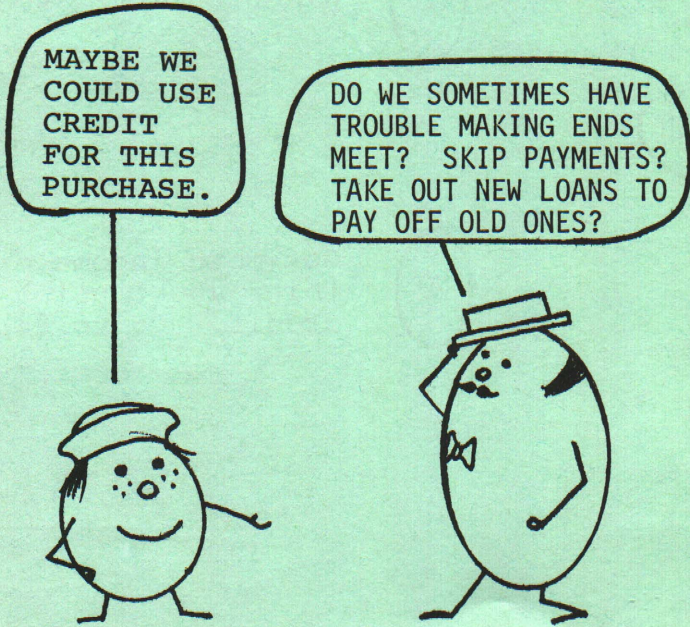


YES

Hold off until later

NO

Get more income or
think about using
credit. Go to #4.



MAYBE WE
COULD USE
CREDIT
FOR THIS
PURCHASE.

DO WE SOMETIMES HAVE
TROUBLE MAKING ENDS
MEET? SKIP PAYMENTS?
TAKE OUT NEW LOANS TO
PAY OFF OLD ONES?

YES
to any
of these
questions

Don't buy

OR

Get more income
and pay cash

OR

Recondition something
you already own

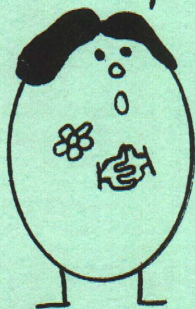
NO

Go to #5

YES

Go to #6

FOR THE NEXT YEAR, WILL OUR REGULAR INCOME (NOT COUNTING OVERTIME, BONUSES, OR DIVIDENDS) MORE THAN COVER ALL OF THESE COSTS?



- REGULAR LIVING COSTS
- MORTGAGE AND TIME PAYMENTS
- INSURANCE
- SEASONAL OR "SOMETIME" EXPENSES
- EMERGENCY MONEY

NO

Don't buy

OR

Get more income and
pay cash

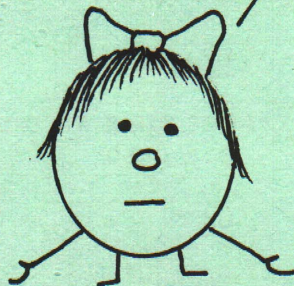
OR

Recondition something
you already own

YES

Go to #7

IS OUR CREDIT RATING GOOD
ENOUGH SO WE CAN GET A LOAN?



NO

Don't buy

OR

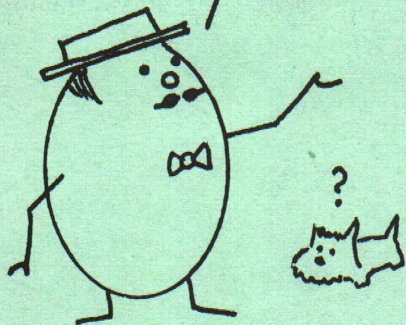
Save to buy later

OR

Get more income and pay cash

ORRecondition something you
already own

IS HAVING IT RIGHT NOW IMPORTANT
ENOUGH FOR US TO PAY INTEREST OR
FINANCE CHARGES FOR IT?



YES

Shop around for the best credit buy for you, checking the various credit sources:

- Bank
- Retail store
- Credit Union
- Finance company

Then go to #8.

NO

Don't buy

OR

Save to buy later

OR

Get more income and pay cash

OR

Recondition something you already own.

IF WE USE CREDIT, WILL THE ITEM
WEAR OUT BEFORE IT'S PAID FOR?



YES

Don't buy

OR

Save to buy later

OR

Get more income and pay cash

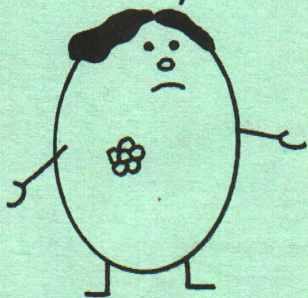
OR

Recondition something you already own.

NO

Go to #9

WILL THE PAYMENTS BRING OUR MONTHLY TIME PAYMENTS (NOT INCLUDING MORTGAGE) TO MORE THAN 15% OF OUR REGULAR MONTHLY INCOME?



YES

Don't buy

OR

Save to buy later

OR

Get more income and pay cash

OR

Recondition something you already own.

NO

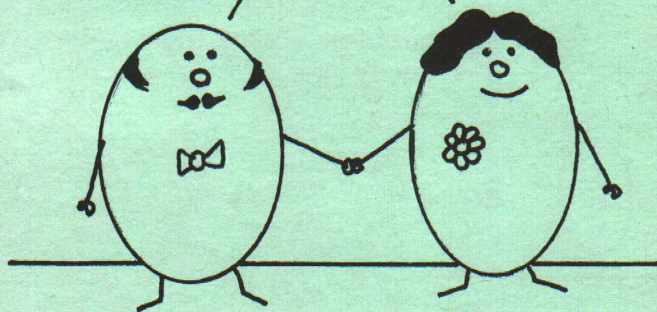
Go to #10

NOTE: Many experts used to think that 20% was a safe level, but in these inflationary times 15% may be tops.

YES

Use credit

AFTER BUYING IT ON CREDIT,
WILL WE HAVE ENOUGH OF OUR
REGULAR INCOME LEFT TO COVER
THE COST OF OPERATING AND
SERVICING THE PURCHASE?



NO

Don't buy

OR

Save to buy later

OR

Get more income and pay cash

ORRecondition something you
already own