

# Saving More for A Down Payment

For many first-time buyers, saving for a down payment is a critical step on the road to becoming homeowners. While people who have previously owned a home often use the proceeds from the sale of their homes to finance the purchase of a new one, they also change the way they spend money, if only temporarily, in order to save it quickly.

## Here are time-tested tips to help you save more.

### 1. Limit spending on luxury or non-essential items.

It's tough to sacrifice the luxuries you love to save for a big purchase, but you'll be surprised how much you save. Visualize your new home every time you are tempted to spend money on luxuries, like a spa day or nonessential items, or other expensive extras, and put that cash toward a down payment.

**2. Spend less on entertainment.** Saving money doesn't mean you have to sacrifice your entertainment budget. Instead of splurging on restaurants several times a week, cook at home or take a cooking class. You'll learn new skills and improve the ones you have, while making a great meal in the process. If you like going to movies, rent one online from M-GO (on Smart TV and Roku), which often has movies still in theaters for a lower rental rate than buying a ticket. There's always an alternative that lets you have fun while saving.

**3. Cut your clothing budget.** Instead of splurging on new clothes at the mall or whenever an email announcing a sale pops into your inbox, take a second to think about why you're saving money in the first place. Set aside a clothing budget at the beginning of the month—when the money is gone there's no more shopping for the month. Discipline shows real results.

**4. Postpone a vacation.** Many first-time homebuyers put off taking an expensive vacation while saving for a down payment. Instead of going somewhere exotic or far away, head somewhere closer for a long weekend. Or, rediscover the sites of your city or town. You'll save money and still enjoy the benefits of time away.

**5. Avoid an unnecessary purchase.** Do you really need a new car right now? Try to postpone making large purchases until after you've bought a home, and you'll get in to your new home that much quicker.

**6. Think about a second job.** If you've cut or limited your spending as much as you can and would like to save even more money, you might consider getting a second job. Brush off the bartending skills you honed in college, teach a class at your local community center or start a side gig as the neighborhood dog walker. That extra money you earn is pure down payment bonus money.