

Mitochondria Learns to Invest #03 **by Klarise Yahya**

Continued from last month ... *I could just barely think of saving 15% if I moved to a particularly disagreeable convent, but I never, in my wildest caffeine induced hallucinations could imagine saving half my salary. I had no idea, back then, how much I underestimated her program.*

I knew that Mrs. Langerhorn wouldn't tell me more unless I showed I was taking her advice seriously. So that same evening we made a little party, with cupcakes and every thing, and I cut up all my credit cards. She asked me twice if those were all I had, and I told her the truth. They were all the credit cards I had, and I cut them all up. After all, I reasoned, Monday morning the banks would send me replacement cards with a single toll-free call to customer service.

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towards your goal."

The next day was Saturday, and I cashed my paycheck and deposited enough money to cover the checks I knew I had to write. Then I opened a brand new savings account and put 15% of my paycheck into it. That part made me feel wonderfully virtuous! I took the rest of the money out in small bills. I wasn't worried about the rent check I gave Mrs. Langerhorn last night because I knew she wouldn't deposit it until Monday. You can tell I had this down to a science.

I returned home, put my things on the kitchen table, and sat down to allocate the cash I had. I was shocked at how little there was left. It hadn't hit me before because I never paid all my bills at the same time. Also, I used to be able to use my credit cards to tide me over, but now even that convenient resource was gone.

I needed some chocolate while I considered my options.

Ultimately, there was little I could do. I just had to carry on the best I could. But next month, once my replacement cards arrived, I promised myself an afternoon at Nordstrom's shoe salon.

I looked at the little bit of money I had to stretch through the entire month, and my first thought was that perhaps I could start "paying myself" next month. I needed this month's payment just to get by. But then Mrs. Langerhorn's words came back to haunt me: *just make it happen!*

I started allocating my little bit of discretionary income. I marked each envelope with an identifying purpose and slipped the cash inside. When I got done, almost all my money was rationed out. Now all I had to do was to live within my budget for the next four weeks. And there was always that 15% in my new savings account if I ran short.

That first month was the most difficult. I wound up borrowing from my mother, then I had to pay her back the next payday and I was back in the same pickle. I still had the 15% savings from the first month, but I had to use the second month's self-payment to repay my mother. After that, however, I got pretty much on track and began to live on a cash basis.

Over the next couple of months, when Mrs. Langerhorn came around to collect her rent checks, she always asked me how I was doing. She seemed genuinely concerned that I was, in her words, "learning to make my own successes". At first, I just lied to her. It was really difficult, but I pretended that it was easy. She looked at me in that curious way of hers, and I knew that she recognized how hard the transition to solvency was.

Six months after I started I had just turned 26 and had almost a full paycheck saved. The best thing, however, was that I was getting comfortable with my budget. And I was feeling superior to my girlfriends who always complained about not having any money. There were times I actually had to force myself not to gloat.

It was time for another tea with Mrs. Langerhorn. I wanted to learn what the next step might be.

The following Friday night, I opened the door and invited Mrs. Langerhorn in. She was wearing a sky blue sweater set and light grey pants. They weren't new, and they were kind of loose like she'd recently lost weight. For the first time I noticed that she was wearing ear-rings. They were little dangly heart shaped things on a half circle of white metal. I'd never seen her wear jewelry before. "Those are very pretty!" I said, looking directly at her ear-rings.

"When Mr. Langerhorn and I were first married, we were snuggling in bed one night and was feeling particularly grateful. He asked me if there was anything I wanted that I thought I would never have. I told him that I always dreamed of a pair of heart shaped diamond ear-rings, ones that would dance in the light.

"It was eleven years before he could afford to even seriously look, but he finally found a perfectly matched set of gem quality, heart shaped diamonds. Mr. Langerhorn drew the design for my ear-rings on the back of a napkin for my approval. Then he took everything to a bench jeweler. I had my dream ear-rings eight days later. I've worn them almost every day since then, except, of course, when collecting rents.

"I wore them tonight for a special reason. I can remember what it was like when Mr. Langerhorn and I realized we had to make very different choices if we ever wanted to make a life for ourselves. I know the last several months have been difficult for you. But I also know you have made a success of it ..."

"How do you know that?" I interrupted.

"Would you invite me to tea to announce a failure?" she asked. "Clearly, you have succeeded in living beneath your means. You're proud of yourself – as you should be – and anxious to hear what the next step might be. We'll get to that. But first, I want you to know I wore my ear-rings just for you. I wanted you to see that you really can get what you want. You don't even have to make perfect decisions every time. **You just have to make more good decisions than poor ones**".

We walked to the kitchen table and sat down. She took the same seat she used last time. I thought that might be one of her strengths, that once she found something that worked, she just repeated success.

"Before we go any further, I'd like to point something out here. It's important for you to realize that these last six months haven't been full of sacrifice. They have been full of choices. **Good choices move you further towards your goal.**" She paused a moment to let that little gem sink in. Then she continued, "Bad choices do not. That's how you can tell them apart. So far, you have made more good choices than bad, because you are closer to your goal now than you were when we had our first talk."

"But I don't really have a specific goal," I complained. "I'm saving money and living beneath my means, but I don't know where to go from here."

"Happiness comes from accomplishment. You've already accomplished the goal of living beneath your means. Aren't you at least a little happier than you were back when you spent more than you made?"

I'd never looked at it like that before, but I had to agree that I was.

She paused, sipped her tea, and then looked at me over the top of her glasses. "Ok", she said, "tell me everything".

I told her that I was living well within my means, and actually enjoying the sense of superiority it gave me. I agreed that it made me happier. She smiled when she heard that. Then I admitted how I couldn't pay myself the 15% one month and what I did about it. I showed her that I had almost a month's pay saved, and confessed that I'd never had that much cash money in my life and I didn't know what to do with it.

"Well", she said, "you've met one goal. Now it's time for the next. Perhaps you could use your extra money to get yourself out of debt. Why don't you get a pad and pencil and write down all the obligations you have and their minimum monthly payments". It was a statement, not a question.

I did as she instructed. (*Continued next month ...*)

Klarise Yahya is a Commercial Loan Broker. If you are thinking of refinancing or purchasing five units or more anywhere in the U.S.A., Klarise Yahya can help. Find out how much you can borrow! For a complimentary mortgage analysis, please call her at (818) 500-9966.