

WELCOME TO MY OCTOBER NEWSLETTER

What a difference a month makes! The mortgage, banking and financial crisis is all over the news. No one, it seems, is immune from the fallout.

From my perspective, as the guy who sees out-of-control consumption up close on a daily basis, it seems that the current situation has a great deal to do with idea that more is better. We've believed for too long that if we want it we can have it.

I've been thinking a lot about this and would like to share some of my thoughts.

LESS IS MORE – MY TAKE ON THE CURRENT FINANCIAL CRISIS



I don't need to tell you what's going on in America now: home foreclosures, frozen credit, climbing interest rates, skyrocketing gas prices, crushing credit card debt, banks and brokerages firms going belly up, and the biggest government bail-out since the Great Depression. The repercussions are hurting us all. As the decluttering and organization guy I have a slightly different take on all of that that I'd like you to think about.

It's easy to point the finger at the government. How could they have let this happen? While there is definitely fault on the part of banks and lenders, there is more to the current situation than finger pointing. Did the government force any of us to go into credit card debt, to buy a home we couldn't afford, to keep up with the Joneses with new cars every couple of years, the latest gadgets, clothes, shoes, and vacations? No, the time of personal reckoning has come: this country has been deep in an orgy of consumption, living off of borrowed money, and suddenly its all come to a screeching halt. We need to change the way we think about our finances, and clear out the financial clutter that is ruining our lives.

I always tell people who come to me, desperately drowning in the stuff that chokes their home and their lives that you only have so much space – you only have the space you have. You can only fit so much into your home. By the same token, you only have so much money. In this land of plenty, where more is always better, we've been acting like our bank accounts are bottomless. We rack up credit card debt, take out second and third mortgages, use our home and equity credit like big, fat ATM machines, and borrow against or cash in our retirement savings. All of this is a way to get more: more money, more clothes, more gadgets, more of the latest and the best, more of all it, more 'more'. We hope against all hope that somehow, some way, we'll take care of it tomorrow, that our ship will miraculously come in.

However, the news is clear: tomorrow is here. Like it or not, we have to get used to it. We can either rail against it, continuing to drown in debt, or we can use this crisis to create a new path of hope, happiness, and well being for ourselves and our families. With crisis comes great opportunity – if we are brave enough to seize it.

Have you noticed that it almost always takes a crisis for people to make big changes in their lives? I hear from families all the time that their loved ones are ruining their lives with clutter, that it just can't go on like this anymore. Well, we've reached the same kind of crisis with our money, our credit and our financial lives. Even though it may fly in the

face of what we've been conditioned to believe, more simply is **not** better, for ourselves or for our planet. We need to fundamentally reframe our attitudes towards our stuff and how we spend money if we want to improve the quality of our lives and the future of our families.

In the same way that I have helped so many to conquer clutter in their homes, I want to help you wade through financial clutter, clearing a path to financial health and harmony. Remember what I've always said: *It's not about the stuff*. Experience has shown again and again that if you focus on 'the stuff', you are never going to get to the root causes of your cluttered lives. I say the same thing about debt: if you just look at the money aspect, you will never get to the root of financial distress. You can make spread sheets and create elaborate budgets or speak with financial advisors until the cows come home, but you have to get at the root of your consumption, deal with it in an honest way, and create a vision for the life you want for yourself.

In my work with people whose lives are spinning out of control, it's obvious to them that the opposite of clutter is order. Order is absolutely necessary to create the vision you want for your life. But what is the opposite of debt? Think about it for a second. What's your answer? If you're like most people, you think the opposite of debt is wealth. But that's not how I see it. The opposite of debt is **no debt**. That is, a life where you are living within your means; where you don't lie to yourself about how much money you have or pretend that you can afford things that you can't. No debt is a life free of the worry and anxiety that comes from stretching yourself too thinly, or avoiding the phone calls from creditors, or the threat of bankruptcy or foreclosure, or putting your bills before your children's health care or necessities. No debt is an ordered and organized life of freedom.

If your financial life is a mess, where are you going to start? You may feel like throwing up your hands, but remember the journey we took together in IT'S ALL TOO MUCH. We confronted life-long hoarders and homes that were buried in stuff. Through a process that started not with 'the stuff' but with a clear vision for the life you want, people across the world – from all walks of life – have been able to build new lives free of the crushing weight of their stuff. Now it's time to take on lives that are buried in bills, drowning in debt and paralyzed by the sheer weight of financial clutter.

Here is an opportunity to tackle financial clutter and the burden of debt in a fresh and unexpected way that looks not at the debris of the current crisis, but rather at the root causes.

Read on for eight clear, practical and achievable steps to reframe how we view what we own, what we buy, what we can afford, and what will help us create the lives we want for ourselves and our families.

Step 1: Start with the vision you have for the life you want.

Start with the basic question that I ask in all my work in decluttering: what is the vision you have for your life? Is your vision realistic? Feasible? Sensible? Achievable? What is the reality vs. the vision: where is there dissonance between the life you have and the life you want? Does the stuff you consume, or rather, the stuff you want or "have to have" take you closer to or farther away from the life you want?

Step 2: Look at the cost of your debt.

The quantity of our stuff can no longer be considered the measure of our success. It is the quality of our relationships that leads to deeper personal happiness. Debt doesn't just ruin your credit rating; it ruins your relationships. How much time do you spend

paying bills and talking to creditors? How much time is devoted to shopping? What about maintenance of your lifestyle? All of this comes at a cost. That cost is emotional and spiritual, and affects all of your relationships. Have you had to take on a second job to support your shopping habit? I guarantee that with debt your family life and friendships will suffer. Debt creates selfishness, an inward focus and a preoccupation that robs you of what really matters—your true self and your relationships.

Step 3: Explore your limits – you only have what you have.

You only have so much space in your home. And you only have so much money. The same goes for time and emotional energy. We don't have unlimited resources in this world, whether it's fossil fuel, or whether it's time to spend with our families. Credit card companies love to send out offers for no-limit or high-dollar limit cards, giving us the illusion that we can buy on credit forever. I'm sure some of you have hit the credit card wall, and have maxed out your cards. But you can also max out the time and energy you need to spend generating money to pay your bills. Each of us needs to recognize and pinpoint our limits. We can continue to ignore them, or we can start to set healthy limits for ourselves.

Step 4: Stop and consider - where is “more” taking over your life?

It's time to get real. Where is your pursuit of “more” taking over your life, robbing you of true happiness? It's time to take a cold, hard look at your spending habits (and remember that habits are habitual, something that you repeat). Where exactly is your money going? Is it on dinners out? Clothes? Collectibles? Home renovation? Vacations? Presents for your spouse and kids? How do they tie into your habits? For example, do you get up every Saturday and rush to the mall? Do you spend your evenings online, buying things you don't need? Shopping is a means to an end. If it's an end in itself then there's a problem.

Step 5: The more you have the more you spend.

We've all heard this before. Once we get our hands on a little bit of money, we'll do anything to keep up our lifestyle. Nice clothes, the latest cell phone, a foreign car, hours at the hairdresser and nail salon—we start to think that these are essentials. I'm here to tell you that they're not: there are very few luxuries in your life that are essential to you, your family, and their happiness. The time has come to sit and talk with your spouse, or partner or family and separate what you consider to be necessities from the luxuries.

Step 6: Consider your happiness quotient not just your credit score.

Less is more. Don't believe it, do you? Recent studies have shown that people who earn more also stress more about money, and that those who have more show no commensurate jump in their feelings of happiness and well being. Happiness is all about balance—head, heart, spirit—it's all connected. When we're in debt, we are out of balance. Consider where you derive pleasure and happiness from in your life and pursue that.

Step 7: Create space for what really matters.

Once your life is decluttered and organized it takes on a different focus: the stuff loses its importance. Your home is a respite, a reflection of your goals. Consuming less improves your lifestyle. An ordered home reflects a life without debt. Think about what you want from your home, how you are achieving it, and cut down on the influx of stuff, which immediately translates into spending less money.

Step 8: Making It Real – Out From Under the Clutter.

It's easy to find our way into debt but not so easy to find our way out. A clear vision and established limits are key first steps in solving financial problems, but then comes the

hard decisions. How much should you be spending on your living expenses? What is reasonable to fork out each month on rent or a mortgage? What can you afford to spend on food, or entertainment? How much should be going into your savings? Should you be investing or is that only for rich people? And what about a rainy day? College? Elderly parents? Life and health insurance? What to do? Take the time to develop a budget, to seek sound financial advice and establish a realistic financial plan. Now is the time to organize your home, your wallet and bank account to achieve what you desire.

WHAT DO YOU THINK?

For me, so much of the current situation stems from our belief that happiness lies in more stuff. That more is better and that we are entitled to the latest, the newest and the best. What's your view on the current financial crisis and how are you and your family dealing with it? Has your attitude to consumption and 'the stuff' changed?

I'd love to hear your opinion and your thoughts on this – email me at peter.walsh@peterwalshdesign.com

Maybe we can even share your ideas with the whole country on my weekly radio program!



I'm having a huge amount of fun with The Peter Walsh show on Oprah & Friends XM156. This is a weekly show that you can listen to on satellite XM radio or streaming online.

Starting Friday October 10 my shows will be broadcast LIVE and I'd love to hear your opinion. Premier episodes of the show air on Fridays at 10:00am ET with encore broadcasts on both Saturdays and Sundays.

If you're interested in a **FREE TRIAL** of XM online and a chance to listen to my weekly XM show, or a great discount on your first six months of XM programming, you can simply go to: <http://www.xmradio.com/oprah/index.xmc>

Let me hear your ideas for an XM Show: if you have an idea that you think would make a great XM show, or even an organizing idea that has worked well for you that you'd like to chat with me about on air, please let me know.

Send me an email with your thoughts and ideas to peter.walsh@peterwalshdesign.com

O YOU! EVENT COMING UP NEXT MONTH IN SAN FRANCISCO



Make a note in your calendar for a great event in San Francisco towards the end of the month. O You!, is an annual live and web event where the pages of *O, The Oprah Magazine* come to life for a day.

This year O You! will take place on Saturday, October 25 in San Francisco at Moscone West.

Women from all around the world gather together to share in a journey of education, inspiration and fun led by the magazine's leading experts.

The day is devoted to a wide range of educational, inspirational and informative lifestyle seminars that attendees can choose from. I'll be there talking about the value of organization in creating a richer life and you make the day your own by choosing the lifestyle seminars you most want to attend. The time before, in between and after the seminars is built-in to encourage you to participate in many activities built for your personal growth.

Complete details are available at www.oyouonline.com – check it out!

After the event – whether you are able to attend or not – you can still participate at www.oyouonline.com. Here, you will have access to all of the experiences of the day through video seminars and interactivities in the O Zone.

CONQUER CLUTTER ROOM BY ROOM AT OPRAH.COM



If you haven't noticed already, www.oprah.com has had a complete facelift and looks great!!

The decluttering and organization challenge is continuing at Oprah.com with a ton of people asking questions and getting advice. You can check out all of the details at: <http://www.oprah.com/contributor/home/peterwalsh>

The message boards are already crammed with people who have decided that now is the time to declutter their homes and personal spaces – and so are making huge strides. I'm answering a ton of questions there as well, and also providing daily tips.

If clutter is an issue for you maybe this is your big change to conquer it once and for all! So let's get to – I look forward to hearing your questions and tracking your progress.

FOR THOSE OF US IN THE NORTHERN HEMISPHERE OCTOBER IS THE TIME TO BRACE YOURSELF FOR WINTER

Those falling leaves are a sign that winter is around the corner, but don't go into hibernation mode yet. Better to clean out your garage and winterize your home before the first frost.

Garage cleanup

Your car is one of your most expensive and useful possessions. The goal here is to park it in the garage so the winter elements don't diminish your investment. Take everything out of the garage, sweep out dust and debris, and hose down the floor. Discard unused items, arrange like items together. If you haven't already, now's the time to install sturdy shelving to clear items off the floor.

Designate zones

Specify where items belong. Install shelving, a Peg-Board, and racks for sporting goods, tools, and storage bins. Label everything clearly. You can even mark areas on the floor for the kids' bikes. If the garage is a tight fit for your car, install mirrors to make parking easier. Check each zone to make sure it is meeting your storage needs.

Winterize the house

Clear gutters of leaves and debris. Have your chimney, fireplace, and furnace inspected. Make sure all your gardening tools and equipment are properly cleaned and stored out of the weather.

Clean and install storm windows. Check doors and windows for drafts and reseal accordingly.

HOWEVER, IF YOU HAPPEN TO BE SOUTH OF THE EQUATOR (ACTUALLY ANYONE CAN DO THIS!) THEN IT'S TIME TO REINVENT SPRING CLEANING.

At last! Spring is in the air. We all know about spring cleaning—in theory. Here's how to put it into practice in today's world. These tasks will leave your home sparkling, inside and out.

Spring cleaning doesn't have to be the horrible thing that you'll do anything to avoid. The secret is to involve the whole family, break it down into manageable tasks, fix a time and then assign everyone tasks that suit their age and ability. It's the family home – make this a family affair!

SPRING CLEANING TASK LIST – FEEL FREE TO ADD MORE ITEMS!

SPRING CLEANING TASK LIST	PERSON RESPONSIBLE	MATERIALS NEEDED
INSIDE:		

Clean windows.		
Dust and clean tops of cabinets and electric appliances.		
Steam-clean carpets.		
Launder winter bedding and blankets before storing.		
KITCHEN:		
Deep clean all appliances inside and out.		
Clean behind and under refrigerator.		
Thoroughly clean inside cupboards and refrigerator.		
Discard outdated food items from your pantry and freezer.		
Organize like items together around the "magic triangle."		
Discard pots, pans, and utensils that are seldom or never used.		
Clear all flat surfaces.		
Restock kitchen cleaning caddy.		
Thoroughly clean the black hole under the sink!		
CLOTHES:		
Discard clothes that you no longer love, wear, or look great in.		
Donate unwanted items to your favorite charity.		
Arrange like items together in your closet.		

Color co-ordinate your clothing so that you can clearly and easily see what is in your wardrobe.		
Store away winter clothes.		
Replenish cedar blocks or mothballs to protect from moths and insects.		
OUTSIDE:		
Remove storm windows, make sure they're labeled, and then store carefully to avoid damage.		
Clean outside of windows.		
Do a quick maintenance check on your lawnmower and other gardening equipment.		
Reseed and fertilize your lawn.		
Check your garden hoses and breathe the first scents of spring.		

Make a schedule

Revise the above list to suit your particular needs. List all of the spring cleaning tasks inside and outside the house that need doing. Assign responsibilities to each family member and post the list on the fridge or in some central location so everyone can check progress.

Save the list so you can use it next year (or when spring swings your way).

Clean house party

Have a family celebration—a special meal, outing, or day trip - to mark the beginning of spring and the completion of spring cleaning. Let everyone celebrate their role in decluttering and organizing the house at the end of winter.

Best to you and yours

Peter

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