

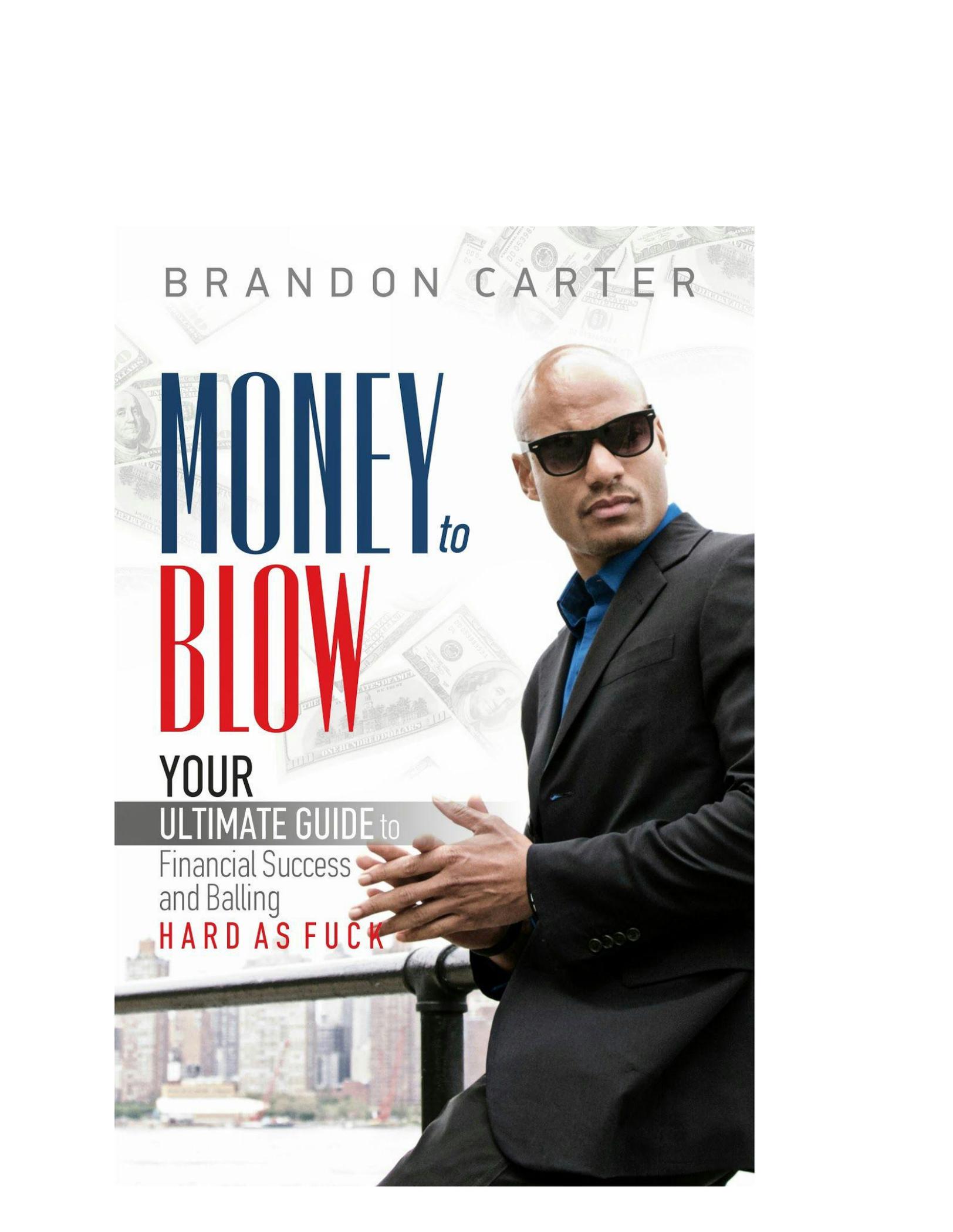
Money To Blow:

Your Ultimate Guide To

Financial Freedom

and Balling Hard As Fuck"

By Brandon Carter



BRANDON CARTER

MONEY *to*

BLOW

YOUR

ULTIMATE GUIDE to

Financial Success
and Bailing

HARD AS FUCK

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What are your financial concerns?

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From this you could create the following longterm goal:

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Introduction To The Game Of Money

“First things first, I poppa! Freaks all the honies. Dummies, Playboy bunnies, those wantin' money. Those the ones I like cause they don't get nathan but penetration...”

Notorious B.I.G.

Money is a worldwide language. We all need it to survive. Sure, it generally does not buy happiness, but having money does make life a whole lot easier.

When I began writing this book I took a survey of over 1000 people and I asked the question, “What Is The #1 Challenge In Your Life Right Now” The overwhelming response to that question was : “MONEY.”

I'm sure that response does not surprise you.

I wrote this book to address this issue and to share some valuable lessons that I have learned through my own personal finance journey.

This book is a collection of the lessons that I have discovered so far in my journey. The more I learn, the more I feel obligated to share my expertise with others. This book of easy financial exercises based on my own financial education and experiences will help you to rocket or redirect your own financial journey. By reading this book and performing the exercises maybe you can avoid some of the errors that I have made which have cost me tens of thousands of dollars (Dave Ramsey refers to this as the “stupid tax”). Regrettably I have paid more than my fair share of stupid tax, but fortunately, I am able to use the lessons I learned along the way to help other individuals.

Although I have a long way to go to achieve my *ultimate* financial goals, I am lightyears from where I first began. My goal is to share with you the lessons that I have learned in order to make your learning curve less steep and less painful than mine has been. My goal is to help you avoid paying some stupid tax of your own.

Data indicates that if you look at any 100 Americans, at retirement age, only one will be rich (the 1%), four will be financially fit, and an astonishing 95% will struggle to make ends meet without some sort of government help. I don't know about you, but I want to be in the 1% and I am using the principles outlined in this book to get there.

If you want to be in the 1% but you just don't know where to start, then read this book, finish the exercises, and never stop searching for information!

Start today. Don't hesitate on building the life that you know you deserve. Chances are, you are just like the 74% of the people I surveyed who said they need to make more money.

The fact is that even though we could all benefit from generating more money, after reading this book you will probably discover that you already earn a sufficient amount to meet your current needs; you just need to learn how to become better with your money. Once you learn how to properly handle the money you have, you will become blessed with even more! It all starts with financial fitness.

Get financially fit, starting today, by reading this book.

I Know **SOME** of You Really Want To Take Your Life To The **NEXT LEVEL...**

You've secured your copy of "**Money To Blow**", which means you're well on your way to learning exactly what it takes, from the right mindset and proper techniques to grow your business and wealth to a brand new level. You can now consider yourself rolling in the right direction to achieve your desires.

But like all uncharted territories there will be times where you second guess yourself or simply don't know which turn or decision to make next. And how could you? You're basically getting behind the wheel of a foreign car in a new country for the first time, shifting a stick with your left hand while trying to navigate street signs you're not used to. It would be better to have a local driver shuttle you around at least until you've learned the ropes.

That's why the absolute best solution is to have a coach, mentor, or personal success guide who has traveled the exact road ahead of you and knows the ins and outs. Someone who can warn you before you hit a pothole or lose a ton of time and money making unnecessary mistakes. Someone that can be like a sidekick and even spot lucrative opportunities you may not even be aware of.

Bro Labs is offering that solution to serious applicants only.

If you want to increase your speed and traction so you can get from where you are now to where you want to be ASAP, there's no better way than to apply to join the ["Bro Labs Business Mastermind"](#).

This is an Elite group of high performers who want to achieve extraordinary results quickly. If you qualify to be one of the few members chosen to be part of this select group, you're much more likely to not only prevent crippling mistakes, but also accelerate your forward momentum in ways you could never imagine or achieved on your own.

It will not always be easy, but it will be worth it. If you make it in, it is our goal to ensure your success.

[Click HERE to apply.](#)

STEP 1 Get Your Fucking Mind Right

***“Get out my limelight bitch and get your mind right C'mon little mama, c'mon” Snoop
Dogg***

We have all faced hardships and setbacks in life and if you are lucky you can look back on the hard times and value the strength of character you attained as a consequence of enduring.

If you have not mastered how to appreciate your setbacks, I am going to reveal why you should start learning how to change the way you think about your previous struggles as soon as possible.

I have survived some very difficult circumstances in life, but I keep my life experiences in perspective by reminding myself that no matter what I've gone through somebody has had it worse. That is not to reduce my hardships but it does help keep me grounded and concentrated on the future instead of the past.

If you want to accomplish something in life you must always look forward and understand that your future can be greater than your past. If you cannot believe that, it will be very difficult for you to find the motivation to even try to accomplish your goals.

I do not give a fuck about what has taken place in your past. I am positive that you can emerge a greater, more powerful, more successful person. Use your past letdowns, setbacks, and epic failures to fuel your quest in life to greater levels. Let your trials be evidence that encourages yourself and other people. Often times a setback is nothing more than a setup for a comeback!

Success will start with your thoughts and your mindset. If you constantly see the glass as being half empty, you will be exhausted of the energy and liveliness for life that is required to help yourself and other people.

Have the mindset that you are in control of your destiny even when you are going through some shit. Conditions change and an optimistic mindset will give you the drive that you need to keep pressing forward, even when it looks like all hope is lost.

If you made mistakes in the past that have put in you a bad financial situation right now, don't worry; things will get better. You have to keep an optimistic outlook. You need to also have a clear vision about what you want your future to look like, and you must stay determined to accomplish your desired goals.

My dream for you is that all selfdoubt and restricting beliefs leave you today. If you tend to have a negative outlook on life you can change your mindset, and I will tell you exactly how.

How to Get Whatever You Want in Life

I'm going to share 5 tips with you that I learned from my own experiences. You should read and reread these principles until you are able to internalize all of them. They are truly powerful and will help you be successful in every area of your life if you apply them.

See it as it is, but don't see it worse than it is.

You have to be honest with yourself about yourself. If your finances are out of control then accept responsibility for that, come up with a game plan to get back on track, and move on. What you certainly can't do is blow everything out of proportion and make your circumstances seem a lot worse than what they actually are.

Are you in debt? So what? Create a plan to get out of debt, adhere to it like your life will depend on it, and liberate yourself. Are you 50 years old and haven't started saving for retirement? Start where you are by cutting expenses and saving every penny that you can; sell some stuff you don't need, get a few side hustles, and make something happen!

Despite where you are right now, you can do something to enhance your situation as long as you have perseverance and a positive attitude. See your situation exactly as it is. If your shit is all fucked up, then it is OK to admit it, just as long as you also recognize that you have the power, the choice, to enhance it.

Get to the real truth and deal with it.

One of my biggest petpeeves in life is when I talk to somebody that I see having difficulties and I ask them the simple question "How did this happen?" and they begin blaming everything and everybody that they have ever encountered.

Regardless of how long they take, I listen silently, hoping that they will finally accept responsibility and realize that their life is a mess because of past decisions they made (decisions = destiny) most people never get there. In fact, when I suggest that perhaps it is quite possible that a previous choice they made may be the culprit for their current distress, they tend to reject that notion and sometimes even become upset with me! I am just trying to help his broke ass!

If you want to change your mindset so that you can change your circumstances then you have to accept responsibility for your circumstances and make a choice to deal with it no matter how uncomfortable or embarrassing it is.

Get a vision and toughen up

Once you make a legitimate evaluation of your current circumstances and take responsibility for it, you need to get clear about what you want your future to look like and commit to making it happen.

For example, if you have \$9000 in credit card debt and you decide you need to be debtfree so that you can start building real wealth, you will need to first visualize yourself as being debtfree. Then, gather the fortitude to make that shit a reality.

Find A Mentor

The quickest way to get what you want is to find a person who has already accomplished your current goals and study their actions and thought process so that you can take similar steps.

With social media, everything and everybody is literally at your disposal. Follow your role models to understand them better. If you feel comfortable you can even reach out to them and tell them about your goals and why you think they are the perfect role model for you. If you have a real life person who you can access, even better! I have found that when you share your goals with good people they tend to want to see you succeed and even offer assistance.

Give much more than you expect to receive

Enhance your luck and karma in life by always being a good person. In everything you do, practice giving more than you receive until it becomes second nature to you. Be valuable to others and you will exceed your goals faster than you ever thought possible.

Go Hard!

Think of a specific financial challenge that you are presently facing and rapidly go through the five steps listed above. Think about specific actions you can take. You can write down your thoughts or do a mental reflection.

In Step 2 you will identify your longterm personal finance goals.

Step 2 Design Your Destiny

"I'm not afraid of dying, I'm afraid of not trying."

Jay Z

If you want to become successful with money you need to clearly determine what you plan to achieve. Take 1520 minutes to think about your ideal life. If money was no object, what would your ideal life look like? Would you keep working at your current job? Would you have better things to do and see? Would you be more charitable? Would you be a nicer person? Would you travel around the planet?

Fantasize for a moment about all the things you would do if you didn't have to hustle for money to survive. Have fun with this exercise and quickly write your ideas down.

After you finish with your mind map, or your list, I want you to ask the question "why?" Why do you want to travel the globe? Why do you want to give more money to charity? Why do you want to quit your job? This step is necessary simply because you are planning your destiny; I want you to be completely sure that the blueprint you are about to create is what you really want for your life. I consider this step to be the work of "personal leadership."

Your financial future is begging for personal leadership. In other words, if you want to change your economic destiny you must do it on purpose. Don't leave things to chance.

Your "why" should be born out of your standards for your life. (If you have never thought about what your values are, now is a good time to start).

It is important to comprehend that standards absolutely influence the direction of your life. This is true whether you make a conscious effort to live your values or not. Standards are an attractive force that work for you constantly and impact the decisions you make. Those decisions will eventually form your destiny.

To discover what your standards are, begin by asking yourself the question, "What is most important to me?" Is it health? Happiness? Inner peace? Family? Autonomy? Personal growth? Beauty? Contribution? Creativity? Accomplishment? Write down everything that you can think of.

Other questions you can ask yourself to help discover your values are, “What do I love to do?” and “What inspires me?”

Reevaluate

If the things you put on your mind map are not in alignment with your values then I want to you to do some additional meditating around what you truly want for your life.

I want to leave you with this quote from *The 7 Habits of Highly Effective People* (I encourage you to read it, reread it, and meditate on it until it becomes a part of that place in your soul, where things you know to be true live):

“Because I am selfaware, because I have imagination and conscience, I can examine my deepest values. I can realize that the script I’m living is not in harmony with those values, that my life is not the product of my own proactive design, but the result of the first creation I have deferred to circumstances and other people. And I can change. I can live out of my imagination instead of my memory. I can tie myself to my limitless potential instead of my limiting past. I can become my own first creator.”

On Step 3 you will learn how to use your mind map to set actionable goals.

Step 3 Be Specific

“My thing is this; if I'm sick enough to think it, then I'm sick enough to say it.”

Eminem

In Step 2 you identified some longterm goals that are in alignment with your personal values. Today you will break those longterm goals down to specific, personal economic goals and formulate some action steps to help you reach your peak financial fitness level.

When people have no idea where to start when it comes to identifying their personal finance goals I always recommend that they start with listing their economic concerns (we all have some).

Here are some examples of financial concerns that I have heard in my everyday conversations with people

- I would like to have enough money to cover all of my monthly expenses plus some extra for savings and fun.
- I want to pay less taxes.
- I want to ball on deez hoes
- I want to leave my children a sizable inheritance.
- I want to pay for my children to go to college so they can avoid debt.
- I want to save enough to buy a home.
- I want to save enough to start a business.
- I want to get out of debt.

What are your financial concerns?

Make a list of all of your economic concerns that you can possibly think of, then circle your top five concerns.

For example, one of your financial concerns might be:

"I want to get out of debt"

From this you could create the following longterm goal:

"Start a SIDE HUSTLE and use the extra money to pay off my debt"

From the longterm goals list you could create the following shortterm goals:

"Learn as much as I can about starting a business"

You just made a rough draft of your action plan.

Using the examples of concerns, longterm goals, shortterm goals, and action plan steps that I have outlined, create your own specific plan that you will follow to achieve your personal finance goals. Keep in mind that your goals and plans may change as you discover more about certain personal economic principles. I am constantly updating my goals and action plan.

In Step 4 I will show you how to take personal responsibility for your important financial records. Learn what to keep and where to keep it!

Step 4 Get Organized

"I got this shit mapped out strong"

– Drake

The Advantages of Being Organized

Before I embark on a big undertaking, I like to get organized. Getting organized just helps me to mentally prepare for finishing a big job (plus it allows me to procrastinate a little before actually getting started). Procrastination aside, getting organized is a helpful practice that puts you in the right frame of mind to begin any journey. Plus, it provides multiple benefits when working with personal finances.

Getting organized makes the voyage seem so much more attainable because you have almost everything you require to help move you along in one spot, kind of serving as a visual reminder to stay committed to the goals you have set for yourself. What I want you to do today is create your visual reminder that **you do** have longterm financial goals that you want to accomplish, you are the captain of your fate, and you have written your own script and your intention is to follow it.

The Organization Process in 3 Easy Steps

I am going to explain your organization process in three easy to follow steps, but free feel to tailor any of the steps to meet your unique needs.

#1: Assemble all of your important financial records.

Now I understand that some people might not know exactly what qualifies as an important financial record so I am going to be very specific about this. Use the table below to help you determine what you should keep.

- **Accounts**– A list of your accounts with account numbers and phone numbers to call for help or disputes

- **Auto**– Vehicle title and maintenance records
- **Budgets** –Current budget
- **Credit Reports** –Credit report copy from all three bureaus (update yearly)
- **Contracts** –Legal agreements including apartment lease, marriage and divorce decrees, mortgage papers and CC&Rs
- **Credit & Debts** –A list of debts owed, a current statement from each creditor, and credit reports
- **Education** –Diplomas (or copies), transcripts, special awards, and honors
- **Financial Statements** –Current balance sheets and cash flow worksheets
- **Health Records** –Medical records and immunization records
- **Insurance**– Life, home, auto, renters, and pet insurance, including policies you have on other family members
- **Investments** –Investment account statements and records, including retirement accounts
- **Tax Records** –W2s, 1099s, charitable contribution records, receipts, tax returns, and other supporting documents
- **Personal** –Social security card or copy, birth certificate, and passport
- **Wills, Trusts, and Estate Planning**– Current executed estateplanning records and beneficiary designations
- **Work Related**– Pension and other retirement plan records, paycheck stubs, updated resume, and letters of recommendation

#2: Choose a storage medium.

I recommend either a huge (3inch) binder or a portable file box, but some people like to use personal security boxes. The choice is really yours. The storage medium you select will most likely be based on your current lifestyle. If you are a single person renting an apartment, a binder will suffice, but if you have a spouse, a mortgage, and three children, you will probably want to select a larger medium.

3: Start filing that shit!

Before you start filing you might also find it helpful to use the list from step 1 to type a table of contents to keep for your review as you update your financial records. If you are using a binder to organize your financial documents you may also create labels based on the list from step 1 to divide each section in your binder.

In step 5 I will teach you how to use documents in your newly stored files to figure out your current net worth (your financial fitness baseline).

Step 5 Know Your Worth

"Oh Lord, know yourself, know your worth, nigga"

– Drake

What is Net Worth?

Net worth is the primary indicator of your financial fitness. It is the sum of what you would have left over if you sold everything you own (your personal assets) and then paid off all of your debts (your personal liabilities). Some people have a very high net worth, some people have a super low net worth, and some people even have a negative net worth. Wherever you are in your financial journey, you can begin to improve your net worth and see positive growth in the long run.

Assets include things like cash, real estate, investments, and everything in between. Your liabilities include things like money owed on a house, car, credit cards, personal loans, payday loans, etc. Your liabilities are also called debts or cash payable.

Your main goal in your financial journey will be to increase your net worth. You can increase your net worth in two ways: (1) you can increase your assets by saving more of the money you earn and investing it, or (2) you can decrease your liabilities while maintaining your assets by using your future income to pay off debts as quickly as possible.

Four Ways to determine Your Net Worth

There are four different ways that you can calculate your net worth; all of the ways are good, but they each have their pros and cons. Choose the method that best suits your lifestyle and personality.

#1 The Old School Way

First you will need to grab a sheet of paper, a pencil, and a calculator. Next, grab your financial documents (which should be all nice and organized thanks to the tips you learned in

the last step you're welcome).

Now, draw a TChart as if you are going to make a procon list. On the left hand side of your TChart, write the word "ASSETS" in all capital letters, and on the right side of the TChart, write the word "LIABILITIES" in all capital letters .

In the assets column, list all of your current assets including all of your bank account balances (itemized by bank and specific account), retirement accounts, the value of your home, the value of your car or cars, the value of your investment real estate, the value of your baseball card collection, and any other assets you may own. Write the total value of each asset next to the name of the asset. Last, add up all of your assets to calculate your total assets.

Now, in the liabilities column you will follow the same process but this time you will make a list of all of the money you owe. Once you complete your list add up all of your liabilities.

Finally, subtract your total liabilities owed from your total assets (remember it is OK if you get a negative number—that just means that you have a lot of debt that you need to pay off, which we'll talk about on Step 7).

See the example below for what your TChart should look like when you are done. In the example below, Mr. Fake Person has a net worth of \$70,000. Way to go, Mr. Fake Person—you're off to a good start!

Example Mr. Fake Person's Net Worth

Example Mr. Fake Person's Net Worth

ASSETS		LIABILITIES :-{	
Checking Account 1	\$ 500	Credit Card 1	\$ 2,400
Savings Account 1	\$ 400	Credit Card 2	\$ 1,600
Savings Account 2	\$ 1,500	Loan From Mama	\$ 800
401(k)	\$ 40,000	Student Loan 1	\$ 12,000
Roth IRA	\$ 5,600	Mortgage	\$ 180,700
House	\$ 220,000	Car Loan	\$ 7,000
Car	\$ 5,700		
Beanie Baby Collection	\$ 800		
Total Assets	\$ 274,500	Total Liabilities	\$ 204,500
NET WORTH (\$274,500 - \$204,500)		\$ 70,000	

#2 Create (or Download) an Excel Spreadsheet

If you are an Excel nerd and you look for any excuse to create a spreadsheet (like me) then this might be the method for you. You will need to open up your Excel document and type in your assets and liabilities just like in the example above. Then use the function bar to calculate your totals for you.

#3 Use Mint.com

I love this method because it is probably the simplest and quickest method. It is also the only method that I discuss here that will allow you to check your current net worth from an app on your cell phone whenever you feel the urge.

To use this method all you need to do is go to mint.com and sign up for a free account. From there, Mint will give you instructions on how to upload your accounts. Once all of your accounts are uploaded, Mint will calculate your net worth for you. There is even a place where you can add additional assets that are not linked to any specific bank or financial institution (i.e. your baseball card collection).

Mint does require you to enter all of your accounts' usernames and passwords and I understand that some people are not comfortable with that. If you are not comfortable having all of your financial information stored in one place on the web then Mint is probably not for you. Another option might be method #4—Quicken.

#4 Use Quicken Software

Quicken is another tool that I personally use. I've used it since the very beginning of my personal finance journey and I really can't say enough great things about it. I love Quicken because it allows me to print out detailed financial statements, which in turn allows me to gauge my financial health at a glance.

Quicken is a financial software program that you can purchase at [Quicken.com](https://quicken.com) and download directly on to your computer. You can manually enter your financial information into this program. You also have the option of letting Quicken do all of the heavy lifting for you by setting up your accounts and storing your login credentials.

Once your accounts are set up, you tell Quicken when to sync (talk to your financial institutions) and

it will automatically update your net worth. The benefit of Quicken over Mint is Quicken

allows you to print vital financial statements that allow you to accurately determine your overall financial health. With my Quicken software I can pull up and print my net worth going back over a decade. I can also print a custom report that compares my net worth each quarter or even over a three year period if I choose.

If you are ready to get hard core about your net worth and your finances in general then I definitely recommend you get started on Quicken today.

Be “Balance Sheet Affluent”

If you are already a personal finance junkie then I’m sure you know all about Dr. Thomas J. Stanley and the incredible research found in his book, *The Millionaire Next Door*. If you have not read that book yet then please do (after you finish this one!). In Dr. Stanley’s book, he talks about the financial advantages of being a wealth accumulator, or “balance sheet affluent”. A person who is balance sheet affluent is astute at cultivating wealth (i.e. they don’t spend every penny they earn and they invest wisely to grow their fortune). By Dr. Stanley’s definition, a person who is balance sheet affluent has at least twice the level of net worth than would be expected when using the following wealth equation: $\text{Expected net worth} = 1/10 (\text{age}) \times \text{annual taxable income}$

For example if you are a 35 year old human with an annual taxable income of \$80,000, then your expected net worth would be 1/10 of 35 (or 3.5) times \$80,000, which equals \$280,000. To be balance sheet affluent your net worth would have to be double that amount (or \$560,000).

Use the expected net worth equation as a rough guideline. When I first started on my personal finance journey I found that it helped to have concrete goals to aim toward. Knowing your expected net worth can also help you to determine exactly how well you are doing financially or how much more work you need to do.

By the way, the median net worth of a human American who is 35 years old is \$40,000 \$45,000, so if your current net worth is south of the expected net worth then you are definitely not alone.

Tips for Increasing Your Net Worth

- **Tip 1**– Pay down your debts
- **Tip 2** –Save more money and invest it wisely
- **Tip 3**– Earn more money so you can do tips 1 and 2 faster!

On Step 6 you will learn how to create an income statement (your secret weapon in your personal finance journey).

Step 6 Analyze Your Cash Flow

“In the hood if ya ask about me. they'll tell ya I'm about my bread”

50 Cent

What kind of shape are you in financially? Can you honestly answer this question? In step 5 you calculated your net worth, that paints part of your financial picture, but when you go to the doctor they don't just tell you to hop on the scale, record your weight, and then tell you to get the fuck out. They measure your weight, height, temperature, blood pressure, etc., etc. to get a more accurate picture of your condition and needs.

The same principle applies to your financial health. Right about now you are going to undertake what is called a cash flow analysis. A cash flow analysis is just an assessment of your income and your expenses. You will use this information as another tool to gauge your financial fitness. Your cash flow analysis will also show you your savings potential as well as highlight any problem areas that might surface when you write your spending plan on Step 9.

It might take a few months to get your cash flow analysis accurate if you are just plugging in numbers off the top of your head, but you can get a more accurate account in a matter of minutes if you use financial records like your bank statements and credit card statements as you complete this exercise.

Use the following worksheet sample to help you paint your financial picture.

Income	Monthly	Annually
Salary 1		
Salary 2		
Bonus Money		
Side Business Income		
Capital Gains		
Dividends		
Interest		
Rental Income		
Royalties		
Social Security		
Pension or Other Retirement Income		
Other Income		
Total Income	\$	\$

After you calculate your total income you will need to calculate your expenses. Below are some sample categories for you to use, but your analysis should be more detailed as you will include more specific line items (i.e. instead of just "savings" you might have one line for emergency savings, another for vacation savings, and yet another for your child's college fund... I "pull out" so I don't have to think about that last step).

Expense Analysis	
Annual Expense Items	
Taxes	\$ -
Insurance	\$ -
Licenses	\$ -
Budget for Replacements	\$ -
Monthly Expense Items	
Water and Sewer	\$ -
Garbage	\$ -
Electricity	\$ -
Gas	\$ -
Lawn/Landscaping/Snow Removal	\$ -
Pest Control	\$ -
Off site Property Management	\$ -
On site Property Management	\$ -
Accounting and Bookkeeping	\$ -
Repairs and Maintenance	\$ -
Pool Maintenance	\$ -
Telephone, Internet, etc.	\$ -
Elevator Maintenance	\$ -
Budget for Advertising	\$ -
Budget for Supplies	\$ -
Monthly Taxes	\$ -
Monthly Insurance	\$ -
Monthly Licenses	\$ -
Monthly budget for Replacements	\$ -
Total Monthly Expenses	\$ -
Total Annual Expenses	\$ -

Now that you have calculated your total expenses, your final step is to subtract your total expenses from your total income. My goal is to always have a zero balance at the end. A zero balance simply means every penny of your money has been accounted for. If you have money left over after subtracting all of your expenses then you could consider adding more to your credit card payments or savings accounts.

On the other hand, if you have a negative number after subtracting your total expenses from your total income then that is an indication that you need to cut some of your expenses or earn more money to cover the expenses.

Now that you have a better idea of where your money is going, on step 7 you will take a vow to leave debt behind forever in order to improve your overall financial health.

Step 7 Get out of debt

“Don't worry if I write rhymes, I write checks.”

Diddy

Make a commitment to avoid debt like the fucking plague...forever.

Today I want to change your life with the realest shit I ever said to you: "ONLY BORROW MONEY FOR SHIT THAT MAKES MONEY, avoid personal debt, live off of less than you earn, and invest the difference."

Yes, that is all, and yes, I really do expect that shit to change your life forever.

Read aloud (in your serious voice): I solemnly swear to get out of debt as fast as my skills and creative intelligence will allow. I swear that from this day forward I will never, ever use another credit card or other method of financing things I probably don't really need. I will stop using credit for shit that doesn't make money because I know the best way to build wealth is to avoid personal debt, live off of less than I earn, and invest the difference. Today I vow to divorce debt and never look back.

I really wish someone shared that simple wisdom with me when I was first starting out on my personal finance quest. I would be a lot closer to reaching my longterm goals. I had to learn the hard way, but luckily you have me to stop your goofy ass in your tracks and point you in the right direction. You're welcome fam.

I'm sure I heard things like "don't get in over your head" or "don't take on too much debt," but those statements somehow imply that it is still OK to take on some level of debt as long as it is an amount that you can "handle."

The truth is, personal debt is not OK. Debt robs you of your ability to build wealth and security for the future.

Case in point, if you are allocating a portion of your monthly income to repaying debt then that is less money that you have available to add to your investment fund.

Please understand and apply this principle: if you want to beat debt and achieve financial integrity you must stop borrowing money and pay what you owe as fast as possible. Simple.

The Benefits of Living a DebtFree Lifestyle

There are countless benefits to living a debtfree lifestyle. Here I highlight a few:

- Save more money
- Avoid paying interest
- Take advantage of investment opportunities
- Financial freedom (create a life you love instead of a life you loathe)
- Live with less anxiety
- Build wealth faster
- Ability to give more

How Does Debt Reduction Work?

In this section I am going to cover the Dave Ramsey approach to eliminating debt. I know that there are other (more mathematically sound) approaches to getting out of debt but I recommend Dave's method because I know that it works. It is the method that I used to annihilate all of my consumer debt and it is the most fun and easiest to stick to method that I have ever come across.

Dave calls this method the "**Debt Snowball.**" I don't know if he coined the phrase or not but that is not important. You're in debt; you have bigger problems to focus your energy on.

The concept of a debt snowball is very simple: first, write down all of your debts in order from smallest to largest; plan to pay the minimum payment on all of your debts except for the smallest one. Look at the example below for more guidance. In the example, assume you have allocated \$1,000 a month to "debt reduction" and you have the debts listed below.

		Pay \$100		Pay \$25	Pay \$25	Pay \$25	Pay \$25
M	\$ 500	\$ 625	\$ 675	\$ 1,000	\$ 1,200		
1	\$ 400	\$ 600	\$ 650	\$ 975	\$ 1,175		
2	\$ 300	\$ 575	\$ 625	\$ 950	\$ 1,150		
3	\$ 200	\$ 550	\$ 600	\$ 925	\$ 1,125		
4	\$ 100	\$ 525	\$ 575	\$ 900	\$ 1,100		
5	\$ -	\$ 500	\$ 550	\$ 875	\$ 1,075		

		Pay \$125	Pay \$25	Pay \$25	Pay \$25
M	\$ 500	\$ 550	\$ 875	\$ 1,075	
6	\$ 375	\$ 525	\$ 850	\$ 1,050	
7	\$ 250	\$ 500	\$ 825	\$ 1,025	
8	\$ 125	\$ 475	\$ 800	\$ 1,000	
9	\$ -	\$ 450	\$ 775	\$ 975	

		Pay \$150	Pay \$25	Pay \$25
M		\$ 450	\$ 775	\$ 975
10		\$ 300	\$ 750	\$ 950
11		\$ 150	\$ 725	\$ 925
12		\$ -	\$ 700	\$ 900

		Pay \$175	Pay \$25
M		\$ 700	\$ 900
13		\$ 525	\$ 875
14		\$ 350	\$ 850
15		\$ 175	\$ 825
16		\$ -	\$ 800

		Pay \$200
M		\$ 800
17		\$ 600
18		\$ 400
19		\$ 200
20		\$ -

In the example you would pay the minimum on all of your debts except for the smallest debt owed. In this example you would actually be able to pay your smallest debt off completely in the first month of implementing your debt snowball so the following month you will only have four debts to work on. You will continue this process until you are debt free!

To make your debt snowball roll even faster, consider earning extra income by getting a parttime job or selling some personal items you no longer use and apply the extra money to your debt reduction plan.

You will learn some strategies to earn more money to meet your shortterm financial goals

Now that you are in the proper frame of mind to tackle your personal finance goals, in step 8 you will learn a quick technique to fuel the rest of your financial journey.

Step 8 Grow a Savings

“She don’t wanna be saved. Don’t save her”

J Cole

The reasoning behind this exercise is a psychological one. I want you to take my advice in this section simply because it works. It is a well-established fact in psychology that behavior is impacted when a person can see tangible results. The go-to example to illustrate this point is dieting. Many people fail to stay on a diet simply because it typically takes too long to see noticeable results, hence all of the extreme dieting techniques that have recently been invented to speed up the weight loss process.

The bottom line is that as humans we want to see results, and we want to see them quickly! The technical term is “instant gratification.” In my experience, the best way to see fast results when trying to improve your personal finances is to have something set aside that you can watch grow—a small stash.

If you want to accumulate wealth then this is where you need to begin. If you already have a stash then congrats, and I hope you never get robbed by yourself. Your small stash serves a basic psychological need of giving you an incentive for accumulating a larger, more luscious stash.

For example, if you ever had a penny jar as a child then you know as soon as you added those first few pennies you could not rest until you filled the jar to its capacity with more small, copper goodness. Then what happened when you filled that jar? You were anxious to start working on another jar or even get a larger jar.. The same rules apply with your grownup savings. Do what works.

Your stash will work for you and it will grow if you tend to it properly. The important thing is to get it going!

Rules for Growing Your Stash

Rule 1

Get serious! Sell unwanted items, work overtime, get a second job, cut the cable —do whatever you need to do to get your small stash going. I will give you 30 days.

Rule 2

Save up one month of your current takehome pay.

Rule 3

Deposit your stash someplace safe and NEVER touch it (unless you have a serious emergency)!

Your small stash is just the beginning of what will become your (6-12 month) emergency fund (another Dave Ramsey teaching—read *The Total Money Makeover* for more details on this). If you are still working on getting out of debt, dedicate as much money as possible to your debt elimination plan. Once you are out of debt you can go back to your stash and continue to feed it.

In Step 9 you will learn how to create a spending plan and use it as a tool to meet your personal finance goals.

Step 9 "Don't Spend Money on Stupid Shit"

“Go buy your momma a house. Go buy your whole family houses.

Put this money in your savings account. Go spend this money for no reason.

Come back and ask for more.”

DJ Khaled

Financial planning is very simple, although the “experts” tend to make it look complicated. When you boil it all down there are really only three components to successfully reaching your personal finance goals. The first is to have the right mindset (which we discussed in Step 1). The next component is to clarify your goals (discussed in Step 2). And the final component to achieving your personal finance goals is to design a plan that ensures you reach those goals automatically (which I am going to help you do today).

Why You Need a Spending Strategy

A spending plan is a vital part of your efforts to build wealth and achieve your shortterm personal finance goals. You see, money is like a child. It needs guidance, discipline, and love. If left to its own devices, money will act a fool, run amuck, and ultimately find its own way (usually out of your wallet). You must tell your money what to do and when to do it by writing and following a spending plan.

PrePlanning: Set Your Guidelines

Before you write your spending plan I want you to set some guidelines. Your guidelines will help keep your money in line. After you have your guidelines set, you need to figure out how to make your money work within the parameters that you design. If you find that your initial guidelines will not work with your current income and expenses (as laid out on Step 5) then you can temporarily adjust them until you begin to make more money and/or reduce your expenses.

I like the following guidelines for beginners: keep 20%, spend 70%, and invest 10%. If you are starting your financial journey in debt those guidelines might not be realistic for you. Play with the numbers and decide what you can realistically live with. I do strongly advise that you aim to keep at least 10% of your income. To make things as simple as possible, I like to set guidelines using net income (your take home pay).

How to Write a Spending Plan

To show you exactly how to write your spending plan, I am going to use my friend Mr. Fake Person's income. Mr. Fake Person brings home \$5,000 a month and he is on the 108010 plan, meaning he decided he wants to keep 10%, spend 80%, and give away 10%. He chose these guidelines because he is still in debt, so he knew he would have to temporarily increase his spending ratio until his debts were paid off and eliminating charitable giving was not an option for him.

This is how his money will be allocated in his spending plan according to the guidelines he chose:

Keep – $10\% \times \$5,000 = \500

Spend – $80\% \times \$5,000 = \$4,000$

Invest – $10\% \times \$5,000 = \500

Now that Mr. Fake Person has his spending guidelines he can begin designing his spending plan. He will do so in three easy steps.

Put “Keep” Money on Autopilot

One way to ensure success in this area of your spending plan is to make it automatic. Many people fail to reach their savings goals year after year simply because they are not employing a foolproof system to make meeting that goal guaranteed. You will NOT be like those people.

There are a few ways you can put your “keep” money on autopilot, but I will share with you one way that has always worked for me. To automate my money I had to open an entirely separate bank account. When I kept all of my money in one bank I found that I kept borrowing (STEALING) from myself. I justified my behavior because using the extra money that I was supposed to be saving was keeping me out of debt—since I was not resorting to spending with a credit card—but I was not getting anywhere financially. I was spending every penny I earned and saving absolutely nothing.

That all changed when I decided to open an online bank account. There are many online banks out there but my bank of choice is Capital One 360. I liked the idea of an online bank because it seemed more difficult to access my money and rob myself blind (while I have a debit card and could just stop by the ATM, I leave that debit card where it is safe...at home...away from me).

Here is how you can use Capital One 360 to protect your money from you.

Open a Capital One 360 checking and savings account online to use as your secondary bank.

Once inside Capital One 360's website choose "External Links" to link your primary bank account (whatever account you are currently using).

After you have completed the process to link your primary account, select “Automatic Savings Plan” and click “ADD.”

Enter requested automatic savings information (amount to transfer, from account, to account, how often to transfer). So Mr. Fake Person would set up a monthly transfer in the amount of \$500 from his primary bank account to his Capital One 360 savings account.

You can create as many automatic savings transactions as you need.

You can also open as many “savings” accounts as you like. I have my “give” account there, as well as my “next car fund” and several other accounts where I save for specific shortterm goals.

The way you chose to automate this important part of your spending plan is entirely up to you, but please do not skip this step because it is critical to your success. If you want to immediately withdraw your “keep” money when you get your paycheck and hide it under your mattress that’s fine with me as long as you have a spending plan and you are working it to the best of your ability!

Prioritize Spending

Start prioritizing your expenses and making any necessary cuts. Remember the goal is to control your spending so that you spend less than you earn and you can build wealth for your future self. Put your critical spending categories at the top of your budget (i.e. necessities like rent, mortgage, and food) and the luxury categories (like cable TV) at the bottom of your budget. The idea is if you run out of money in your spending plan after negotiating your bills down as far as possible then you will start slashing items from the bottom and work your way up.

Here is a list of typical expenses you might include in a monthly spending plan:

- Debt (credit card bills, auto loan, and personal loans)
- Shelter (mortgage, rent, property taxes, repairs, and HOA dues)
- Transportation (gas, tires, maintenance, parking, and DMV fees)
- Food (groceries, fast food, and coffee money)
- Insurance (homeowners, renters, and auto)
- Utilities (electricity, water, garbage, phone, cable, and internet)
- Household Needs (laundry detergent, cleaning supplies, and toiletries)

- Children (child care, activities, supplies, and clothing)
- Pets (food, medical, toys, and clothing)
- Education (books, conferences, and coaching)
- Entertainment (vacations and outings)
- Medical Expenses (copays and orthodontia)
- Personal (haircuts, salon services, clothes, gym memberships, and subscriptions)

- Weed Money (weed)

Revise When Needed

Your needs will change and so will your spending plan. Do not get discouraged if you find that you are not following your plan to the letter. As you know, things do not always go according to plan. The most critical part of this process is staying within the guidelines you set. If you spend a little more on food one month than your spending plan dictates, it is not the end of the world. If you spend \$4,600 one month and the guidelines, that you set, state you can only afford to spend \$4,000 a month, then that might be a big deal. That means either you stole from yourself (spent your keep money) or you used debt.

Sometimes you will have months where you spend more than your monthly spending ratio (i.e. during the holidays). I handle that by budgeting a certain amount for gifts each month and having that amount sent automatically to my Capital One 360 savings account called "Gifts."

So if you are serious about controlling your money then I want you to set your guidelines, automate your "keep" money, prioritize your expenses, and revise your spending plan when needed. That is the simple formula for financial success!

In Step 10 I am going to introduce you to some additional tools that you can use to help you with other areas of your spending plan.

Step 10 Choose the Right Tools

“You lose money chasing women;
But you never lose women chasing money.”

Nas

Choosing the right tools to manage your money can make your personal finance journey fun and easy. I want to share with you some of the resources that I have included in my own personal toolkit and I encourage you to build a toolkit of your own.

The resources in my toolkit make my journey fun and easy, they keep me from being overwhelmed, and they even help me to stay motivated. Feel free to use any or all of the things in my toolkit.

Banking

I am a huge advocate of having separate banks for spending and saving. Once I began separating my money this way I saw a huge increase in my ability to save a lot of money. Prior to me separating my money I would always save a little and then as soon as I wanted to buy something it would be too easy for me to just transfer money from my savings to my checking account so my savings never really had a chance to grow.

Below is the list of accounts that I currently use and highly recommend.

- Schools First Federal Credit Union Direct deposit
- Capital One 360 Paying bills and saving
- Chase Spending account

Budgeting

My criterion for a good budgeting tool is it has to be something I can customize when my needs change, and it has to be able to automatically track my numerous accounts. I also have to be able to access my account information on a convenient app from my smartphone, and it has to allow me to see and print reports so that I can easily see my financial progress or areas of improvement on demand. Unfortunately I have not been able to get all of these features in one program so I use the three different tools for budgeting and money management listed below.

Together, the following three tools make budgeting and managing my finances a breeze:

- Excel Spreadsheet

- Mint.com
- Quicken Software

Credit Monitoring and Identification Protection

For less than \$15 a month I get identification protection and credit monitoring with the Automobile Club (AAA) ProtectMyID Deluxe. The benefit that I receive from this service is the security of knowing that if anything changes on my credit report I will receive a text message directly to my cell phone notifying me that a change has occurred. I can also pull an up to date credit report whenever I get ready, for no additional charge, as well as check my credit score. Once upon a time I used three different websites to equal the services I now get from one company.

Debt Management

When I was trying to get out of debt I used Ready for Zero to help me keep track of the money I owed to different creditors all in one place. I used the Ready for Zero website and an app on my cell phone to set up my debt escape plan and I enjoyed getting celebratory progress updates by emails for every debt repayment milestone. It really made getting out of debt fun. Now that I only have a student loan to repay I find that I can easily manage the one loan without having to use a debt management tool.

Investing

There are a variety of online brokerages to choose from. I chose to open my Roth IRA and taxable investing account at [CapitalOneInvesting.com](https://www.capitaloneinvesting.com) primarily because of the ease of transferring money to and from my accounts.

Capital One 360 accounts.

Have you ever made a transfer request between two different banks and had to wait 23 business days for your money to show up? Then another 5 business days to access the funds? Annoying, right? I don't have that problem with my Capital One Investing account. As soon as I press transfer my funds are available for me to start investing and I enjoy that benefit enough to make me remain a happy, loyal Capital One Investing customer.

Other benefits that initially attracted me to Capital One Investing were the bonus money they usually offer new members, the low trading fees (as low as \$4 for automatic investments), and the free automatic investment plan credits that allow you to make free trades.

Tax preparation

My tax situation is not very complicated so I feel confident in my ability to do my own taxes each year, and my software of choice is TurboTax. TurboTax completely walks you through the process so it is really hard to screw up.

Password management

I have a hard time remembering all of the hundreds of usernames and passwords in my life so I tend to need a little assistance. Depending on your comfort level with recording and storing your important passwords, I recommend using either Excel or lastpass.com.

Books

If you want to change any area of your life you must be willing to **learn new things**. When I first started my personal finance journey I had several mentors who taught me so many new things that I never would have been exposed to, had I not sought out the guidance and knowledge.

The funny thing is none of my early mentors even know I exist. I obtained the philosophical foundation of the personal finance values that I have cultivated through books and other media. I read, reflected, questioned, tested, and internalized several principles that guide all of the financial decisions that I make by choosing to seek knowledge and making meaning out of it. Here are some of the most influential books that I have encountered on my journey:

[Feel the Fear and Do It Anyway by Susan Jeffers](#)
[Rich Dad, Poor Dad by Robert Kiyosaki](#)

[The \\$100 Startup by Chris Guillebeau](#)

[The 4Hour Workweek by Tim Ferris](#)

[The 7 Habits of Highly Effective People by Sean Covey](#)

[The Richest Man in Babylon by George S. Clason](#)

[The Seven Spiritual Laws of Success by Deepak Chopra](#)

[The Total Money Makeover by Dave Ramsey](#)

Think and Grow Rich by Napoleon Hill

Podcasts

I recently discovered the value of listening to podcasts. I found that listening to podcasts help me to stay focused and motivated to achieve my goals. Here are some good ones that consistently have highly valuable content:

Eventual Millionaire by Jaime Tardy

[The Brandon Carter Experience by Brandon Carter](#)

The Dave Ramsey Show by Dave Ramsey
The Suze Orman Show by Suze Orman

Entrepreneur on Fire by John Lee Dumas

Blogs

Listed below are just a few of my very favorite personal finance related blogs:

AndThenWeSaved.com

BrokeBlokeBlogs.com

DearDebt.com

EventualMillionaire.com

MrMoneyMustache.com

MyFabFinance.com

PersonalFinanceJunkie.com

PunchDebtInTheFace.com

RetiredBy40Blog.com

SmartPassiveIncome.com

TheHeavyPurse.com

TreasTwoCents.com

YoungFinances.com

All of the above resources play a huge role in keeping me on track with my financial goals. Now I want you to begin making a comprehensive list of all of the valuable resources that you would like to use to help you with your journey.

The purpose of creating a personal toolkit is to set yourself up for success. In Step 11 you will learn another tip to ensure rapid and automatic financial success.

Step 11 Automate Everything!

“Sunny days wouldn’t be special if it wasn’t for rain Joy wouldn’t feel so good if it wasn’t for pain” 50 Cent

The Benefits of Automatic Wealth

Automating your finances takes the guesswork out of hitting financial targets. Once you know where you want to be all you need to do is set an automatic plan to tell your money exactly where to go. The benefit of automation for me is it reduces a lot of stress and anxiety that can surround financial planning. Once I create my plan I can set my direct deposits and tell my money where to go. That saves me both time and sanity.

How Does Automatic Wealth Work?

Implementing an automated wealth system is actually very easy. With your goal-driven spending plan in hand you will simply automate all of the important parts of your plan. Follow the checklist outlined below to get started:

Direct deposit

Start by signing up for direct deposit at work so your paychecks land in your bank account automatically. It makes the money available sooner and saves you some trips to the bank. Plus, many financial institutions will waive their monthly checking fees for customers who use direct deposit. Some banks have minimum thresholds, so check to make sure you qualify.

Budgeting

If you use budgeting software like Quicken, or a budgeting website or app like Mint, link your checking account and credit card accounts so all your bills and expenses will be categorized and easy to track in one place.

Savings

Most companies that offer a retirement savings program like a 401(k) make it easy to divert a portion of each paycheck into these accounts automatically. Increasingly, in fact, this is the default option for new employees. Don't pass up this easy and valuable savings tool. If you commit, say, 10% of your pretax salary to retirement savings, you won't pay income taxes on it. Your company may even match your contributions. And when you don't see the money in your account, you tend not to miss it—and you will probably get used to living on less. Even if you don't work for a company with a 401(k) plan, you can set up automatic transfers from your checking or savings account into a taxadvantaged account like an IRA or Roth IRA, a 529 college savings plan, a brokerage account, a vacation account, house fund or any other savings goal or vehicle you have.

Autoescalate your savings

– Within many company 401(k) programs, you can instruct the plan provider to automatically increase your savings rate by an amount you choose (usually between 1% and 3%) on the same day every year. Gradually increasing the amount you save this way can add substantially to your savings without taking a big hit all at once.

Bill payments – To set up electronic bill payments via your bank's website, you will need your account number for each bill you want to pay. For bills that are fixed, like a monthly mortgage payment, set up automatic payments. After the first bill for any new vendor is scheduled to be paid, verify that the transaction went as planned. Most checking accounts do not charge for online billpaying.

Portfolio rebalancing– Smart asset allocation—dividing your investment portfolio among different types of assets—is an important stage on the road to wealth. Once you determine the right mix for you, it is important to maintain those proportions over the longterm (even as market fluctuations throw them out of whack). Periodically “rebalancing” your portfolio is the answer—and many investment companies now offer the option of automatic, periodic adjustments back to your desired allocations.

In Step 12 you will learn how to earn more money with less effort!

Step 12 Be Passive Aggressive

"Nigga! I'm from 134th street, nigga! I ain't got no motherfuckin' boss."

50 Cent

What Is Passive Income?

Before I define passive income, I want to describe the type of income you are probably most familiar with—active income. Investopedia defines "active income" as income for which services has been performed. This includes wages, tips, salaries, commissions, and income from business in which there is material participation. I like to think of active income as any income you earn by trading your time for money. When you wake up at the crack of dawn each day to go to your job, you earn "active income".

You can think of passive income as the exact opposite of active income. So passive income would be any income you earn that does not require much, if any, of your time to acquire. Wikipedia defines passive income as earnings an individual derives from a rental property, limited partnership, or other enterprise in which he or she is not actively involved.

In short, passive income is money that you get with little or no effort to keep earning it. It usually comes from assets that you have created (like an author who receives royalties from his book sales) or from assets that you have bought (like a landlord who rents his apartment for profit).

The Benefits of Passive Income

First of all let me say this—all income is not created equally. The inherent problem with active income is it requires a time commitment to acquire and there is only so much time in a day. That presents a problem if your goal is financial freedom or financial independence.

If your skills and talent will only command say \$30 an hour at the most then the most you can make in any given day of the week is $\$30 \times 24$ hours or \$720 (you are a working beast so you don't need sleep, lunch breaks, or potty breaks during this hypothetical work day).

What happens if you have expenses that require you to earn exactly or very close to the \$720 a day that you are able to earn? What happens is you NEVER have enough to invest in your financial freedom. There are only 24 hours in a day, so unless you obtain more skills and talent so that you can earn a higher rate of pay (which is hard to do when you are exhausted from

working all day), you will end up living paycheck to paycheck.

There is an alternative though. You can choose to earn passive income, which might take some time and effort up front, but once you develop a systematic approach to earning the type of passive income that best suits your personality you will reap numerous benefits.

Here are five benefits of earning passive income over active income:

1. Passive income is generally recurring, meaning once you've invested the time and energy up front to create or purchase an asset that will earn money for you, that asset can continue to earn with little or no effort from you—day after day—even while you are sleeping.
2. You will typically have total control over the assets that bring you passive income, unlike when you work at a job and have a boss to answer to.
3. You will most likely pay lower taxes on your passive earnings when compared to your earned or active income.
4. The only limit to the amount of passive income you can earn is the limit you set! When you work at a job, you usually agree to a particular salary or hourly wage. Yes you can earn more by working overtime but even that is limited by the constraints of hours in a day.
5. You can use other people's money (leverage) to get started making certain kinds of passive income for example if you already borrowed money for a mortgage on your home you can rent out a room bringing in passive income from property that you technically do not own (to be clear I am not telling you to go out and get in debt to earn passive income. I hate debt).

5 Ways to Earn Passive Income

There are many ways to earn passive income. Some strategies will take you a little longer to get going depending on how much money you have to invest, but others you can start right away for less than a hundred dollars. I will give you five ideas and I want you to do some independent research on ways to earn passive income and commit to adding a passive income stream in your life within a few months. If you want to reach financial freedom then you will need to learn how to have multiple income streams working for you instead of you working hard for the money all of the time. Now is a good time to start!

Here are some ideas to get you going:

Idea #1 – Write and Sell eBooks

In the past it was very difficult to get a book published and get your ideas out in the world. That is not the case now. If you have expertise in anything (and we are all experts at something) then you can write, publish, and sell electronic books. Stop hoarding all of your expertise—that is selfish! Get your ideas and experiences out of your head and into the world and earn some passive income called royalties in the process.

Idea #2 – Create Apps

People are developing apps every day and making money doing so. As Apple so graciously ingrained in us—there is an app for everything! The possibilities with developing applications are endless. You can create something totally new or improve upon an app you already use. Either way, this is another great way to create a passive income stream. Check out MY first app [here!](#)

Idea #3 – Sell Information Products

Do you know how to do something really well? Are people always asking for your help or advice in one particular area? Create an information product like a course, or Podcast to capitalize off of your expertise. You can package and sell the information that you are probably giving away for free anyway.

Idea #4 – Rent Real Estate

Do you have a spare bedroom? Rent it out! If you are not too keen on having creepy strangers live in your house and you have significant cash saved up to invest in an income property then go for it. If you do not have the cash saved up then maybe you can open a savings account and begin saving for your income property down payment. Again, I do not advise anyone to go into debt to earn passive income. That is not something I would do but this is your personal finance journey and I want you to be aware of all of the possibilities and strategies available to you to reach your personal finance goals. Always do your own research and do what is in alignment with your goals and values.

Idea #5 – Start a Blog

Blogging can be an awesome hobby and a great business venture. If you have a topic that you are passionate about and the writing skills to engage an audience then give blogging a try.

There are many ways that bloggers monetize their websites. You can sell ad space, sell your

own products, or even sell other people's products. Yes you will have to work hard to grow an audience but once you build your audience you have the potential to earn passive income.

In Step 13 you will come up with a plan to get rid of your debt for good so that you will have more money to invest in your passive income endeavors.

Step 13 Get Back In The Black!

"Always Bet On Black"

Wesley Snipes

In Step 7 I asked you to take the debtfreeforlife oath. What I wanted you to gain from that exercise was a shift in attitude towards your relationship with money. My wish is for you to have a healthy and happy relationship with your money.

A shift in attitude is exactly what it takes to get out of debt and stay out of debt. In my own personal finance journey I had broken up with debt only to come crawling back more times than I care to admit and I was not until my attitude towards debt changed that I was able to stop accumulating new debt.

If you are currently in debt you might feel overwhelmed or feel a certain level of anxiety surrounding your finances. These are signs that your financial house is not in order. This book is all about getting you to a place where you feel in control of your finances. It's not about getting wealthy over night, but if you follow the principles that I have outlined then you should be able to achieve financial fitness relatively quickly.

I want you to be encouraged and motivated that you can get your shit together. I'm not saying that your journey will be easy, but once you get going you will be happy that you made the commitment to eliminate worry and anxiety about money from your life.

Your debt escape plan should list all of your debts in order from least to greatest, along with how much you are going to pay on each debt each month. You will need to keep subtracting payments until you reach zero debt in each account on your escape plan so you can easily see your debt freedom day. The easiest way to do this is with an Excel spreadsheet (especially if you have a large amount of debt), but you can do it by hand as well. I find it helpful to know your debt freedom day because you can see that there is a light at the end of the tunnel if you remain consistent with your plan.

Tip: Google "debt reduction snowball calculator" and find the awesome "Vertex 42" tool to make debt reduction planning easy! Vertex 42 is a cool spreadsheet where you can enter each of your debts and the minimum payment due. The spreadsheet will calculate your debt snowball and even give you a spreadsheet that has your debt freedom date listed for you.

In Step 14 you will learn ways to find money in your current spending plan so you have more to contribute to your debt escape plan.

Step 14 Cut The Bullshit

*“Homie, you hustlin’ backwards if you chasing a chick. Stupid, chase the paper they come wit
the shit”*

50 Cent

Easy Ways to Cut Costs

Although some of your monthly expenses are fixed and harder to reduce than others, you probably have control over more categories than you realize. Below, I will share a few categories that you can explore to help you get started on your money saving efforts.

Food

Buying food is a necessity, but you can almost always find ways to reduce your grocery and dining expenditures. Intelligent shopping can lead to considerable cost cutting. Buying groceries in large quantities once a week from a wholesale vendor is one of the ways you can effectively reduce the monthly food bill. Using coupons is another option which is especially helpful if you have the time and patience to coupon. Cooking and packing your meals at home reduces wasteful spending on eating out. Cooked food can also be stored and frozen for future use if you do not have time to cook nightly. Also, making fresh coffee at home instead of lattes from Starbucks can reduce expenses quite a bit on a daily basis. Try doing a onemonth challenge with some of these tips to see just how low you can get your food budget.

Electricity

In today’s green oriented world saving electricity is not only about cost cutting but also about saving Mother Earth. Consciously remembering to turn off lights and appliances you are not using can result in a considerable reduction in your electricity bill as well as a step in the right direction to preserving Earth and its resources.

Reducing Insurance Costs

In this regard, comparison shopping is the best way to go. Comparing auto, health, and life

insurance across companies along with accompanying benefits is a very good way to save money on a regular basis. You should comparison shop for your insurance at least once a year. You might be able to save an extra \$20\$50 a month in that area alone.

Cutting Cable Costs

With rise in competition in the cable and satellite television industry, the concept of custom channel packages is on the rise. Now customers can choose a television package with only the channels they require. This can save on the cable bill with removal of unnecessary payments on channels you do not even watch. You can also choose to break up with your cable provider for good. With options like Netflix, Amazon TV, and Internet you have plenty of cheap entertainment to choose from.

Cell Phone Bills

Phone companies attract customers with seemingly attractive deals on new phones in the market. Before going for any such offers, ask yourself if you really need a new phone and check for any hidden costs in the contract.

Consolidating Debt

Debt consolidation is very useful when it comes to reducing monthly expenses. This is a form of debt refinancing which entails taking one loan to pay off many others while reducing the overall interest paid by securing a lower interest rate than you are currently paying.

Lower Payment on Federal Student Loans

When your student loans are due for payment, a repayment plan is formulated on a standard 10year repayment period. However, if you want to change the plan, in order to reduce your monthly payment, you may have that option. You can google “federal student loan repayment plans” to get more details on different repayment plans and to see what you can qualify for. Temporarily lowering your student loan payments might be helpful if you have additional debts higher up on your debt snowball that you want to concentrate on.

Use Public Transportation or Carpool

Using ride share options not only saves a hefty amount in the cost of fuel but it can also contribute to a cleaner and greener environment and save you some time from sitting in traffic.

I don't even have a car man. I stay on the train (and Uber) to save money on car payment, parking, car insurance, and tickets.

Reduce or Eliminate Consumable Habits

Habits like smoking or drinking are not only harmful but they are also a money pit. Cutting down on these social habits can show considerable improvement in your monthly spending.

Change Collection

Keep a jar in which you can collect all your loose change; you will be surprised by the amount you could have after saving up for a period of one year. I like to redeem my collection every summer, which typically yields an extra \$200 in summer spending money for me.

Cancel your Gym Membership

Gym memberships may sound like a good idea, but you don't necessarily need to spend money to be physically fit. You can ride your bike around the park, go for an evening walk, or jog in your neighborhood. You can get great workouts with bodyweight alone!!!

Those are just a few ideas to get you started as you look at your spending plan and determine which three areas you want to choose to focus on. Good luck finding more money in your current budget to make your goals a reality.

in Step 15 you will learn other ways to create the money you need to fulfill your goals.

Set 15 Get This Money

“You got what I want; I got what you need

Let's put it together; get, this, money”

R Kelly

People need extra money for various reasons. Paying off debt, building an emergency fund, and saving to send a child to college are just a few of the personal finance goals that you might have that can be expedited if you can earn more money on the side. For today's exercise you are going to learn several different ways to create the money you need.

Ways to Create Extra Money

As a personal rule, if I want something extra (anything that is not a part of my spending plan) I know that I have to create the money for it. I know multiple ways of creating money when I need to and below I list some of those ways. I want you to select two or three of the methods and set a goal to create \$100 by the end of the week. If you can create \$100 when you need to, then you will be able to create \$500, or even \$1,000, if necessary.

Sell Stuff on eBay

Selling any unwanted or unused items lying around the house is as good a way as any to earn a little extra money. We all have things around the house that have not been used in ages (if ever). Selling unused stuff is an easy way to earn a little extra money.

Work for a Virtual Marketplace

Virtual marketplaces are on the rise, the best example being Fiverr. Such websites allow people from across the globe to advertise their skills and allows potential customers to hire them for a nominal amount. These websites are an easy way to earn extra money and also polish existing skills.

Have a Garage Sale

Garage sales are an excellent way to get rid of the stuff that's been lying around for ages

gathering dust. A garage sale is also a great alternative for people who are not sure about selling over the internet just yet.

Start a Blog

Starting a successful blog doesn't require much some basic writing skills and knowledge of the blog content will get you started. There are several ways to monetize a blog. You can rent out ad space, sell affiliate products, or even sell your very own products and services. There is also a wealth of knowledge on the internet that will help you learn how to build and monetize a blog.

Get a PartTime Job

If you have time in your busy life to squeeze in a few extra hours of work then go for it! Getting a temporary, parttime job is a great way to accomplish shortterm personal finance goals.

Start a Small Business

Starting small businesses are easy and provide a good side income. For example, selling baked goods or lunches in the neighborhood or at work does not require much capital investment but can provide considerable income.

Internet Opportunities

Various websites allow you to earn easy cash, gift cards, and cash back by filling out surveys on their websites, giving feedback or using their search engine. You can also get paid for testing websites or reviewing music by unsigned bands and artists.

Write and Publish eBooks

Writing and publishing eBooks is easy and requires nothing but a little creativity. Selling these eBooks on amazon allows you to earn up to 70% of the sale, which can become considerable cash flow.

Sell Your Textbooks

If you attended college then chances are you still have some old textbooks taking up space in your home. These can be sold to secondhand vendors who will give you up to 50% of the original price of the book. That's pretty decent cash for that old, dusty sociology book that you will probably never open again.

Tutor

Become a tutor for young children. You can find families looking to hire a private tutor or contract with a company to connect you with students who need extra help.

Sign Up For Psychological Experiments and Clinical Trials

Signing up for psychological studies and harmless clinical trials are an easy way to make a quick buck. These studies last a few weeks and participants are paid well.

Virtual Customer Service

Signing up to be a call center agent is another easy option. Various companies might even allow you to take calls from the comfort of your own home. Usually you will have a script to follow and a FAQ sheet to assist you. Easy money!

Craigslist

There are many help wanted opportunities listed on Craigslist that you might be able to take advantage of. You can also list items for sale on Craigslist or even host a virtual garage sale. These are just a few of the options you have to earn more money. Get started on two or three of these ideas and set a goal to consistently earn extra money to achieve your personal finance goals even faster.

In Step 16 you will learn even more ways to earn more money.

Train People

If you are good at something, you can train other people. I used to be a personal trainer, for the majority of my life, either full time or part time. I started my first business with the money I made from training people part time. You can do this with anything, not just fitness. You can teach people anything you are good at.

Drive For Uber

Need something outside the 9 to 5? Whether you're a student, parent, or just need something flexible, Uber is perfect for your schedule. You can choose your own hours, make great money, and use your own car.

AirBnB

Rent your your home, or a room in it on AirBnB for quick extra cash.

Step 16 Be Valuable

“You smart. You loyal. You're grateful. I appreciate that.”

DJ Khaled

Ways to Earn More Money by Creating More Value

Are you looking for ways to earn more money? If you are not then you absolutely should be! A secret of successful people is that they always deliver more value than what they are being paid for.

You might wonder why a person would choose to work harder than they are being compensated for. Isn't it fair to give an equal exchange? The answer is yes, it is fair, but if you are trying to go to the next level you have to get into the habit of doing more than what is required of you. This principle is commonly referred to as the “law of success”.

Generally people only want to do a minimal amount of work in any job, but they still like to receive the full pay. If you look closely, you will see that most of the time people who habitually try to game the system don't typically get ahead; they simply “get by”.

There are two big reasons why someone, who is looking to be successful and earn more money, must follow the practice of going above and beyond what they are paid for. First, the mind grows stronger through use, just like the physical muscles of the body do when worked out. By doing more, the extra faculties that are being used become stronger and more perfected.

Second, when getting in the habit of doing more than what you are paid to do, you will be gaining the spotlight of attention. It will only be a short matter of time before you are being sought out for your services, with people offering you impressive amounts for your work. Practice always makes perfect—the harder you work, the more you refine your practice. Over time, as you perfect your skills in your field you'll start to get recognition and subsequent success. That recognition might not come from expected sources but it will come.

You have to trust in the “law of increasing returns”. This law says that when you render more service than what you are paid for, the end result is that you will eventually be paid in full. The thing is, this law doesn't always work instantaneously, and it has to be practiced consistently for the actual benefits to materialize. You must remember that this isn't some arbitrary law at work; almost all people who achieve high levels of success and wealth, when questioned, confirm this law helped

them get to where they are. If you are looking for a raise for example, putting this law into use will get you there quickly. Even if you never get the recognition you deserve at your job,

by working hard you will develop useful skills that might translate to making even more money in a business opportunity.

When an employer is confronted with an employee who is always going above and beyond, they will value them more, which can lead to raises and other great opportunities down the road. A lot of the time, this is the only thing that an employer looks for—an employee who is taking the extra step. Since 99% don't take the next step, 99% are stuck in a mediocre place financially.

Any individual that is outperforming the others will be noticed by their peers, as well as the boss, and it is these people who are given the better positions that open up. Instead of complaining about why so and so got the promotion, the wise thing is to look at the reasons why they got it. Most of the time you will find that they were: either consciously or subconsciously, putting this law into use.

Of course people do get promotions, raises, and recognition for other reasons, but those other reasons are usually outside of your circle of control and focusing on those things will only serve to thwart your efforts to up your own personal development game. Instead, you can choose to focus your efforts on those things that you can actually control like being the most valuable person (MVP) at your job and let the universe take care of the rest.

If you are already an MVP and you feel like it is getting you absolutely nowhere, don't worry—on step 17 you will learn how to be a boss and earn the money you really deserve!

Step 17 Be a Boss

"I'm not a businessman, I'm a business, man."

Jay Z

Fact: The very richest people in the world (excluding those who inherited their money or won the lottery) are business owners.

While the possibility of becoming rich is a very attractive notion, there are a myriad of other reasons to become a business owner. If your longterm goal is financial freedom or financial independence, and you are serious about achieving that goal quickly, then you must consider serving others by owning your own business.

The reality is most people don't get rich by asking for raises at their day job. Instead of hoping for a raise or a promotion consider focusing your energy on serving others. The more people you serve, the more money you can earn and you will never have to work for people, whom you might not even respect, in hopes of a better future. Remember, you have the power to design your own destiny and starting a business is one way that you can do that.

Reasons to Start Your Own Business

I am sure that you have heard all of the reasons why you should not be an entrepreneur. I have heard "it's too risky," "you won't have any time for a personal life," "you'll have to go into debt to get started," etc., etc. For every concern or worry there is about starting a business, there is also an equally convincing reason to give the world of entrepreneurship a try. Below I will highlight just a few reasons why you should start your own business.

Earn more money on the side. Starting a small side business can be a good way to supplement your income and help you to reach your shortterm financial goals faster. One of the most attractive benefits of having a business is the ability to increase your earnings by increasing your efforts. The better you become at meeting people's needs the more money you can make. This fact isn't necessarily true when you are an employee. You can be the smartest, hardest working person at your job and still not make the most money. In fact, I have had jobs where the opposite was true. It was the laziest, leasttalented person on the job who made the most money (the boss). The beauty of entrepreneurship is that your talent will be rewarded financially, and your talent is measured by how much value you provide for the people you serve.

Join a network of likeminded people. Working on building a business is a good way to meet other

interesting, likeminded people. If you are serious about starting a business, chances are, you probably think differently than the majority of your coworkers and maybe even your family

members as well. Entrepreneurs and those interested in entrepreneurship can be a surprisingly supportive network for you to lean on and get advice from. When you start your business you will need lots of support, advice and sometimes just a listening ear from somebody who can empathize. Most importantly, you will need to surround yourself with people who understand your vision and thus, encourage you to keep going when the going gets tough.

Improve existing skills and learn new ones. Building a business will teach you a lot about yourself. You will undoubtedly be forced to do things that are outside of your comfort zone and you will grow exponentially as a result. Your timemanagement skills will improve, your decision making skills will grow, your instincts will sharpen, your leadership ability will increase—the benefits go on and on. You will also learn new skills that you probably haven't even thought of. Marketing, sales, social networking, web design, and better tax strategies are a few examples of skills you could develop as a result of starting a business.

Replace your day job. When you start a small business there is always a chance of that business taking off and turning into something that is very profitable. If you really enjoy your day job then you might not be looking to quit, but if you are like 80% of employed Americans that are unsatisfied with their job, then escaping the rat race might sound a little like a dream come true. Staying in the same job that makes you miserable and doing nothing that is going to increase your chances of breaking free is insane. Starting a business is a good way to increase your chances of one day attaining financial freedom and leaving the days of dreading Mondays behind.

Keep more of the money you earn. There can be numerous tax benefits to owning and operating your own business. You can claim many deductions on your taxes that regular employees cannot. You can write off expenses for your home office, internet and telephone, health insurance premiums, meals, travel, some entertainment, vehicles, interest, subscriptions, education, selfemployed retirement plan contributions, and probably more that I am forgetting to mention. The point is, it is advantageous from a tax management standpoint for you to own and operate a business, especially if you are looking to build your wealth over the long term.

Suggested Reading

Need some business ideas to get started? Listed below are a few good books that you can read to help you learn more about the benefits of starting a business as well as how to get started with very little money.

- [The 4Hour Workweek](#) by Timothy Ferriss
- [Platform: Get Noticed In A Noisy World](#) by Michael Hyatt
- [Seven Years to Seven Figures](#) by Michael Masterson
- [Own Your Own Corporation](#) by Garrett Sutton

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- — **The Magic of Thinking Big** by David J. Schwartz

- **How to Make Millions With Your Ideas: An Entrepreneur's Guide** by Dan S. Kennedy
- **The EMyth Revised: Why Most Small Businesses Don't Work And What To Do About It** by Michael E. Gerber
- **The \$100 Startup: Reinvent the Way You Make a Living, Do What You Love, and Create a New Future** by Chris Guillebeau
- **The 80/20 Principle: The Secret To Success By Achieving More With Less** by Richard Koch

In Step 18 you will learn one good way to invest some of your side income.

Step 18 Be Boring

“You gotta come provocative nigga!”

Raekwon The Chef

In Step 2 of this guide we learned about personal leadership and designing your own destiny. Today I want to extend that concept as it relates to your investments. I know investing money can be a scary thing, especially if you feel like you really don't know a lot about investing. That is why I want to introduce you to a way of investing that is less scary and a lot less exciting than picking individual stocks and watching the stock market every day to see if you gain or lose money.

Watching the stock market can be very thrilling and even produce an adrenaline rush for some people but today I want to encourage you to be boring with your investment decisions. I once read somewhere that your life should be interesting and your investments should be boring.

That quote really stuck with me, and after years of letting it marinate in my subconscious mind I have to say that I wholeheartedly agree with it and since I have made a conscious effort to make my investments less “interesting” I have felt more confident about my investments and less stressed about the “what ifs.”

What you need to do BEFORE you start investing your money

1. Know your net worth and your expected net worth and commit to increasing it.
2. Get out of debt and how to stay out of debt; focus on eliminating consumer debts and debts with high interest rates and consider refinancing to get lower interest rates if possible so you can get out faster!
3. Have an emergency fund of at least three months of your monthly income saved.

Advantages of the Roth IRA

Currently you can contribute \$5,500 or \$6,500 a year to a Roth IRA depending on your age.

If you are under 50 you can contribute \$5,500 and if you are over 50 you can contribute \$6,500. The contribution limits are periodically adjusted for inflation so check to see if they have increased. There is also an income cap for being eligible to invest in a Roth IRA. Your adjusted gross income is considered so you will also need to check to make sure you are eligible to contribute. To check, google “Roth IRA income limits [current year]” and the information you need should pop right up.

Now that you have established eligibility, let's discuss why you would want to invest using a Roth IRA account. When you invest in a Roth IRA your money grows taxfree. This means you will not owe the IRS a cent on any money you earn in that account. Another reason I want to

encourage you to take advantage of a Roth IRA is this type of account is a lot more flexible than a 401(k) or other retirement plans because you have total control over what you invest in and when.

Consider this, if you are 35 years old and you begin investing \$5,500 a year until you reach 65 years old then you will be contribute roughly \$165,000 but your account will have grown to approximately \$728,000 (almost three quarters of a million dollars) assuming an 8% annual rate of return. The best part is all of that money will be tax free!

Also, if you were wondering, you can withdraw your contributions (not your earnings) from a Roth IRA penalty free and tax free if you are ever in a pinch, but you shouldn't need to because you established an emergency fund before you began investing. If you withdraw the earnings before retirement age then you will get a tax bill from Uncle Sam.

How to Open a Roth IRA

#1 – Choose where you want to invest (your Roth IRA provider). Below is a brief list of options:

Capital One Investments

E*TRADE Financial

Fidelity Investments

Scottrade

TradeKing

Vanguard

#2 – Gather your financial information and fill out an application.

#3 – Make your initial deposit and set up automatic deposits and investments.

If you already have a Roth IRA account today I want you to make sure you have an automatic

investment plan in motion.

Advantages of Index Investing

For most people, the toughest part of investing in stocks is the selection of a stock. There are thousands of stock companies listed on the market, so you can invest in any of these companies by doing your own work and research.

There are two ways that you can invest in stocks:

- (1) you can invest in any company of your choice you find after conducting market research or
- (2) you can invest in index funds. I am going to talk about some of the advantages of index funds.

Index funds aim to replicate the movement of specific financial market. This may also include some subsets of financial markets or bonds. Generally, indexing is considered an inexpensive and very effective way of investing in stocks, but not all index funds work in the same fashion. Different index funds may have different structures and costs.

The advantage of this strategy is there is no need to hire an expert or spend a lot of time researching individual stocks. Just invest in an index with a good track record over a long period of time and move on with your regular life!

The advantages are: you pay no sales commissions; index investing is more efficient tax wise; index investing provides the **diversification** you need; and overall, index investing is considered less risky when compared to investing in individual stocks.

Other Advantages:

Low Costs– Active managers sell and buy securities more often. On the other side, index funds hold on the investments until the index changes itself when securities meet or fail to meet its predetermined criteria. So, index funds have lower managing and operating costs. According to the investment company institute, for example, the annual average cost of actively managed mutual funds was approximately 0.92% in 2013, whereas the index mutual funds usually charge 0.10% to 0.30% of assets.

Diversification –Index funds are more diversified than individual stocks. This diversity allows investors to attain a great exposure to massive companies as well as a large group of companies easily and efficiently. The diversification of index funds makes them less volatile compared to individual stocks. Especially, foreign index funds make diversifying more easy and inexpensive. Moreover, foreign index funds offer great exposure to market segments or to entire foreign markets.

Liquidity– Shares of index funds are bought and sold on all major stocks on a daily basis, and many index funds trade hundreds of thousands or millions of shares every day. Selling and buying shares of an index funds is way more convenient, easier, and efficient than the underlying shares.

Returns –Studies have proven that with the passage of time the average mutual

funds cannot beat the broad indexes. That is why index funds are a wonderful source for capturing the returns of the broader markets. Index funds might be a good option for optimizing portfolio returns.

Easy to Invest– Index funds are very easy to control and are a great option for one decision investors. Once you find and invested in the asset class you want, you do not have to do anything after that. You only have to do something when you want to invest more or need to withdraw some money, or perhaps rebalance your portfolio.

How to Start Index Investing

There are a number of companies that sell index funds. Your goal should be to choose a company that does not charge a yearly fee or sales commissions. There are two ways that you can begin index investing right away. The first way is to invest in an index mutual fund and the second way is to invest in an exchange traded fund also known as an ETF. I advise you to do additional research on the pros of cons of investing in both types of funds.

Start Investing in Mutual Funds

Fill out an online application to open an account at the firm of your choice. Some options are Vanguard, Fidelity, TIAACREF, and Charles Schwab. Once you select a firm you will need to make an initial contribution to begin investing.

Start Investing in ETFs

Most brokerage accounts give you the option of purchasing ETFs. To get started, fill out an online application, make your initial contribution and begin investing.

Additional Resources

There are several good books available to learn more about investing. For more information about index investing—if you are just starting out—I would recommend *The Bogleheads' Guide To Investing and Common Sense On Mutual Funds*. Just so you are well rounded in your investment education. I would also recommend reading *The Intelligent Investor* which discusses value investing (an approach that takes more time and skill to perfect).

*Note: Always do your own research before making investing decisions and never invest in things that you do not fully understand. Seek professional financial assistance as well as

your own research before making any decisions.

In Step 19 you will learn about another type of investment—real estate!

Step 19 Own It!

“I'm a hustler baby, I just want you to know. It ain't where I been, But where I'm bout to go.”

Pharrell Williams

In this section of the book when I talk about home ownership it is important for you to understand that I actually mean ownership. I do not mean you living in a house and paying a mortgage on a home to the institution that really owns the home. I am talking about purchasing a home and paying it off completely. True ownership.

Why is it important to make the distinction between actual ownership versus perceived ownership? I want to make the distinction because my assumption is that you eventually want to achieve either (a) financial freedom or (b) financial independence. Both goals are lofty and worthwhile pursuits and both imply that once achieved you will have the option of working a job if and only IF you choose to.

For the average person, a large monthly financial obligation like rent or a mortgage makes it difficult to walk away from a job even if you hate it. So if your goal is to be free to decide how you earn your money or to build enough assets to eventually cover your monthly expenses for life, then the easiest way to achieve these goals is to reduce your monthly expenses.

Eliminating the need to make a monthly housing payment is a great way to dramatically decrease your monthly expenditures.

Imagine life without any debt payments and without a huge monthly housing payment. Think about what it would feel like to be able to keep almost 100% of your income to use as you please. It would feel amazing and I think it is a worthwhile pursuit.

Positive Factors Associated With Home Ownership

If the thought of a life with no housing payment (without having to sleep on somebody's couch or floor while they secretly wish you would leave) sounds appealing to you then I want you to consider some of the other benefits of home ownership.

Benefit #1 – Leverage

You do not have to come up with 100% of the cost of a home all at once. After saving your 20%

down payment you can borrow the rest of the money to get you into a home. There are even

some programs that will allow you to get a mortgage with a much smaller down payment but since this is a book about financial fitness I would never encourage you to go that route. A 20% down payment shows that you are prepared financially to own a home and it is a representation to the lender that you have some serious skin in the game. You will be rewarded for your financial integrity with an overall lower monthly payment as you will avoid having to pay private mortgage insurance (PMI).

Benefit #2 – Tax Advantages

One of the most attractive advantages for many individuals looking to buy a home is you may be able to deduct the cost of your mortgage interest and property taxes from your taxable income. If you are actively seeking ways to keep more of your hardearned income then this tax benefit might appeal to you as well. You might also be able to claim closing cost deductions for even more savings.

Benefit # 3 – Build Wealth and Hedge against Inflation

If you are like the majority of Americans then the equity in your home will represent the largest share of your net worth. You can influence the amount of equity in your home a couple different ways such as making home improvements and paying down your mortgage. Your equity can also increase in value due to economic conditions like inflation and local supply and demand. Also, historically, real estate has reliably outpaced the rate of inflation. Simply stated, the value of your home will most likely appreciate faster than the general cost of living.

Remember, you want your home to be a financial blessing and not a burden. When you decide it is the right time for you to buy a home make sure you have an adequate down payment and that you opt to purchase a home that is well within your financial means. There is no rush to go out and buy a house. You will know when the time is right and you will know exactly how your new home fits into your overall financial plan.

If you are already invested in a home, do some more research to see if it makes good financial sense in your particular situation to accelerate your mortgage payments to make actual home ownership a reality for you even sooner. Paying off your mortgage early will give you financial peace sooner as well as allow you to apply more of your income to other investments.

In Step 20 you will learn how investing in another important area—relationships— can add huge dividends to your net worth.

In Step 20 Get Some New Friends

"A thug changes, and love changes, and best friends become strangers"

Nas

I know that you have probably heard the saying "your network determines your net worth." In this section of the book I want to explore some of the reasons why that saying is true.

So far, I have been talking about specific things you should do with your money in order to grow your net worth. Sure it is important to learn how to earn more money and how to save and invest it but now, I want to switch gears slightly and talk about the importance of investing in another area in your life—your relationships. I know some really negative, alwayscomplaining people who blame everybody in the world but themselves for their failures like a bunch of little hoes. I can't fuck with them niggas.

My point is after spending time with negative people, who have never achieved anything significant and have a million reasons why they never will, I can feel their negative energy linger in my spirit long after they are gone. However, I have the same experience after I have spent time with a person who has a stellar attitude and outlook who is much further along in life than I am.

It appears that some people enjoy remaining in a negative state all of the time. They must get something out of it. I do not have time to fully explore the psychological benefits a person might get out of being a habitual "little bitch" because I would rather spend my very limited free time being productive and improving my own life, the lives of those around me, and getting this mother fucking money!

First, let me say that I know that you are a winner. I know this because you are taking time out to read a book that will help improve an important area in your life. Another thing that I know for sure is that winners have certain habits that losers do not have. I want to highlight some of those habits here. I also want you to understand the effect that your network can have on you and what you can do to make sure you are surrounded by positive forces that will elevate you instead of dragging you down. If you have negative coworkers or family members then it might be difficult to completely avoid negativity but there are things you can do to combat the effects of the depressed and the pitiful in your life.

Do This One Thing: Seek Relationships with Other LikeMinded Individuals

Surround yourself with people who have the same values and interests as you and you will notice a dramatic increase in the rate at which you accomplish your goals. If you do not

personally have a lot of people in your life who are currently working towards the same goals that you want to attain, no problem. With all of the technology and social media that we have available today it is easier than ever to find amazing people to connect with. You can get started by joining an interest group on Facebook and, inevitably, you will begin to meet people who have already accomplished what you want to accomplish and they will be happy to help you do the same.

Other Reasons to Get Some New Friends:

Learn New Things We all have different skills, talents, and experiences. Making connections with new people exposes you to a variety of perspectives that can help you solve problems that you may not have thought of on your own. You will also be beneficial as you lend your unique insights to others.

Grow Faster Making friends with likeminded people expands your network exponentially. Your new friends will undoubtedly be connected with other interesting people whom they can introduce you to. Also, you might find your next business partner through one of your new friends or one of their friends. Success breeds success. By virtue of you being connected with successful people you are bound to achieve more.

CrossPromotion Have you ever heard the saying “you scratch my back and I’ll scratch yours?” What this means is friends help friends so when you find these new successful and interesting people, they are going to be willing to teach you things to accelerate your growth but you will also lend your talents and promote the things that they are doing as well. You will work together for the greater good of each other and the people you serve.

Accomplish More In his book *The Seven Habits of Highly Effective People*, Stephen Covey talks about the power of synergy. He explains, “[synergy] means the whole is greater than the sum of its parts.”

He writes:

“Synergy is everywhere in nature. If you plant two plants close together, the roots comeingle and improve the quality of the soil so that both plants will grow better than if they were separated. If you put two pieces of wood together, they will hold much more than the total of the weight held by each separately. The whole is greater than the sum of its parts. One plus one equals three or more.”

In other words, it is actually imperative that you connect with others because you can get more accomplished by working cooperatively than by working alone.

Where to Find Amazing New Friends

To connect with likeminded people you have to go where they would hang out. I have connected with a lot of amazing people through completing online courses that I found by

reading blogs that I enjoy. Since I stalk all things personal finance I tend to meet people who are doing interesting things around earning, saving and investing money. You can also find successful people by joining Facebook groups, using the Meetup App, or taking college classes related to your areas of interest.

Step 21 Fight For Your Life

“They don’t want you to succeed.”

DJ Khaled

When you’re on your journey of the getting of this money, you **will** face adversity. Strangers will judge you. Your so called **Friends** will judge you. Even your own **Family** will judge you.

They **don’t** want you to succeed. They **don’t** want you to **rise**.

If you want to make it to your ultimate goals and dreams financially, you can’t allow external distractions and negativity steer you away from your narrow path to success.
FIGHT FOR YOUR DREAM.

You need every advantage you can get in this capitalist world. The world of finance and entrepreneurial business is a warzone, and it’s on you to demolish your competition. **Harden the fuck up, or be wiped out of the game...**

Enter [FIGHTER FUEL](#):



When you step into the ring of life, you need every advantage at your disposal. Every edge possible to perform at your peak potential.

That's why we created [FIGHTER FUEL](#) to give you the drive, the clarity and the mental sharpness to function at the top of your game every single day.

If you need the fuel to tackle the day, or just want a midday boost to maintain performance, efficiency and clarity to win, then [FIGHTER FUEL](#) is your edge.

[FIGHTER FUEL](#) will do more than just give you a slight "buzz" in energy; it will make you feel super charged and ready to train like a mutant on a mission. The energy rush comes from only two ingredients: Caffeine from Arabica coffee and Panax Ginseng.

Order some FIGHTER FUEL today, and get the edge your competition doesn't want you to have.

FIGHTER FUEL can be found here: <http://www.amazon.com/dp/B016V1TFOI>

Conclusion

“I will not lose”

Jay Z

Over the last 20 steps I have given you the very basics of what you need to do to get your financial life in order. We talked about mindset, getting organized, habits, systems, and you even learned how to create your own financial statements to help quickly assess your financial strengths and weaknesses.

If you completed all of the exercises, then you are well on your way to the path of financial fitness. Keep up the good work!

If you ever slip back into your old habits I want you to have something to quickly reference to get you back on the right path so I have created a “Financial Fitness Checklist” which contains a visual reminder of the important things you learned in this book. Think of it like a miniworkout to get your finances back in shape.

Checklist

- Consistently spend less than you earn
- Pay off all of your debt and maintain a debtfree lifestyle
- Create a spending plan (budget)
- Save for retirement
- Build an emergency fund (at least three months of your monthly income)
- Sell things you no longer want or need for extra money
- Calculate and monitor your net worth
- Earmark at least 10% of your income for charitable giving
- Organize your important financial documents
- Reduce your monthly expenses as much as possible
- Automate your savings, investing, and bill paying
- Set longterm and shortterm personal finance goals

- ❑ Open a savings fund to pay for your next car
- ❑ Pay off your house as soon as possible
- ❑ Create multiple income streams
- ❑ Review and update your financial records and spending plan (monthly or at least once a quarter)

That is it for this book. You now have everything you need to get started on your path to financial freedom. If you want to get results, you have to take action.

Before you go I would like to say thank you for reading my ebook. There are many books you could have chosen to read but I am honored that you chose to read mine. I hope I helped you in some way and I wish you much success on your personal finance journey.

BONUS CHAPTER CONTENT

Financial Enlightenment: True Masters Of Money

If you're one of the gogetters that made it all the way to the end of this ebook, I congratulate you, because you are the 1% that has shown you will do what it takes to seize your dream, no matter the obstacles, no matter the hardships.

If you're still with me, I have the feeling you desire to take the high road in business... ***you want to be your own boss.*** You want to break free from the rat race.

Do you have thoughts like this late at night?

Does this sound like you?

If so, continue reading...

like all uncharted territories there will be times where you second guess yourself or simply don't know which turn or decision to make next. And how could you? You're basically getting behind the wheel of a foreign car in a new country for the first time, shifting a stick with your left hand while trying to navigate street signs you're not used to. It would be better to have a local driver shuttle you around at least until you've learned the ropes.

That's why the absolute best solution is to have a coach, mentor, or personal success guide who has traveled the exact road ahead of you and knows the ins and outs. Someone who can warn you before you hit a pothole or lose a ton of time and money making unnecessary mistakes. Someone that can be like a sidekick and even spot lucrative opportunities you may not even be aware of.

Bro Labs is offering that solution to serious applicants only.

If you want to increase your speed and traction so you can get from where you are now to where you want to be ASAP, there's no better way than to apply to join the

["Bro Labs Business Mastermind".](#)

This is an Elite group of high performers who want to achieve extraordinary results quickly. If you qualify to be one of the few members chosen to be part of this select group, you're much more likely to not only prevent crippling mistakes, but also accelerate your forward momentum in ways you could never imagine or achieved on your own.

It will not always be easy, but it will be worth it. If you make it in, it is our goal to ensure your success.

[Click here to apply.](#)

