

If you don't know what you'll do with the money you'll never know what you head

THE FIVE TRUTHS ABOUT MONEY

- TRUTH #1** The key to happiness is not more money. Happiness is happiness. Money is money.
- TRUTH #2** Whatever your life is about, more money will amplify it. Money won't change you —it will expose you.
- TRUTH #3** Lifestyle is style over amount. And style is an art; your personal art of living. You can't buy style with money. You can't buy good taste or good decisions with money. You can only buy more with more money.
- TRUTH #4** The LIFE QUEST is to have the best life in the time available to us. It's not the amount; it's the value. Money doesn't buy value as it pertains to the best life possible.
- TRUTH #5** Money will come to you when you are doing the right things. Money has its own rules and disciplines. If you don't learn them, you are basically financially illiterate.

THE TRUE PURPOSE OF FINANCIAL WEALTH

To finance the material foundation necessary for you to achieve your personal mission for your life.



A FINANCIALLY WEALTHY PERSON

Someone who has accumulated the wealth that delivers the unearned income (passive) necessary to become self-actualized and achieve their personal life mission.

WHATEVER YOUR
LIFE IS ABOUT,
MORE MONEY WILL
AMPLIFY IT.

ASSETS FEED ME, LIABILITIES EAT ME

Wealth isn't difficult to understand.

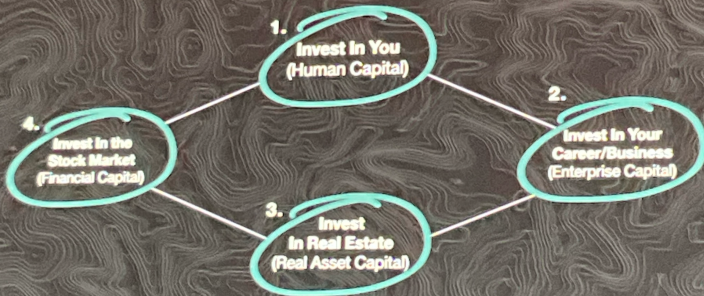
1. It's simply focusing on owning productive assets versus consumptive assets.
2. It's remembering that investing isn't risky and taking risks isn't investing.
3. It's remembering that the basis of great investments is this: repeatable actions done over time that deliver predictable outcomes.

5 MYTHS OF FINANCIAL WEALTH

- 2: wealth is built quickly
- 3: investing ng is about picking winners
- 4: wealth is only about money
- 5: wealth is about what you have

THE RICHEST PERSON ISN'T
THE ONE WITH THE MOST
POSSESSIONS. H'S THE ONE
WITH THE MOST FREEDOM.

THE FOUR ENGINES OF FINANCIAL WEALTH



HUMAN CAPITAL

Everything you earn is built on who you become.

our first fortune is your learning ability

Capital is sitting everywhere for the right investment

CAREER OR BUSINESS CAPITAL (ENTERPRISE)

Put the human capital to work

Careers create cash flow. Business creates ownership

Focus on becoming valuable

THE GREATEST
LUXURY IS
CHOOSING HOW
YOU LIVE.

REAL ESTATE CAPITAL

Let's other peoples time and money build wealth

STOCK MARKET - FINANCIAL CAPITAL

The stock market isn't the investment. The businesses are.

FINANCIAL WEALTH ULTIMATELY BUYS CHOICES

Flexibility, Security, Freedom. The ability to say no.

THE PATH OF MONEY

Two kinds of Capital

HUMAN CAPITAL

You work for money

CAPITAL ASSETS

Your money works for you

CASH FLOW

Four choices for Cash Flow

SPEND IT ____%

DONATE IT ____%

HOLD IT ____%

INVEST IT ____%

Two Basic Investment Choices

LEND

OWN

Two Basic Positions

PASSIVE

LEND

- Money Markets
- CDs
- Bonds
- T-Bills

"They control it"

OWN

- Stocks
- REITs
- Mutual Funds

ACTIVE

LEND

- Owner Financing
- Private Lending

OWN

- Businesses
- Real Estate

"You control it"

FINANCIAL RETURNS

\$100 INVESTED EVERY MONTH

Interest Rates Compounded Monthly

YEARS	0%	2%	4%	6%	8%	10%	12%	14%	16%	18%	20%
1	\$1,200	\$1,218	\$1,236	\$1,254	\$1,273	\$1,291	\$1,310	\$1,329	\$1,348	\$1,367	\$1,386
5	\$6,000	\$6,318	\$6,636	\$6,954	\$7,273	\$7,591	\$7,910	\$8,229	\$8,548	\$8,867	\$9,186
10	\$12,000	\$13,294	\$14,588	\$15,882	\$17,176	\$18,470	\$19,764	\$21,058	\$22,352	\$23,646	\$24,940
15	\$18,000	\$21,005	\$24,010	\$27,015	\$30,020	\$33,025	\$36,030	\$39,035	\$42,040	\$45,045	\$48,050
20	\$24,000	\$29,529	\$35,058	\$40,587	\$46,116	\$51,645	\$57,174	\$62,703	\$68,232	\$73,761	\$79,290
25	\$30,000	\$38,947	\$47,894	\$56,841	\$65,788	\$74,735	\$83,682	\$92,629	\$101,576	\$110,523	\$119,470
30	\$36,000	\$49,355	\$62,710	\$76,065	\$89,420	\$102,775	\$116,130	\$129,485	\$142,840	\$156,195	\$169,550

speed up your rate of return

BUSINESS THAT REQUIRES YOU IS A JOB. A BUSINESS THAT RUNS WITHOUT YOU IS AN ASSET.

SDE: Profit with owner actively in it.

EBITDA: Profit after management has been accounted for.

REMOVING YOURSELF FROM THE BUSINESS CAN LITERALLY CREATE WEALTH

Owner dependent businesses command lower multiples

Businesses with DOCUMENTED systems, strong managers, recurring revenue and less owner dependence become more valuable as an asset.

THE WEALTH EQUATION IS BIGGER THAN MAKING MORE MONEY.

Invest in yourself → increase earning power → create cash flow → keep part of it →
buy productive assets → hold them → compound → build ownership → create freedom.

CAREERS CREATE CASH FLOW.

BUSINESSES CREATE OWNERSHIP.