



Cash Rich Handbook

Week 6

by Asara Lovejoy

Mind Your Money

When your desires are strong enough, you will appear to possess superhuman powers to achieve. ~ Napoleon Hill

- How do you plan your money?
- Where you put your mind - your money will follow.
- What are your priorities – see the bigger picture of where you want to be and plan for it.

Dedicated bank accounts stop arguments and prepare you for enjoyment as well as success.



Add investment money to your 3:1 Ratio – The skill to save and spend money appropriately.

Add these amounts to your ratio of 3:1 Golden Mean--generate more cash in your BIG PLAN.

The 3-7 bank account skill

- 10% to you in Savings
- Bill paying account
- Investment account
- Kids School Account
- Vacation, trip and fun account
- House maintenance account
- Taxes account

Untouchable Money

As you increase your cash savings - set up an untouchable money account. Why, and what does this mean for you?

Credit Cards and Mortgages

Warren Buffett

Rule No. 1: Never lose money.

Rule No. 2: Never forget rule No. 1

In a conversation with Bill Gates, Warren said that credit card debt and mortgages were the number one cause why Americans were not rich. They are not assets; they are liabilities.

- Save rather than spend.
- Spend what you have planned to spend.
- Why you spend more than you should and how to overcome it.
- Spending on family and why you can choose.

Credit Card Debt

Creating debt based on the assumption that you'll have more cash later is insanity. ~ Anonymous

- Who benefits from your debt?
- Who benefits from your credit ratings?
- You are sold on going into debt.
- Sell yourself on creating more and more cash and pay with cash and eliminate your debt.

Debt

Either eliminate the debt or make more money.

Bankruptcy is a legal means of getting out of the mistakes you made—as long as you correct your behaviors and don't make them again.

How much time are you willing to take to educate yourself to have new habits about money?

The \$100 Formula

Look at your credit card debts.

Say one card at \$10,000, one card at \$5,000 and one card at \$2,500.

Pick the lowest card and pay it off first by adding \$100.00 > more to the amount required to pay it off (or more when possible.)

If the regular payment is \$100 - make it \$200.

When that card is paid off keep paying the \$200 on your next highest card plus the amount you have been paying. Say your payment is \$250 on your \$5,000 card. Now you pay \$450.

When that is paid off add the \$450 to your amount your pay on your highest card.

The Right Way to Use Credit

Have one card that you pay off every month to use for car rentals and airfare (get miles).

Special bank account with debit card – create one more bank account that is separate from most of your funds that you use only for online or purchases or dinners out or travel and fun expenses.

You can transfer from you vacation account when you are ready to go on a trip.

Set up automatic transfer online with your bank accounts.

Action Plan

You can advance only by being larger than your present place; and no man is larger than his present place who leaves undone any of the work pertaining to that place. ~ Wallace D. Wattles

Either you will choose to make an action plan or you won't and you'll reap the consequences of what you choose. ~ Zig Ziegler

Action Steps

Once you define what you Command, then your subconscious mind works WITH YOU to naturally implement your plan of action.

Action is a requirement of creating cash and setting or creating your intention is the first step in taking action.

Do you believe that goals are valuable?

Zig Zigler says: *Set them down on paper – what do you want to create?*

Next be realistic about the plan – who, what, when, where, and how, and the end date to be done.

Ask, what's in it for me?