Your Millionaire Opportunity

Disclaimers: All efforts have been made to accurately represent the information, ideas, techniques, and skills presented in this guide. There is no guarantee that you will make and/or save any money using the materials presented herein. Any examples are not meant to be a guarantee of effectiveness or a promise of earnings and/or savings. Materials from our program and on our websites may contain information that includes or is based upon forward-looking statements within the meaning of the securities litigation reform act of 1995. This ebook is provided for informational purposes only.

To My Team Partners

The phenomenal success of the Millionaire's Opportunity wealth building strategies discussed in this book can be attributed to the teamwork and feedback I have received from my business partners located around the world. Together, we have made a difference.

Author's Note

Throughout this book I talk a lot about using automated money systems to make money.

I have tried numerous systems, including non-automated systems like brick and mortar retail stores and service oriented businesses, as well as network marketing. In the end, the fastest and easiest way I have discovered to make money on autopilot is with Internet marketing.

I owe a great deal of thanks to my success in this area to George Brown, from Google Sniper fame.

George created an informational product and membership website that provides a complete introduction to making money from home using the Internet.

Click here to see how he literally makes millions online, and how you can quickly copy his system.

Table of Contents

Introduction: Wealth in America

If you are either broke, or not making as much money as you want, welcome to the party. I wrote this book for you.

We live in the richest nation the world has ever known. Yet, less than 5% of the retirees in this country are independently wealthy, and the vast majority of us depend upon Social Security and handouts just to get by.

Something is wrong with that picture, and the odds suggest that you cannot achieve financial freedom.

But, I'm betting you do not consider yourself a statistic.

In my opinion, if you are willing to learn the basic principles of creating wealth, and will apply this knowledge in a concerted and deliberate manner, you can achieve wealth.

Achieving wealth in America is not about how much you earn, but how wisely you use what you earn. This book is aimed at helping you to both increase your income, and manage your money properly.

Among other things, you will learn that spending more than you earn in an effort to impress friends and neighbors with your material possessions is a recipe for financial disaster. Additionally, lacking the patience to invest for the long-term, develop action oriented goal statements, and failing to protect yourself with proper insurance and legal advice, are all indicators of poor financial management.

Again, it’s not what you earn, but what you do with it that matters.

When it comes to wealth building and any business endeavor, one of the biggest obstacles you will encounter is the programming of your parents, friends, school, and media. Popular opinion has taught us that wealth and success comes to those who are lucky, or cheats.

I hope the following principles will help you realize this is not true.

Measuring Your Wealth

One standard measurement of wealth is a six-figure income, which pertains to the number of digits in your annual income. A six-figure income equals anything above $100,000.

The most recent data from the Internal Revenue Service, 2007 tax returns, show exactly where your current income places you relative to other taxpayers. According to the IRS, an income of $32,000 puts you in the top 50 percentile, and an income of over $66,000 places you in the top 25 percentile. To reach that magical top 10% of all earners requires an annual income of at least $113,000.

According to the U.S. Census Bureau, in 2004, the number of households with income between $100,000 and $149,999 exceeded 11 million, 3.5 million American households had income between $150,000 and $199,999, 1.3 million households had incomes between $200,000 and $249,999, and 1.7 million households had income above $250,000 per year.

Unfortunately, the wealth of America cannot simply be measured by income.

According to an article written by David Francis and published in the May 23, 2005 edition of Christian Science Monitor, nearly 20% of

American households have either zero net worth, or actually owe more than they are worth.

Furthermore, according to Francis, 25% of American households do not have sufficient cash reserves or other assets to support themselves above the poverty level for three months, and 33% of households do not even have an active bank account.

What ever happened to the land of opportunity? Americans are killing themselves with uncontrolled spending, easy credit, and a complete lack of budgeting or saving skills.

Finding Your Wealth Quotient

So how does one measure wealth? And, when does a person know if he or she has achieved "wealth?"

For the purposes of this book, wealth is defined as an income level derived from passive sources that allow you to live without depending upon a job.

This emphasis on "passive income" is a critically important millionaire secret.

Passive sources are any income source that throws off a positive cash flow, which you can bank or spend. For example, the cash left over from a rental property after all expenses are paid, is passive income. Likewise, interest from a certificate of deposit, or dividends from stock investments, are examples of passive income.

With this definition in mind, the key to creating wealth is to figure out how to create and build passive income sources.

To measure my progress in this area, I use a simple formula:

Passive Income Divided By Total Living Expenses Equals Your Wealth Quotient

Consider this example: If you had $1,200 per month in combined passive income from a real estate investment and your cash savings account, and $4,500 in monthly expenses to survive (house payment, household expenses, etc), your wealth quotient equals:

1,200/4,500 = .26

The ideal is to achieve a quotient of 1 or greater. The number .26 represents approximately one quarter of your desired quotient of 1 or greater. Change the numbers and watch what happens:

3,000/4,500 = .66

4,500/4,500 = 1

6,000/4,500 = 1.33

The key to long term financial success is to build passive income, and free yourself from the need to work or "earn" a living. In my opinion, when your wealth quotient reaches 1, you have achieved wealth.

The rest is simply a matter of how much margin for safety and extra luxuries you wish to obtain.

Creating Wealth With Passive Income

Keep in mind that passive and portfolio income is typically earned from fully insured and maintained real estate that provides a positive cash flow, interest from savings, dividends from Blue Chip stocks and bonds, and royalties from books, patents, and music you may own the rights to.

These rights to intellectual property, combined with the equity in real estate owned and various certificates of deposit, stocks, and bonds, comprises what is known as your capital base.

As your capital base grows, you are able to generate greater amounts of passive and portfolio income (PPI). When your PPI exceeds your basic living expenses, you have achieved a level of wealth that enables you to make riskier investments in the pursuit of higher yields and return on investment (ROI).

The key here, which is a lesson I learned from both “The Richest Man in Babylon” and the school of hardknocks, is not to erode your capital base by making risky investments or spending the money that makes up the foundation to your wealth building aspirations.

As my rough sketches illustrate, you should use only the cash proceeds that are above and beyond your basic living expenses (derived from your capital base) to make wealth building investments and/or purchase the goodies in life.

If you violate this rule and consistently dip into your capital base, you will need to keep your day job to feed your consumption habits.

I am not in any way advocating a Spartan lifestyle—after all, the pursuit of wealth is only worthwhile if you are allowed to enjoy a higher quality of life for yourself and your family.

Creating Wealth With Delayed Gratification

The basic tenet of this book is that you should carefully manage your money to ensure your investment and wealth building goals are heading in the right direction. In the short term this may mean cutting back on the niceties, but the rewards later on will allow you to enjoy the good things in life above and beyond the norm.

Robert Allen makes this point perfectly clear in his book, “Nothing Down,” where he compares your pursuit of wealth to a rocket ship leaving earth towards space. In the early stages, just after liftoff, your progress is slow and awkward, but as you gain experience and continue to build your capital base, your rocketship gains speed until it begins to break free of the earth’s gravitational pull.

Allen’s analogy is a great lesson in wealth building and is well worth reading.

Again, this concept of building passive income to create wealth is vitally important to your acquisition of wealth. Follow the steps of creating multiple streams of income that ideally throw off positive cashflow to your hip pocket with minimal effort.

Your Millionaire Opportunity In A Nutshell:

- Create multiple streams of income from passive sources.
- Use this positve cashflow to offset your living expenses.
- Use the excess (passive income above and beyond your living expenses) to feed your investment activities.
- When your wealth quotient exceeds 1, you have achieved a moderate level of wealth.

The "Income" Route To Wealth

Another definition of wealth considers income, where an annual income equal to or greater than 1 million dollars constitutes wealth.

Using the net worth criteria alone, 3% of American households qualify as “wealthy,” and according to recent studies of millionaires in America, most millionaires (million dollar net worth) live by modest means, drive non-luxury cars, and do not own luxury homes.

Based on the "income" definition of wealth, wealthy Americans are generally professionals such as attorneys, surgeons, and scientists, with the entrepreneurial group gaining ground. A great book to read on this subject is The Millionaire Next Door, by Thomas J. Stanley and William D. Danko.

Prior to the real estate and economic meltdown of 2008 and 2009, various consumer watch groups and the U.S. Census Bureau estimated there were over 8 million millionaire households in the United States, much of which was realized through high home values.

Sadly, the recent turn of events in our economy demands an alternative means of defining wealth in America.

Rich Dad's Definition Of Wealth

Robert Kiyosaki does not allow the inclusion of personal residences in his calculations of net worth in his Rich Dad, Poor Dad book series, and prefers to limit such calculations to investment property, liquid assets, and businesses owned or controlled.

Using his definiiton of wealth, the number of millionaire status households in America would be significantly lower.

In November 2007, author and financial wealth expert Russ Alan Prince estimated there were 8.4 million American households with net worth's from 1-10 million dollars. A number he claims is growing at around 15% per year.

And despite the recent housing market turmoil and massive layoffs by Fortune 500 companies, Americans continue to find ways to create wealth.

One example of outrageous success is Ashley Qualls' creation of the website www.whateverlife.com, reported in a Yahoo news article published 31 October 2007.

According to the article, Ashley generates over $1 million per year in revenue selling custom designed MySpace profiles. Interestingly, Ashley is a 17-year-old high school dropout.

Ashley's success is certainly not the norm, but it does serve to illustrate that opportunity to create wealth is not dead—in fact, it seems to be getting better and better.

It is my hope that you will think of the current economic turmoil as a challenge and not an insurmountable barrier. Learn the basics of creating wealth discussed in this book, and then take massive action to make something positive happen for yourself.

Creating Wealth Warren Buffett Style

Warren Buffett once stated, "It is easier to create money than it is to spend it."

The operative word in this statement is his use of the word "create." By "create," Buffett does not mean to make or earn money. Creating wealth is not about getting a second job or negotiating a pay raise, although these things can certainly help in the beginning stages of wealth building.

Creating wealth is about finding ways to preserve the money you do earn, putting it to proper use, and learning how to develop income sources from outside your normal day job, as discussed in the Introduction above.

Warren Buffett created his billion-dollar empire by investing in companies and adding value to their product or service. As a beginning wealth builder you can similarly add value to the enterprises you undertake by producing a better product, marketing your services more effectively, and making wise investments in real estate, stocks, bonds, and intellectual properties.

Another quote from Warren Buffett illustrates his philosophy towards investing. Buffet states: “I don’t try to jump over 7-foot bars: I look around for 1-foot bars that I can step over.”

This is an interesting strategy that you will see over and over in creating wealth and investment success type books.

Essentially, Buffett is telling you not to overwhelm yourself with the need to hit a homerun every time you step up to bat. A steady stream of singles wins games. From an investment or business startup perspective, this means you don’t have to bet the entire farm on one deal, nor do you have to make a million on your next stock market investment.

This philosophy is echoed throughout this book, where I implore you to think big, but to also think in terms of small successes repeated over and over. Again, if you can make a hundred bucks doing something within your current capabilities and resources, could you repeat it?

Creating wealth can be that simple.

Donald Trump And The Numbers Game

Donald Trump is an excellent example of this numbers game. While he came from a long line of successful entrepreneurs, Trump can be considered a self-made billionaire.

In his book "Think Like a Billionaire," Trump outlines his strategy for success. One of his key points that most self-made men and women can relate to is the need to go it alone.

Aside from the investor and lender support you will need along the way (which you will pay for in the form of interest and dividends), the process of creating personal wealth is a solitary one. Nobody cares about your finances quite as much as you. Nobody will hand you an empire. And nobody will sell you a thriving business.

Creating personal wealth is up to you.

It's up to you to take a lump of clay, known as an idea, and shape it into something valuable.

Fortunately, we live in a society that rewards ingenuity, hard work, and perseverance. Use the millionaire secrets in this book to educate yourself and start the potter's wheel turning in your direction.

A Little Disclaimer

In terms of a disclaimer, I should mention that I am not a licensed stockbroker, attorney, or certified financial planner. The information in this book is based purely on my personal experience and opinion. Please conduct due diligence in all of your financial and business decisions.

In the end, success and happiness will find you."

Your Millionaire Opportunity

Millionaire Secret #1

Spend Less Than You Earn

The first step in the wealth building process is the most difficult.

Spending less than you earn is an obstacle to success, and in my experience, trashes the dreams of more wealth builders than anything else.

Quite simply, if you cannot control your spending habits, you do not have the potential to achieve wealth—short of winning the lottery, landing a mega-millions sports contract, or inventing a cure for cancer.

Here's the challenge I'm laying down for you: Learn to spend less than you earn by either decreasing your expenditures or increasing your income.

Stop Wasting Your Hard Earned Money

Try not to focus on cutting out all the good things in your life or forcing a draconian budget on your family. Instead, cut out the obvious wasting of money, stop buying frivolous things on credit, and figure out how to make $300 to $500 extra each month, outside your current job.

Please don't think in terms of another part time job.

Think in terms of what home-based business or investment can bring in the money.

At a minimum, you should strive to spend less than 90% of your after tax income, while ideally this number should be closer to 70%.

Use the remaining 10-30% of your after tax income to build your savings account, and establish a cash reserve equal to at least six months worth of your living expenses.

Ironically, by spending less than you earn you dramatically alter the wealth quotient, as discussed in the Introduction. Technically, you have become wealthy when you can live off less than you earn. However, this is not good enough for me, and I doubt you or your family will find it acceptable either.

Putting Your Wealth Goals Into Perspective

National statistics on housing and the cost of living can help put your expenses into perspective. According to the Bureau of Labor Statistics (BLS), the average employed adult in America earns $36,764.

At least 17% of that will be consumed by income and Social Security taxes, leaving about $30,500 in expendable income, or about $2,500 per month. As renters, the median gross rent is $602 per month, and as homeowners the median costs are $1,088.