

## Title:

7 Great Money Tips To Lead You To Financial Freedom

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922

## Summary:

Regardless of where we are in life we can all learn something about money and how to better prepare for our future. Especially when we see that the national average is \$10,000 in credit card debt and that savings and preparedness is dropping. This article can put you back on track to a more fulfilling and financially free life.

## Keywords:

wealth, saving, money, credit, credit card, debt, real estate, investing, 401k, insurance

## Article Body:

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Regardless of where we are in life we can all learn something about money and how to better prepare for our future. Especially when we see that the national average is \$10,000 in credit card debt and that savings and preparedness is dropping. This article can put you back on track to a more fulfilling and financially free life.

1) Automate your investing. Experience has proven that if we have to make a conscious effort every time we need to invest we will start with good intentions and then miserably fail a few months later. If you can automate your savings, whether by using your employers 401k, a sep (self employment plan), or direct deductions from your account you will finish ahead. The rule here is if you don't see it, you won't realize it and you won't miss it. Some of these deductions will reduce your taxable income and save you further on taxes (see your CPA and tax advisor for more info on this). A good rule of thumb is to set aside 10% of your income.

2) Real estate. If you haven't already, buy a house. Renting will only make your landlord (hint - house owner) rich. Regardless of what the immediate market does real estate is one of the best long term investments you can make. It also has many advantages including deductions for mortgage interest. Real estate will always go up. People will always need a roof over their head. Just watch

HGTV, real estate has made many millionaires and is a key factor in almost every tape and book series on gaining wealth. Stick with the standard 30 year fixed mortgage.

3) Medical and life insurance. You need to have them, if you think you don't just ask anyone that didn't have it when something unexpected happened. If you love your family, they are a must. But, on that note, don't get taken. Buy term life. 20 years will give good term coverage and if you follow all of these tips you won't need anything beyond that. Whole life only makes your agent rich and really never builds any value for the huge costs involved. Term life can be purchased cheap over the internet at great savings. For medical insurance, in most states Blue Cross and Blue Shield offer great plans that are a fraction of Cobra or employer plans. If you have an adequate employer plan, by all means use it. Stick with big names like Blue Cross as they will be around for years.

4) Don't ever buy new cars. It is a fact that new cars lose 25-30% of their value the moment you drive it off the lot. Let someone else pay for that depreciation and get a two or three year old car or truck. With the latest technological advances cars can easily go 150,000 miles and above. A two or three year old vehicle with 30,000 miles on it will save you not only in initial cost, but also on your insurance, and taxes. Also do your homework before buying your car. Get your credit score and see what loans you qualify for. This can easily be done right off the internet and will save you big at your local dealer (never take a dealers word for your credit and rate - they will hold 1-3 points on rate and that can mean thousands in extra interest over the term of the loan).

5) Get out of debt. I put the investment tips above this as you need to pay yourself first. If you are overwhelmed with debt, there are numerous non-for-profit agencies that will renegotiate your debt and terms on your behalf. Work out a plan to get the high interest debt paid off. Be wiser with your purchases - do you really need that 60 inch flat screen tv? a BMW you cannot afford? etc... Cut up all cards but 1 (for emergencies you should have 1 credit card) and no store cards. The whole purpose behind store cards is to entice you to buy more and pay more. My grandfather said it best - "if you can't afford it, don't buy it." The only good loan to have is a mortgage.

6) Never burn bridges. If you happen to leave your current employ, leave on good terms. Find a replacement if time permits. This will put you in a good light with your former management and can result in a good reference, another job, a callback for more money, etc... Never leave on bad terms. Its just not good Karma. Also, it won't hurt to take former business associates and customers to lunch regularly. This will keep you in tune to the industry, give

you many additional contacts afford you future favors - just think of the lobbyists on Capital Hill, you don't think they spend all that money on their politicians for nothing do you? Don't be afraid to ask for a favor every once in a while. Karma is the big rule here -when you help others you will inadvertently help yourself.

7) Give back. Once you've made it it is only fair that you help others less fortunate than yourself. Regardless of your beliefs when you donate time and money to help others you will inadvertently help yourself. You will feel great. Also, the cardinal rule of karma is that when you give you will get many more times what you give back. Take the time to help by volunteering your time. Even if it is 1 hour a week, you will help improve someone else's life. Volunteer, it will make you a better person.