

NET WORTH MILLIONAIRE



NET WORTH MILLIONAIRE PLAN

THE PATH TO INCREASING YOUR NET WORTH AND PEACE OF MIND

- Step 1: Calculate your net worth: **Assets (what you own)** - **Liabilities/Debts (what you owe)**
(Net Worth Sheet)
- Step 2: a. Write out your financial goals (your new net worth): 1 month, 3 month, 6 month and 1 year
b. Write out next month's budget (Simple Monthly Budget)
- Step 3: **Save** one month of expenses in an emergency fund
- Step 4: **Invest** up to the company's match-401(k)/403(b)
- Step 5: **Payoff** all **debts** (excluding your home)-smallest to largest (this builds confidence and hope)
- Step 6: **Save** 3-8 months of expenses in an emergency fund (months: based on perceived job security)
- Step 7: **Invest** 15% of income into retirement (including level 4)
- Step 8: **Invest** into Kid's College fund (parental choice)
- Step 9: **Payoff** house
- option 1- **invest** the extra principal payments (higher return and liquidity) until your investment matches your remaining loan payment. Keep paying mortgage and move to Level 10.
- option 2- **invest** the extra principal payments (higher return and liquidity) until your investment matches your remaining loan payment. Payoff your house.
- option 3- **add** extra principal payments to mortgage (sense of security but low return/not liquid)
- Step 10: **Create** more wealth-invest