

# **AUTOMATIC WEALTH FOR GRADS**

**... and Anyone Else Just Starting Out**

**MICHAEL MASTERSON**

**MICHAEL MASTERSON** has been a self-employed business entrepreneur for more than 40 years. He has been involved in the development of dozens of successful businesses, including two that grew beyond \$100 million. Mr. Masterson currently serves as editor of *Early to Rise*, a daily e-mail newsletter. He is the author of three books: *Automatic Wealth: The Six Steps to Financial Independence*, *Power and Persuasion: How to Command Success in Business and Your Personal Life* and *Confessions of a Self-Made Millionaire*.

The Web site for this book is at [www.earlytorise.com](http://www.earlytorise.com).

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**MAIN IDEA**

If you're graduating from college or just starting out in life, your primary business goal should really be to become financially independent as soon as possible. In practical terms, that will require you to have a personal net worth of ten times the amount you want to live on each year so you can live indefinitely on the interest generated by your investments alone.

To reach that goal as fast as possible, you need to put your wealth generation activities on auto-pilot. Specifically, you should commit to saving 15-percent of everything you earn and applying that money in five key wealth generating areas:



How you spread that 15-percent of your income between these five areas will vary over time, but if you make a simultaneous strong start in all five areas, it's not unreasonable for you to expect to become financially independent after 10-years or less of solid, focused work. You'll also need to organize yourself to find the time to work all five parts of the automatic wealth program. There's really only one realistic way to do that: Wake up – and get to work – earlier than everyone else. Each morning, use that extra time to work on doing the things which will matter most in terms of your long-term success. Those optional early hours can make your life into exactly what it should be as determined by your own passions and desires.

*“Making money is not the most important thing in life. And getting rich shouldn't be your number one goal. But as a recent college graduate (or young person embarking on a career), wealth building should be on your agenda. Because – like it or not – your financial situation will affect your ability to enjoy every other aspect of your life. When you have 60 years of life ahead of you, becoming wealthy is not just easy, it can be automatic. If you start practicing the wealth building skills now, then before you know it you will be doing them without conscious effort. That's what I mean by automatic. Financial wealth is the net savings you have put aside for spending in the future. If you want to become wealthy, you have to learn how to save and invest a significant portion of your income.”*

– Michael Masterson

**1. Enhance your career . . . . . Pages 2 - 3**

Your first job probably won't pay all that much. That's fine, as long as you get started at developing good work habits. Once you've done that, you then work at skyrocketing to the top of your field. In addition to a higher income, becoming better will also generate stronger career options, more favorable networking opportunities and the chance to link up with mentors who will help advance your career. Your goal is simple – to do whatever it takes to become the top earner in your company.

**2. Save money and let it compound . . . . . Pages 3 - 4**

The earlier you start saving money, the longer the time there is available for compound interest to work its magic. If you start saving regularly right from the outset of your career and keep saving more each year as your income increases, you will be worth a lot of money by the end of your working life.

**3. Buy some real estate . . . . . Pages 5 - 6**

Real estate always generates exceptional returns on investment, even if you only spend one or two hours a week at it. This is why investing in real estate is right for you, even when you're just starting out. As for other types of investments, the longer you're in real estate, the more money you're going to make. This is another investment where youth works in your favor rather than against you.

**4. Invest in the stock market . . . . . Page 7**

Over the long term, stock markets have always increased in value by a compounded 10- to 13-percent each year. This is another area where you simply have to be involved. Don't try and beat the market but instead buy mutual funds which reflect what the market as a whole is doing. This will generate 10- to 13-percent returns year-in and year-out without any input from you. Again, this is an area you have to invest in but just be certain you're investing the smart way.

**5. Start your own business . . . . . Page 8**

Become a spare-time business owner. In other words, start and then learn how to grow your own business even while you still keep working full-time at your career. If your business takes off as anticipated, at some point in the future you can decide whether or not to start working for yourself. If the business doesn't reach that stage, you can keep working at your day job and try again.

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