



Founders Group Report February 13, 2006

90 Days to Life Change - Week Ten

The new year has come and gone. We are more than 1/12th into the new year. How are you doing on your life goals? I participated in a conference and this is an excerpt from the meeting. I hope it inspires you. Yes, you will again hear me talking about wealth building.

Okay, so here now are this week's insights.

Here are three things that struck me this week, and, some thoughts for you on each.

Jim made the comment that the rich invest their money and spend what's left.

The poor spend their money and invest what's left. So think like the rich!

If you are like most people, you started out earning barely enough to make ends meet right out of school and then steadily raised your income over the years. What is fascinating about this upward slope is that so many people can never seem to sock any money away and their net worth is basically the same at 40 as it was at 20. So what happened?

As their income grew, so did their expenditures and they never paid themselves first. When they were making \$20,000 a year, they would have been blown away if someone would have given them an extra \$20,000 - then they could have saved and invested. But instead, they got just a little bit more and they spent it. And soon they are making five times what they did right out of college and they are spending five times as much.

What is the answer? Pay yourself first no matter what you are making.

"But Paul, you don't know how much I make - I am in a low income job!"

Well, then just save a little! Put a buck a week away if that is all you can do. Invest something and then never touch it. Take whatever steps you need to do to save and invest. That is what the rich do. They take care of their own investments first - and most of the time the government gives them a tax break to do it!

The poor however, just keep on spending and making excuses on why they can't invest.

Decide that you will think like - and ACT like - the rich! Begin to take your investment dollars right off the top and sock them away for your financial future!

Start something and make progress.

Sometimes the most powerful lessons are the simple and not profound. It certainly doesn't shake the earth's foundations of wisdom to hear someone say that the

beginning of success is to simply start, and yet simply starting may be mankind's biggest obstacle.

Think about it. Everybody knows how to lose weight - eat right and exercise.

Everybody knows how to build an investment portfolio - spend less than you earn and put the rest away, yet millions of people never get the job done.

Why?

Simply put, they never start. Or if they start, they don't continue and make progress. Amazing, isn't it?

We know what to do and yet the biggest hindrance to our success is our own willpower. I wish there was a pill we could take that would give us intestinal fortitude, but there isn't. There is only one thing that can get the job done - our own guts and self-discipline.

Do you want success? I believe that you do or you wouldn't even be reading this right now. I know for a fact that you can most certainly have it. Will you get it? Only you can decide that. Take a look at what you want to accomplish and then take one step toward the goal each and every day - in other words, "start something and make progress." One year from now you will have taken 365 actions to help you reach your goal, and that will put you far down the road of success!

What makes me wealthy: Heritage, country, experiences, friends, knowledge, future and relationships.

I once wrote an article called, "Why Get Rich When You Can Get Wealthy?"

and I thought it fit well with the talk about what makes him wealthy, so here is a reprint of the article. Enjoy!

"Any fool can be rich, the wise get wealthy."

Getting rich is the main goal for a lot of people. That is unfortunate however, because there is something so much greater than simply the accumulation of money. Now don't get me wrong - I am not saying people shouldn't have large sums of money. In fact, I believe greatly in the power of money for good when in the hands of the right people. I think money is simply a tool that people can use to do great things - or bad things.

What is unfortunate is that so many people give up so much else in life in order to get those large sums of money. First of all, let me explain my quote about rich fools. Just turn on the TV or read a popular magazine and you will find lots of rich fools. You will see people with tons of money but who have no happiness, have drug problems and who leave behind them a string of broken relationships. These people are rich, not wealthy.

For advice on this topic or other areas of your financial life, contact me at:

pferraresi@foundersgroupinc.net * (713) 871-5919
Founders Group, Inc * 4635 Southwest Freeway, Suite 162
Houston, TX 77027 * Fax (713) 425-0346

Rich people are people with lots of money. Wealthy people are people who are rich in life. This would include financial stability and freedom, but goes deeper into spiritual health, emotional and relational health, and of course physical health.

I think getting rich is easy. It is simply a discipline that anyone can do if they so choose. There are many examples of people who have made very little money who have left vast fortunes. Spend less than you earn, save more than you spend. Put what you spend into an interest bearing investment.

Do this over a long period of time and you will get rich.

Wealthy? That is something altogether different. I have found that in most cases you must give up some wealth to get the riches. I know many rich people, and very few of them are people who I would call wealthy. Most of them sacrificed their families, their health or their relationships as they pursued the accumulation of riches. The fact is that it takes time to make money. And every moment of time you spend in the pursuit of money is a moment of time taken from something else that would make you wealthy in life.

So let me ask you: Are you on the fast track toward riches? Or are you on the long-track toward true wealth?

Are you being wise with your finances so as to secure long-term financial stability and independence? I hope so, because that is certainly a part of being wealthy.

Are you investing in those closest to you? I hope so! The fact is that when you lay on your deathbed, it won't matter how much money you have. The grim reaper doesn't need any more money and so he can't be bought with yours! The only thing that will matter are those faces that surround you, the looks of love they give you, and the memories you have of good times spent with them.

Are you taking good care of yourself physically? I hope so because if you don't, you won't get the mileage out of it that you were intended to!

Physical health is part of being wealthy!

Are you taking care of your spiritual life? I hope so because I don't think there are any questions more important than those whose answers will play themselves out for eternity. In my mind, spiritual questions make all the others seem like child's play. Are you taking good care of yourself emotionally? I hope so because it is your internal state that will give you the energy you are looking for to live long, and the peace to enjoy that life of yours.

All in all, I have decided that I don't want to stoop to being rich. That is too low of a goal for me. I want to be wealthy - financially yes, but not to the exclusion of my body, soul and spirit. Not to the exclusion of deep and meaningful relationships with my friends and family. How about you? Will you be rich or wealthy?

For advice on this topic or other areas of your financial life, contact me at:

pferraresi@foundersgroupinc.net * (713) 871-5919
Founders Group, Inc * 4635 Southwest Freeway, Suite 162
Houston, TX 77027 * Fax (713) 425-0346

Summary:

Financial independence is the ability to live from the income on your personally invested resources.

Financial independence is to work for joy, not for necessity.

Your personal financial philosophy is a guidance system.

How you set your sail determines how the winds will blow you.

Everything by longevity tends to get off course.

Schuler: If you think it is impossible, it isn't; if you think you know everything, you don't; if you think you are alone, you aren't.

If you could do better, should you?

Philosophy of the rich and the poor: The rich invest their money and spend what's left. The poor spend their money and invest what's left. So think like the rich!

The money is always there to spend or invest.

What to do with a dollar: seventy cents to spend, ten cents to charity, ten cents on active capital, and ten cents on passive capital.

It is the plan, not the amount that counts.

Start something and make progress.

Keep strict accounts.

Be happy to pay your taxes.

Leadership: To attract attractive people, you must be attractive. For dedicated people, you must be dedicated. For positive people, positive. For loyal people, loyal. For gifted people, gifted, and for sincere people, you must be sincere.

Be strong but not rude, kind but not weak, bold but not a bully, humble but not timid, thoughtful but not lazy, proud but not arrogant, use humor without folly, and witty but not silly.

Ambition and contentment

Study the possibilities - the "What if?" game

Study the opportunity.

Study the ability.

Be a student of inevitability and rationality.

For advice on this topic or other areas of your financial life, contact me at:

pferraresi@foundersgroupinc.net * (713) 871-5919
Founders Group, Inc * 4635 Southwest Freeway, Suite 162
Houston, TX 77027 * Fax (713) 425-0346

5 sources of inspiration: Deciding, planning what you have decided, beginning the plan, progressing, achieving

The law of faith: Faith is the ability to see what does not yet exist.

See it better than it is, believe it can be better, and then make it better.

Interviewing Brian Tracy

Q. Why are some people more successful than others?

Successful people have written goals.

Successful people treat others well.

Happiness is the progressive realization of a worthy goal.

Joy is 85% relationships and 15% worldly achievements.

Psychology of Achievement

The luck factor: luck is probabilities - If you plan, prepare, execute, etc., your probabilities of success get higher.

For advice on this topic or other areas of your financial life, contact me at:

pferraresi@foundersgroupinc.net * (713) 871-5919
Founders Group, Inc * 4635 Southwest Freeway, Suite 162
Houston, TX 77027 * Fax (713) 425-0346