

Are you wasting the most beautiful times of your life stuck in a callous workplace? Do you make great efforts to set aside some money or get by? Maybe you're engulfed due to debt and just don't have a clue how to find the way out.

Millennial Grant Sabatier had these feelings at the age of 24. Only a half a decade later, it was no longer necessary for Sabatier to work for the rest of his life. Grant managed to do this and he never gambled, nor did a great deal of inheritance pass down to him. He created a financial tactic that would render him economically self-sufficient, and Sabatier continued to stick to his aim.

What you're going to learn through this summary is Grant's tactic so that it'll be possible for you to begin drawing a roadmap for yourself toward economic independence.

Chapter 1 - In order to achieve economic independence, it is important to challenge social norms.

August 2010 was the lowest point in Grant Sabatier's life. He was 24 and had no job and was staying at his parents. After having laboriously worked for thirty-six months – which approximately equals to 5000 hours of his time on Earth – and everything he had was \$2.26 in his bank account.

After making some calculations, Sabatier became aware of the reason behind the fact that it was almost impossible for a US millennial like him to set aside money. Taking inflation into account, he estimated that the median income for his peers was equal to half of the money his parents earned. Moreover, Sabatier also had to clear off his student loan debts.

Suppose that went on with the general nine-to-five working hours for four decades. Still, Sabatier could never be certain that he would retire with his mind at ease. Grant was having a moment of clarity.

Were he to desire to get out of this hard work and uncertainty of the contemporary working environment, it was necessary for him to do something thoroughly distinct.

On that important date of 2010, Sabatier determined he wasn't poised to work very hard in a cubicle for the most beautiful years of his existence. Thus, Sabatier decided on an unusual aim, which involved him setting aside one and a quarter-million dollars that would permit him to go into retirement in the shortest time. After doing that, he'd be able to have his ideal life. However, in order to achieve this, it was necessary for him to destroy the mold into which his parents and buddies put themselves.

Grant set about discovering everything he can about finance and altered his views regarding money. Rather than a limited source to fret about, money has become a tool to increase wealth.

Furnished with this novel information, Grant came up with a tactic to accomplish his savings objective. His tactic included having a full-time job, establishing two side companies, and making investments in the stock market. This kind of life is very exhaustive and requires sacrifices. Nevertheless, until 2015, Grant's bank account had gone from \$2.26 up to more than a million dollars. The money he set aside created sufficient interest for him to live without any need to work unless he wants to work. It only took half a decade for Sabatier to achieve economic independence.

It is also possible for you to attain economic self-sufficiency by employing Grant's tactic, which you'll learn about in the following chapters. You'll have to toil and be dedicated to what you do. However, what you give up today will help you get years of independence in the future.

Chapter 2 - For starters, you have to make calculations about how much money you spend each year in order to attain economic independence.

Einstein is cited as referring to compounding as the eighth wonder of the world. Compounding helps the value of your money go up through time, even when you don't put any dime to your investment account. This occurs due to the fact each dollar in your account makes interest. Unless you get that generated money, the interest continues to create its own interest, basically providing you with free money!

While determining to set aside one and a quarter million dollars, Sabatier wasn't impressed by the word "millionaire." That amount was the lowest amount of money to help him happily live off the compound interest. Sabatier calculated the amount of money he had to make annually and then employed that number as the essence for determining his savings objective.

All people have a different conception of how they want their lives to be. Thus, we cannot talk about tactics that have been around for many years when the discussion is about what your economic savings objective should be. Grant made calculations that he was desirous of half a hundred thousand dollars annually to live comfortably in Chicago. However, the amount you'll need hinges on where you live and how your lifestyle is.

In order to determine how much you want to set aside, start by learning what are your most costly expenses at the moment, such as lease or mortgage payments, taxes, government services, insurance, trips to other cities, education, things you eat, and things you do for fun. Try to understand the amount of money necessary for you to finance your yearly expenses, then include all plans you make for the future, such as children, a bigger house, or relocating to a more opulent neighborhood.

Second, you should divide your yearly costs by %4. What you get after this calculation is your principal– the quantity necessary for you to put into a compounding account in order to be able to live off the interest while your mind is at ease

But, what is the reason for 4%? Actually, 4% is the most essential thing as regards making your compounded interest an income. Many compounding interests happen at 7%. Therefore, when you live off only 4%, the money you put in will continue going up – moreover, you also allow for inflation. So, you guarantee that there won't be any need to use your principal and allow it to help you earn your annual income.

Do not get frightened should your savings objective is too big. After distributing it to several years, you'll start feeling that you can handle it. Don't forget: this is a long road and it'll take some time until you reach your destination. The wonder of compounding will assist you throughout your journey.

Chapter 3 - Prior to putting your financial layout into action, it is important to see where you're first.

Regardless of where you're going for a holiday, starting a novel business, or embarking on parenthood, all journies have a starting point. In your journey toward economic independence, your beginning point means your net worth – or your overall economic assets.

As regards preserving your economic freedom, your net worth constitutes the most essential number. This is due to the fact it'll help your economic plan. It serves as a basis, where you can constantly return to check how much you have to set aside more in order to reach your target. Not having a net worth is similar to having a boat but not a rudder.

In order to see how much your net worth is, start first listing what your assets are. Assets constitute something that belongs to you and has economic value, which also includes money in bank accounts and pension funds. Write down everything you possess and that's economically more valuable than \$100 and how much they would help you get if you decided to put them on sale. For example, if you have a couch that you bought for half a thousand, this couch might help you gain \$60. Your list must contain everything you possess, even your automobile, any real estate, artwork, and jewelry. The combination of your bank account balances and calculated sales prices make up your assets.

After doing this, learn how much your liabilities amount to. Liabilities refer to the quantities of money you have to reimburse, which can be credit card balances, mortgage payments, and student loans. Write down the debts you have and how much they add up to in total to see how much you have to pay back. Doing this will give you your liabilities.

After doing this, see what your net worth by subtraction of liabilities from your total assets.

No need to worry if your net worth is a minus figure. The writer Sabatier owed \$20,000 in credit card debts at the time he took the road toward economic independence. Include your debt by raising your financial savings target. After doing this, Sabatier's target of \$1,250,000 raised to \$1,270,000.

When your net worth has no minus sign in front of it, it means you're in excellent financial condition! Take out any money your assets create from your savings target, such as rent money you collect from a property of yours. Begin making investments with your money as soon as possible in order to get closer to fulfilling your objective.

Spare 5 minutes in your everyday life to look at your net worth. Initially, it might make you feel like it is just another extra work. However, while your money increases, this routine will help you preserve your motivation for saving money.

Chapter 4 - If you want to bring under the control your spending, find how much of your life you're exchanging for all objects.

Most probably, you buy tiny stuff daily, such as that morning coffee you drink before going to the workplace. Usually, these routines don't give you much; yet, they just provide you with some joy in your day.

However, if you're planning to achieve economic independence, it is necessary to transform how you value the things you buy. What something actually costs is not what you see on its ticket. A true cost includes how many hours you have to work in order to be able to purchase it. Keep this in mind, what you see on the ticket includes tax, however, your take-home pay doesn't do that. In order to purchase that \$3 coffee, it is required to earn \$4 pre-tax.

Spending 15 bucks every week on small-ticket things such as coffee might not be so big of a deal. However, what can we say about novel clothes, vacations, or automobile? What is the number of hours you're going to spend to get them? How much do you lose in compound interest after buying these, rather than setting aside the money? After you change your perspective to looking at everything from the perspective of hours of your life, they'll start looking like much costlier than they look now.

Transforming your perspective on buying doesn't imply you should quit buying stuff altogether. It is just important to be aware of what something truly costs in order to be able to understand if something is worth it. In order to do this, it is important to see how much you make per hour.

That sounds easy, no? Yes, you simply make a division of what you earn by the number of hours you work.

Really, when you do that, there are a lot of missing parts for you because this estimation overlooks work-related matters that don't give you any money, such as going to the workplace, ironing your clothes, doing after-hours work, or de-stressing? After including these, you will perhaps decrease the money you make for every hour.

After being cognizant of the amount of money you make each hour, you'll start figuring out the actual fee of each object you buy. Utilizing this number as a reference point will assist you to curb your drive or emotional buying. Rather, it might be a good idea to consider the compound interest that money will generate through accumulating in your investment account, getting you closer to early retirement.

Chapter 5 - Spending less money for the place to live inside, on transport, and food expenses will notably amplify your savings.

We can say budgets resemble diets. Because of the temptation that hides in each store and internet store, people are liable to break them. If people break them, they experience guiltiness which leads them to often stop their diet completely.

The issue concerning budgets is that they make you get the feeling that money is very limited – through making you explain each and every cent. However, budgets seldom assist you to set aside a huge amount of money anyway, as small savings are generally dominated by the bigger, continuing expenses.

The most excellent method to increase your saving to the maximum and manage your spending is to aim these massive expenses. Thus, it is necessary to examine the Big Three.

A typical US family uses approximately six-tenth of what it earns on three fundamental things: housing, transport, and food. In 2016, the amount of money spent on these was equal to \$35,000 annually. Were families to reduce this number by three-tenth, they'd create an additional \$17,500 money to invest. Through two decades of funding, this figure would be equal to a fascinating \$835,000.

Then, what's the way of reducing the costs of the Big Three?

First, we'll discuss housing. A great many US citizens use around 30 percent of what they make for housing, however, it is possible to change it. If you can, move to a smaller house or to a less costly area, for some duration. Several years in a more cost-effective house will provide your savings with a sizeable increase.

Let's move onto transport. Having an automobile makes up the second continuing biggest expense, and there are things other than loans or purchase prices that are deleterious. If you make fifteen thousand miles annually, it means you'll have to give up eight thousand dollars for gas, car maintenance, and insurance.

Using public transport or carpooling alternatives are a terrific means to avoid these extra expenses. Unless you are okay with these alternatives, think about buying a moped or scooter. Apart from being way cheaper compared to a car, mopeds and scooters are also exciting and cool!

So, what's the way of reducing expenses for the last of the Big Three, food? To begin with, there are retailers on the Internet that present discounts if you order the same products. In order to benefit from this, prepare a list of things you generally need and then put a regular order at a website that offers discounts. Moreover, if you consume everything, benefit from promotional offers, and keep drinking tap water.

Have the goal of setting aside at least one-fourth of what you earn, through cutting back on the Big Three. Doing this will substantially lessen the years that'll last for you to attain your target.

Chapter 6 - Be active in searching for methods to increase the salary from your nine-to-five job to a maximum and it'll make it possible for you to achieve economic freedom sooner.

For most people, where they work resembles an island they visit during the weekdays. Once they are back in the mainland, they don't even want to think about it. Even when they like their job, they would rather spend our valuable hours during which they don't work with those dear to them, and by indulging in their hobbies.

It is totally easy to grasp why people think like this. However, if they view their jobs in a bubble, rather than as an element in their wealth-building plan, they become a hindrance in front of themselves in their goals of economic independence.

For starters, check your pension fund. It's very possible that the place you work for will provide you with free money up to a certain figure, through matching any extra contributions you make for it.

However, this is not the only perks. Each time you put money into your pension fund, that number is taken out of your pay earlier than tax. This decreases your total taxable earnings. Moreover, because your pension fund makes up a part of your assets, it assists your savings objective as well.

The next method to increase your salary to a maximum is through a request for a raise. You might get the feeling of afraidness or embarrassment. However, when you present your request in the proper style, it'll possible to take away much of that discomfort.

The first thing to do is to learn about how much others working in the same position as you're in different companies earn. You can get help from online job offers. After this, consider how valuable you're to the company according to the company. What other roles do they give you other than your true role? How have you contributed to business results?

After having finished this assignment, you should look for an appropriate time. Your supervisor will consider how valuable you are prior to general performance evaluation, or at the end of a fiscal year, which is the time for novel budgets to be implemented. When you ask for a raise, ask it in terms of a percentage rather than of figures. 10% is a way less concrete term than five thousand; therefore, you'll have greater chances of having your request accepted.

The final method to increase your salary to a maximum is to find out whether it is possible for you to work from home. This will reduce your commuting time and costs and provides you higher flexibility. As explained in the Gallup State of the American Workplace report from 2016, employees who work at their home three or four days each week have the greatest engagement levels. So, this is a win-win situation where both employees and company benefit.

Chapter 7 - Have different sources of income by establishing side businesses.

Let me introduce you to Matt, whose main job is picture dressmaker who works solely in Chicago. His profession is a passion for him and he earns \$55,000 annually. However, he has more than this. Matt is just 25 years old yet and is on way to set aside one and a half million dollars by his 30th birthday. For that, he owes much to the dog-walking enterprise he established only three years ago.

As a student who needed desperately money, Matt began asking \$5 per walk from dog owners. Initially, he was just walking ten dogs per week. However, then the number of dogs increased in the neighborhood. The demand was very high and he was engulfed by all the work so it became necessary to recruit new people. Today, not only has he every advantage that accompanies a nine-to-five job, but he owns a side business as well, which yields an additional sum of \$200,000 annually that he can set aside.

You should keep up with the trend as well.

Owning a side business is a fundamental element in reaching your savings target. This results from the fact that however well you may be making at your day job, you'll simply have the ability to exchange your time for a set income. However, it is possible for you to follow the footprints of Matt and to set up a side enterprise that yields profits with very small effort on your part – or put differently, passive income.

Act strategically while choosing what your side business will be. Because it'll be necessary to let go of entertainment time in order to grow your enterprise, it'll be much better should you

do something that gives you pleasure. Look for something that'll be engaging for you and fit your talents. It'll make you stick more to your side business.

After deciding on what you want to do, learn more about your future rivalries. At the time Matt began walking dogs, he had just a few competitors in his neighborhood. Matt increased the number of his clients by offering them a free dog-walking for each person to whom they referred him.

Should you find out that there is no one to compete with, you can infer that there is no demand for what you offer or that you hit the jackpot with your unique idea. Feel no hesitancy to take the measure by setting up your enterprise and seeing if your enterprise is doing well. Many of us have to attempt several times until we manage to discover a business that'll work. But while setting up a business, it is important that your expenses are at a minimum level; in this way, the prospects of your money becoming air will be very low.

Keep in mind, in order to increase your earning capacity to the optimal level, put every dime you earn from your side business into your funding account. Doing this will help you collect the highest figure of compound interest.

Chapter 8 - Even the most excellent financial plan solely works when they are executed.

Sabatier's road toward economic independence began after he became aware that it was necessary that he did something distinct. However, being a trailblazer is very difficult.

Sabatier was made redundant in 2010, because of the recession. Prior to the recession, he had relished Saturday lunches, with a lot of alcohol, with his buddies, after which he had slept for some time. However, in order to fulfill his savings objective, it became necessary for him to reduce these lunches to once in two to three months, and he used this extra time for his side business.

While making your mind for economic freedom, you're actually agreeing to do things in a reverse way. Your family and friends may tell you that you have no idea about what you're up to, that you're an idiot because you refuse to listen to the advice many people stick to. You may feel hesitant. However, it's important that you do your job without any delay.

When you are determined to be emancipated from economic worries, it'll be necessary to be bold enough to jump in and begin your side business without any delay, even though you believe you are not fully ready.

Surely, it's very normal to defer things while you try to realize a huge change in your life. You'll be able to find another e-book to finish or road to take until you commence your business. However, for each day you don't benefit from compound interest, you're dropping your wealth and adding up to the years that'll last until you attain economic freedom.

Therefore, the most important thing is to set about your journey. You should take action as early as possible by arranging an appointment with your HR Department in order to discuss these contribution matching schemes. Or you can go to a bank and have a compounding investment account opened. Then, put into it your first money, even though the amount is merely \$100. Unless it is possible, then simply spare an hour to think about business ideas. Don't think that you must be knowledgeable about everything in the beginning. To be honest, you'll make errors, just like everyone else. This is just a part of the road you take.

No matter how you begin, it is essential that you remain faithful to do your side business in the long term. Sabatier had spent half a decade until he achieved his savings objective. You may need to go longer than him, taking into account how much your net worth is and how much money your side businesses help you profit.

Remaining concentrated on your purpose will involve saying no to a great many people, among whom there'll be your buddies and your partner. However, relinquishing those idle weekends for several years may help you get many years of leisure time in the future. Always think about the final reward. You'll see how valuable it is in the long term when you reap its benefits.

Financial Freedom: A Proven Path to All the Money You Will Ever Need by Grant Sabatier Book Review

There won't be any economic security for you if you simply deposit the standard 5% of your monthly income into a retirement fund. Even those who earn big figures can be unable to emancipate themselves from work, because of exorbitant spending or not making smart investments. And the other people continue working in cubicles, imagining a remote future where our time will belong to us. However, all of us possess the ability to maximize the use of our money, at this moment. Implement what you've learned to maximize your money, control your expenses, and make such investments that your economic security will be guaranteed. Collectively, these will help you achieve economic independence.

Arrange a routine hangout to discuss economic strategy.

The topic of money is considered taboo for most people. Many people think that money is a personal subject that shouldn't be brought up. However, exchanging your economic strategy with other people is an extremely good method to find out more about optimizing savings, and it has to potential to motivate you as well. Why not arrange a hangout with a small group of family members and buddies to discuss economic plans? This is a terrific idea to exchange notes, remain concentrated, and stay accountable.

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