

We all have been through that moment of eagerly planning to do something, and then couldn't execute it because of the financial problems, right? That plan might be going to a worldwide famous singer's concert or taking up to a new hobby. Even though we have the time and energy for the plan, we might not have enough money.

Well, in fact, there is a way to have enough money for achieving your dreams and saving up for your retirement! Do you wonder what it is? Then, meet Zoey, who has the same financial problems as everybody else. Even though she works in a job that gives a big paycheck, she couldn't achieve her dreams because that money was never enough for those plans.

This summary will give you the story of how Zoey overcame her financial struggles by herself and in the meantime, it will show you how a wise old man called Henry changed Zoey's life.

Zoey didn't have that enough money to achieve her dreams, like many of us.

The book's main character is Zoey. She is a 27-year-old woman from Brooklyn and works at a travel magazine. Even though she gets a nice paycheck, everyone knows that living in New York is expensive. Also, she has debts from student loans and credit cards. That's why her "nice paycheck" drains as soon as it comes.

Although she doesn't spend her money extravagantly, she can't save enough money at the end of every month. Because of this situation, her biggest dreams, which are traveling around the world or taking a photography course, come across this answer all the time: "I can't afford it."

The story starts with one of Zoey's Monday morning commute, 3 years ago. She stopped by a local cafe, Helena's, to get her usual double-shot latte before work. The place represented the Brooklyn spirit. The cafe was decorated with arts and photographs and the atmosphere was soft and warm. Also, the place was the beaten track of the hipsters.

One of the photo prints on the wall engaged Zoey's attention. It was a picture of a little seaside village at dawn. She couldn't see it in detail because she was ordering her latte. However, something was interesting about that picture.

She left the cafe with her latte in hand and continued walking to her work. She arrived at the World Trade Center station and saw an advertisement on the big screen. It was a similar photo to that in the cafe and had a message on it: "If you don't know where you're going, you might not like where you end up." That message affected her and she started to think about her own life – "Where am I going? What are my dreams? What am I doing to achieve them?"

Then, she realized that she was late for work, so she continued to her destination without losing any time. That's why she couldn't even answer her questions. Her workplace was inside the World Trade Center.

A couple of hours later, she went for lunch with her boss, Barbara. Zoey was acting stranger than normal and Barbara realized the situation. She asked and Zoey told the story that she lived through. She added that how wonderful would it be to have those kinds of photos in her living room. Upon that, Barbara gave a piece of awkward advice. She said that Zoey should talk to the elderly barista Henry at that coffee shop about the print and see what he says.

If you could afford the latte, you could afford the photo.

The following morning, Zoey went straight to Helena's to get her usual latte and also took a closer look to that photo. She saw the price tag under – \$1,200. That photo's price and her one month rent were the same!

Even so, she loved the photo and thought that it worthed its price. When she was trying to figure out where was it taken and mumbled the names of Greek islands, she heard someone behind her said "Mykonos." She turned around and saw Henry, the barista Barbara had told her about. He was the one that said "Mykonos."

After they met and talked about the photo, Henry asked Zoey: "Why didn't you buy it?" Zoey timidly admitted that it was expensive and she didn't have enough money. Then Henry said a hitting sentence. He told Zoey: "If you could afford the latte you'd just bought, you could afford the photo." Upon that, Zoey could only say that she was late for work and left the cafe in a hurry.

On Wednesday morning, Zoey went back to Helena's to pick up her latte. Henry was there standing in front of that photo. They started to speak randomly and then Zoey asked Henry about the thing he said the day before. Thereon Henry began to share his Three Secrets of Financial Freedom with her.

Henry's first secret was that Zoey had to start to pay herself first. She had troubles saving up, that's for sure, however, if she starts to pay herself before all those expenses every month, she could save much more money than she could imagine. Also, if she does so, she should put some money aside for herself in a 401(k) retirement plan even before the state taxes her income.

Henry continued to talk about the issue while Zoey was listening to him excitedly. He added that the money would increase with the compound interest. Only 5 dollars a day, with 10 percent compound interest means saving \$1,885 after one year. And it would be \$948,611 after 40 years. Just for the cost of Zoey's favorite latte every day.

Upon that, Zoey did a brainstorming. She thought that if she brought her food to work from home, she wouldn't spend her money at the cafeteria. She wondered, with the help of changing her spending habits, how much she could save by cutting her daily expenses by \$25? Henry did a calculation and it turned out that she could save \$3.4 million over 40 years.

Zoey's mind was blown after hearing those numbers.

Automation is the second key to financial freedom.

Another day started at the cafe. Zoey picked up her latte and sat down by the bar, while Henry was working at the back of the counter. Zoey pour her heart to him about the financial secrets again and asked him a couple of questions. Henry was ready to help her, he was all ears when Zoey asking him questions.

She understood the idea of "pay yourself first", that was alright. However, she thought that she didn't see it in herself. In other words, she told that she didn't have the discipline of paying herself regularly.

Henry was aware of that situation. He told her that it was natural. To enhance her motivation he shared the second secret to financial freedom: don't budget – make it automatic.

Of course, working with budgets are beneficial for big corporations. However, when it is individual financial planning, things may go a little out of hand, Henry explained. Since people are so busy, they don't keep the track of every financial transaction they make. That's why budgeting doesn't work well in practice.

The answer to this problem was using an automatic payment system. The system works like this: Every month, when the paycheck comes, a portion of it is automatically transferred off the taxable – and spendable – grid. Henry made it clear for Zoey with the sentence: "You can't spend money that you can't access right?" The system works on its own. So, it doesn't necessitate any discipline or self-control.

Think about the companies that you have subscriptions, whether it's your media-services provider or local gym, they all automatically take your subscription fees from your bank account, right? There is only one reason for all use the same system: it works perfectly. If they hadn't used that automatic system, lots of financial problems would have occurred with the subscribers.

Thanks to Henry's clear speech, Zoey understood the whole idea. Now she could ask the real question that has been bothered her since the previous night: "How can one still go about getting such high returns in the modern world?" Because her friend told her that 10 percent of compound interests no longer existed.

Henry was waiting for this question that's why he answered very smoothly. He told her about the stock market. It has grown gradually every year. Naturally, it would always go up and down, but ever since the 2008 financial crisis, the market was going up. Therefore, even buying one of the most conservative stock portfolios probably would give her around 8 percent every year.

It might be 6, 8 or 15 percent. No one knows about it, only guessings. What matters is that your income will grow bigger over time. As long as you use the system that automatically transfers a part of your money to the other grid every month, it will work.

Zoey got closer to have her financial freedom thanks to the people around her.

It was the Thursday morning that Zoey and Henry's friend Baron met. Baron mentioned about his life and the contributions of Henry on his life. He said that Henry helped him to change his life positively. Moreover, Baron surprised Zoey with a fact: Henry was not only the barista but also the owner of Helena's! Naturally, Zoey thought: "What a mysterious wise old man that guy Henry..."

The same day, while Zoey was working on her desk, her boss Barbara came over to talk. She asked her about Henry, whether she talked to him or not. Zoey said that she did but she was still having doubts. Zoey added that she was desperate about the relationship between money and her. Seeing that, Barbara decided to teach her wisdom about money.

Barbara started to explain the Three Myths of Money. The first one is this: "Making more money makes you richer."

Generally, people think that they have a lack of income and this is what bothers them. The problem is their spending habits. When they have a lot of money, they keen to spend most of it. What's the solution? Well, if you change your spending habits, you will have most of your money in your pocket. She gave an example from her spending habit: She brings her lunch to work every day, so she saves around \$15 daily.

Zoey was listening to her excitedly and Barbara continued to her second myth: "One needs money to make money."

When Zoey heard about this one, she thought the compound interest that Henry told her. She recalled "5 dollars a day" method right away. Barbara told her that no one needs to be a finance expert or an accountant to use the compound interest. On the contrary, it is so simple, and it does all thing by itself. That's why you don't need to follow every going up and down.

The last myth of money that Barbara shared was: "Someone else will be there for you to support you when times get hard."

Waiting for someone to give you a hand when you are having hard times is not healthy. You can't expect the help of someone from your family or the government when you are broke. Then, Barbara went in detail – usually, we women wait for the Prince Charming to take us away from the mess. However, that's just a fairy tale. To get out of the mess, you should be your own Prince Charming.

Zoey was ready for the final lesson from Henry.

On Friday morning Zoey went early to Helena's to get the third secret from Henry. She picked up her latte and invited Henry to talk. Of course, Henry was happy to see her and her excitement. They sat on a desk and started talking.

For the third and final lesson, Henry started with a question: "What is important for you, not in the future, but now?" Zoey thought about the question, did a little brainstorming and she said that she would love to go to a photography course and take amazing pictures during the world travel. Even though she works at a travel magazine, she has never been to abroad. That's why her wish to travel the world was getting bigger gradually.

Zoey had learned about the two secrets: Paying yourself first and making it automatic. Now, it was time to learn the third and last secret: living financially-free in the present. Henry asked Zoey: "How much does a good photography course cost?" Zoey replied: "About \$600." Henry smiled because he saw the bigger picture. Solution for Zoey was to open up a dream account and save five dollars daily. Saving throughout 6 months, she'd have enough money to take that course.

She would take that course in 6 months with the help of her dream account. But what about her world tour plans? To realize that dream, she has to leave the country, but does she have enough time to do so? Henry understood her concerns and told her about the concept of radical sabbatical. In the concept, he forced himself to travel to over 100 countries.

One of the first places that Henry went to was Greece. He wandered most of the islands over there. The photo of Mykonos, which started everything between him and her was taken by Henry. Naturally, Zoey got surprised again. Now that she has learned every secret that Henry gave to her. She knew what she needed to do.

Zoey was ready to realize her dreams and she started with setting up a 401 (k) account.

Secondly, she opened two dream accounts for her photography course and world tour dreams.

And finally, she went to Barbara's room and asked if she could take her radical sabbatical once every year. She was so enthusiastic about her plans and she said that she could even work remotely while abroad. Seeing the eagerness, Barbara approved her demand for one condition: She had to send her postcards from where she visited.

After that day, Zoey's life has changed. Three years have passed and she took 3 radical sabbaticals. She traveled and worked remotely. She took amazing pictures around the world. Moreover, they were so good that magazine editors that she worked with agreed to publish those pictures in the magazine. Now, Zoey is realizing her dreams one by one and it all started in a cafe buying a five-dollar latte every morning.

The Latte Factor: Why You Don't Have to Be Rich to Live Rich by David Bach, John David Mann Book Review

This novella gave us the three secrets of financial freedom. Firstly, we learned how important to pay yourself first, preferably into a pre-tax account. Then, we realized that budgeting works only in big companies that's why rather than budgeting we should have an automatic system on our spendings. Lastly, we saw that opening up dream accounts would make us closer to our dreams. Consequently, this parable gave us the message that if you think that you are having an unstable financial existence, the only reason is you and the only solution is you. After all, what you need to do is saving 5 dollars every day, which is the price of a latte.

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