

# 9 Steps The Will Help You Retire Early & Wealthy

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So you want to retire early and don't know where to start. You're in luck because these next few steps that you are going to read will help you on that path. Retiring early is easier than you may think. However, like any goal, it takes hard work and dedication to achieve. Listed below are 10 steps that are needed in order to retire early!

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Cutting costs is another important factor when you're trying to retire early. Cutting costs is needed because it optimizes your spending in a way the best suits your lifestyle! It'll be hard at the very beginning. However, as time goes on the things that you've once missed will just become distant memories. In order to be successful, you need to cut costs on things that are very little.



This can be something as simple as buying that coffee every morning before work. Cutting off morning coffees can save you hundreds of dollars a year! Next, you can try making food at home instead of buying out all the time! Use that \$50 to feed yourself multiple times for a whole week instead of spending \$10 – \$20 a day on just a single meal! If you are someone who is very active, riding your bicycle to work would be an amazing idea. This saves you money on gas and you get that much-needed cardio! As you implement different ways to cut costs in your life, you'll find that the amount of money you will be saving is crazy! This extra money you will be saving is another tool that will be used to launch you into early retirement!

### 3. Avoid Debt

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One thing that I cannot stress enough is to avoid debt! It easier said than done but debt should be avoided at all costs. However, you must first know the difference between debts. This is because I am referring to bad debt. The bad debt must be avoided because these are items or services that do not provide any sort of return on investment. However, there are some that do prove an ROI but it is often less than the original value. One of the most common “bad debts” a credit card.

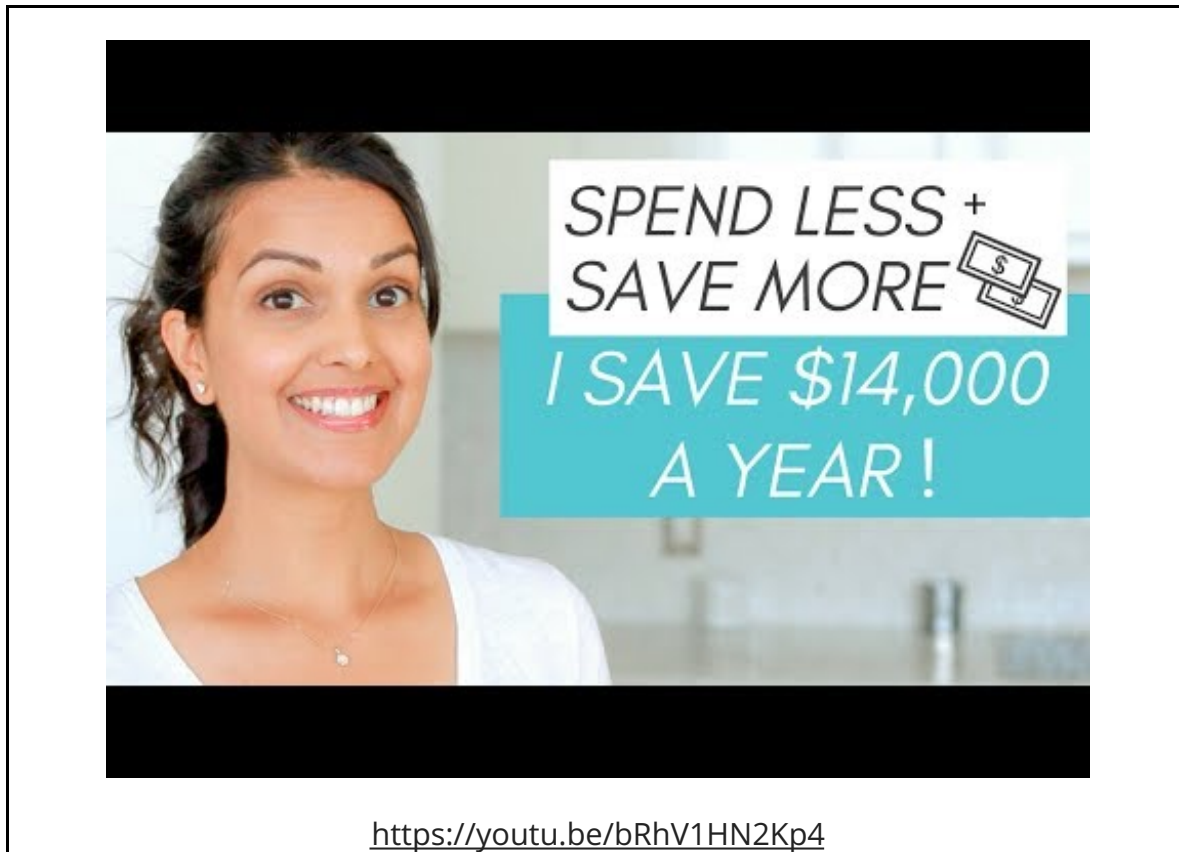


Credit cards can be an amazing tool but most people do not use them correctly. This often results in debt piling up with interest! These interest rates are ridiculously high, ranging



from 11% – 25%. To put this into perspective, if you have a credit card with a \$10,000 debt, you'll be paying \$2,500 worth of interest per-year! This means that when you make a payment, 25% of that is going towards interest. From this explanation, it is easy to see how credit cards can destroy long-term wealth. As previously stated, bad debts should be avoided whenever possible in order to retire early.

#### 4. Save A LOT



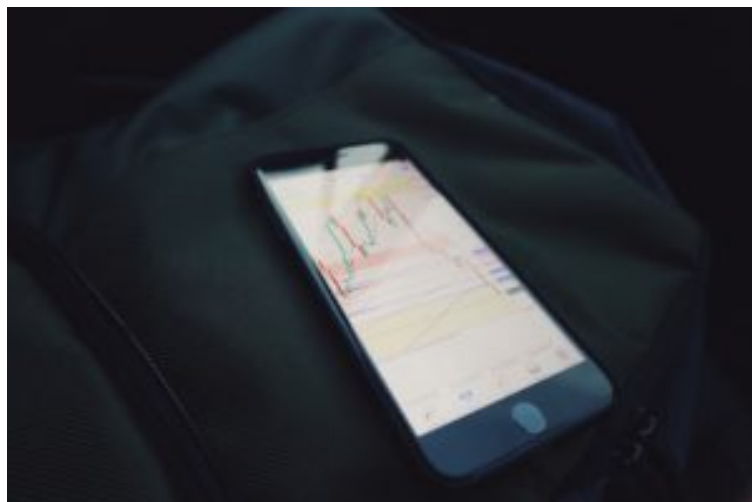
Not many people put thought or effort into saving their money. Much fewer people save in order to retire early. Saving money or paying yourself is a great habit to develop. This can be done through steps 1 & 2! These savings can be used to generate income and will act like the money you will be using to support yourself post-retirement! As money is being saved, it can be put into a high-interest savings account where it accumulates money for just being there. Above is a video by A Whole Happy Life on how she saved thousands a year!

The best way to do this is through automation. If you don't think about it, you'll eventually forget about it! However, once the money accumulates to a larger amount, it would be best to invest that money so that it begins to work for you. However, you are going to want to keep an emergency fund within your savings at all times! That way if you were to ever run into any hard times. You will have a cushion to fall back on until you get back on your feet.

#### 5. Invest Often

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Investing often is how you can make that savings grow into something much larger. There is a different kind of investments that carry various risks. Some investments are a low risk which means the chance of you losing money is low. However, the amount of money you make compared to high risk, high reward investments is very small. Depending on how early you would like to retire, a low-risk investment portfolio may be the best. This is because as you earn more money through your life, the investment portfolio will steadily gain value without much effort or risk!



The best thing about investing is that there is no cap on how much you can invest or age limit. This means that even when you're retired, you can still invest! Since this is the case, you can have income coming in from your investments which will act as support while retired! It is true that if you're living strictly off of savings that you will have to live a bit frugally. However, if you have your savings plus various other income streams coming in, you would not have to worry about running out of money!

## 6. Save On Taxes

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Earning money through investments or working is always an amazing feeling. However, that can quickly come to an end when you have to pay taxes! Depending on your income or the amount you make, taxes can be quite a large amount of money. This is why it would be best to look into a few accounts that offer tax benefits when using them!



A few accounts you can look at are Tax-Free Savings Accounts, Registered Retirement Savings Plan, Registered Education Savings Plan, Registered Disability Savings Account, Roth IRAs, 401k. If you own a business, speak to an accountant on what you can write off under a business expense! If you are

serious about savings on taxes through investments, try speaking with an investment advisory/accountant on building a plan. This plan can help you save hundreds to even THOUSANDS a year!

## 7. Utilize Your Resources To The Max

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One phrase people like to reiterate is “out with the old and in with the new” but in some instances, this is not the best idea. Sure everyone likes the new and improved but it may not be the best choice. For example, there are people who will go buy the new iPhone every single year when their previous one is working just fine. This does not make sense to me because the new phone is only slightly better than the current generation. Are \$800 – \$1,500 dollars really worth those minor upgrades? Considering the fact that new ones come out every year it would be best to utilize your current phone until you absolutely need an upgrade.



## 8. EARN MORE MONEY

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Another factor that I cannot stress enough is that you need to be earning more than what you currently are. This can be done a bunch of different ways. You can get a second job, earn more through investments or start your own business. The object of this is to increase the amount of money you can save and/or invest, That way if you're earnings skyrocket and you're still living below your means, you can live comfortably. Also, you won't have to worry about running out of money during retirement.

The beauty of starting your own business is that if you don't sell it, you can generate income far past retirement. Getting a second or third job is not a bad idea. However, there are only so many hours that can be worked in a day which means at some point your time needs to be utilized efficiently. Find your passion or develop a skill and start selling it. Once you start implementing these steps your life will change forever!

## 9. Retire

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The final step is to retire. Once you've mastered all of these steps and feel that you have enough money coming in or saved up, you can retire. Depending on how hard you push yourself, this goal can become a reality sooner than later. However, it may seem easy but I promise you it is not. It takes time and dedication to acquire financial independence at a young age. Therefore, you always need to work harder than the person next to you. Don't be afraid to make sacrifices either. The goal is to create a vision for the future and attain it. Short-term goals will not help you achieve financial independence and early retirement!



## Summary

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That's the end! I hope you guys enjoyed reading this and hopefully put some of these steps into motion. If you want to retire early you have to look at it as the bigger picture. This picture is made up of smaller components that are all equally important. Therefore, pick one step, master it, then move onto the next one. You'll be surprised how much your life will change once you commit to making your life better!