



# FINANCIAL WISDOM

- WEALTH BUILDER -

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## Habits That Build Wealth

What's the secret to building and maintaining wealth? For the rich, it's not just about earning a high income—it's about the habits they cultivate. These strategies don't just help them grow their wealth; they also ensure it lasts for generations. Start today and take more control of your financial future.

**Lesson 1: Live Below Your Means** - One of the most important habits of the wealthy is living below their means. Take Warren Buffett as an example. Despite being a billionaire, he refuses to spend more than \$15,000 on a car, reasoning that the money saved can earn far greater returns when invested. To him, a car is simply a way to get from point A to point B.

Buffett also lives in the same modest Omaha, Nebraska, home he purchased in 1958 for \$31,500. Rather than upgrading to a mansion, he chose to put his money to work through investments.

Facebook's Mark Zuckerberg takes a similar approach, driving a mid-range Acura. The common theme? The wealthy don't spend their money trying to impress others—they focus on growing it.

The takeaway? Avoid lifestyle inflation and prioritize building assets over indulging in unnecessary luxuries.

**Lesson 2: Spend Wisely and Frugally** - Another habit of the wealthy is avoiding unnecessary expenses, starting with cash on hand. Carrying too much cash can tempt you to overspend, especially on luxury items. According to Bankrate.com, 86% of people who splurge on high-end goods like cars and jewelry aren't millionaires—they're people trying to *look* wealthy.

The rich avoid falling into this trap. Oil mogul T. Boone Pickens, for example, shopped with a list and only carried enough cash to cover his planned purchases. Actress Hilary Swank, worth \$40 million, is often seen using coupons at the grocery store.

What can we learn from this? Frugality isn't about being cheap—it's about making mindful decisions that prioritize long-term goals over short-term gratification.

**Lesson 3: Be a Person of Action** - If there's one thing that sets self-made millionaires apart, it's their ability to act. They don't sit back, hoping for good fortune—they take calculated risks, seize opportunities, and constantly seek to improve.

Contrast this with the reported 15% of Canadians whose retirement strategy relies on winning the lottery. The wealthy focus on realistic goals, putting in the effort and making smart decisions to secure their future.

**The Bottom Line: Choices and Values** - Ultimately, building wealth boils down to the choices you make. Truly wealthy individuals invest wisely, save consistently, and live well within their means. Those who spend recklessly often find themselves stuck in debt, unable to retire comfortably.

So, ask yourself: which path are you taking?

Call us today to explore how you can adopt these strategies and achieve your financial goals faster and more effectively. Your journey to wealth starts with the right mindset—let's take the first step together!

**Questions about money management? We can help!**

**Christian Ruhrmann, CFP**

**Integrated Insurance Management - PEAK Investment Services**

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