

IT'S ABOUT

YOUR MONEY,

IT'S ABOUT

YOUR FREEDOM

If I could give you only one gift, it would be the gift of freedom. The gift to be the person you were put here to be.

Why? Because you are a very special person. In fact, you're unique. There is no one like you on the planet. You were put here for a reason, and I promise you it wasn't to struggle through life.

What does any of this have to do with achieving financial security and independence? In a word, everything. If you are worried about money and your future, it's more than likely you're not living as free a life as you want. And if you're not living as free a life as you want, how can you be living the life you were put here to live?

YOU EITHER GET IT OR YOU DON'T

It may not be politically correct to say so, but the brutal reality of life is that in almost every case, if you sit down and get honest with yourself, you will find that 90% of your problems can be fixed with money.

Yes, I know we're supposed to believe that money doesn't make you

happy. There are entire schools of philosophy built on that premise. Well, here's what experience has taught me: *Money may not make you happy, but LACK OF MONEY can certainly make you miserable.*

When all is said and done, the way you get your freedom is to buy it. You don't lease it. You don't wish for it. You buy it, and then you own it.

THE HANDWRITING IS ON THE WALL

In 2002 and 2003, the American Association of Retired Persons sponsored an in-depth study of baby boomers (people born between 1946 and 1964). It revealed some amazing things about their attitudes and experience. Perhaps its most significant finding was this:

Personal finance and work are among the least satisfying aspects of baby boomers' lives.

Specifically:

- While higher-earning boomers tend to be more satisfied with their lives than lower-income boomers, only about 20% of all boomers (one in five) are satisfied with their finances.
- One in four says the worst thing about their lives right now is their finances.
- One in three names personal finances as the one area of their lives they would most like to improve.
- Lack of finances makes it hard for baby boomers to enjoy leisure activities.
- Higher education is no guarantee of financial well-being. Only 20% of college-educated boomers are satisfied with their finances.
- Less-educated boomers are equally unhappy; only 22% of them said they were satisfied with their finances.

Perhaps the single most eye-opening finding of the AARP study is this:

In terms of their single largest ambition, both men and women mention dreams of an improved financial situation.

Read that again. The AARP surveyed thousands of baby boomers and found that their single biggest dream is to get their financial lives together.

Why? Because millions of them have put off saving—and now that they are getting older (and living longer), they're realizing that they face a huge problem.

What's the problem they face? Well, according to the AARP:

When contemplating their personal finances, slim majorities of younger adults (58%) and boomers (54%) and just half of older Americans (50%) believe they are likely to reach their goals in the area of personal finances.

In other words, nearly half of us—old, young, and in between—DON'T believe we'll be able to achieve our financial goals. What makes this finding so shocking is that the same AARP study found that most boomers and younger adults are confident about just about every other area of life. They believe their lives are bound to improve over the next five years in terms of relations with family and friends, mental health, religious or spiritual concerns, work or career, and physical health.

This is why it is so important for you to decide right now that even though you are starting late, YOU ARE GOING TO FINISH RICH. The race of your life is already on. You can continue to sit on the sidelines, moaning about how you should have gotten started last year or 10 years ago or 30 years ago. Or you can get up and start running.

NOW FOR THE GOOD NEWS

OK, are you ready to be motivated? Well, consider this: We are totally blessed in this country. As a society, America has achieved more financially over the last century than the entire world has in all previous centuries combined. Our standard of living is higher, our life expectancy is longer, and our educational and recreational opportunities are greater today than they've ever been.

Within your lifetime, the wealth of the United States has increased by a staggering amount—jumping from about \$6 trillion 50 years ago to some \$30 trillion today. And while many people are broke and struggling, a whole lot of other people are LOADED.

Indeed, never before in our planet's history have so many people been so wealthy. According to Merrill Lynch & Co.'s 2004 *World Wealth Report*, the

number of millionaires in the United States (which the report defines as people with at least \$1 million in financial or liquid assets) jumped by 14% to 2.27 million in 2003. In other words, one out of every 125 Americans is now a millionaire.

By way of comparison, back in 1900 there were fewer than 5,000 millionaires in the United States—or only about one out of every 15,000 Americans at the time.

And it's not just the number of millionaires that has increased. Since the 1960s, median household wealth in America has nearly tripled, growing from \$29,000 in 1965 to \$86,100 in 2001 (the most recent year for which data is available)—meaning that while half the nation's households were worth \$29,000 or less back in the 1960s, today half are worth more than \$86,100.

WHICH LIFE WILL YOU CHOOSE?

When you contrast the bad news (the paycheck-to-paycheck struggle that kills freedom) with the good news (the phenomenal wealth and opportunity that is all around us), you begin to realize that life is not fair.

The fact is, you don't get in life what you wish for. You get in life what you go for.

People choose their lives.

People choose their actions.

People choose their outcomes.

Life is a cause set in motion.

And life is not over until you quit.

MEET SOME PEOPLE WHO STARTED LATE AND FINISHED RICH

Before we get to the specifics of exactly how you can start late and still finish rich, I want you to meet some remarkable people. What makes them remarkable is not that they did something difficult. Rather, it's that they discovered how easy it is to do something that most people *think* is difficult.

I hope their stories inspire you to really believe that it's not too late for you. Because it isn't.

\$10 MILLION IN REAL ESTATE IN LESS THAN 20 YEARS!

After my first appearance on *The Oprah Winfrey Show* in 2004, I was bombarded with e-mails. In just one week, I received more than 5,000. As my staff and I went through them trying to figure out which deserved an immediate reply, the address line on one message caught my eye: “Bob Biondi, San Francisco.”

Wow, I thought. I'd always wondered how things had worked out for Dr. Biondi.

Dr. Biondi was my first client when I was selling and leasing commercial office space back in the early 1990s. (This was before I became a financial advisor.) His building in Pleasanton, California, was my very first listing, and I'd always loved working with him and his wife.

I remember him telling me how he'd purchased a small duplex a few years earlier and how that had led to him owning this nice little historic building in downtown Pleasanton. I'd always been grateful for the opportunity to list that little building, and I wondered how he'd done with that investment over the years.

So I picked up the phone and called him. Hearing his voice on the other end of the phone was like old times again.

“David,” he said, “you were so great on *Oprah*. Mrs. Biondi and I are so proud of you. We always knew you'd do well.”

“Well, thanks, Bob,” I replied, “but tell me about you guys. How have you done? Did you retire? Do you still own that great little building in Pleasanton?”

“Oh, we sold that building a while ago—and, yes, I did retire. You know, David, real estate has been really great to us. In fact, today we have more than \$10 million worth of real estate.”

I was surprised in spite of myself. From a little duplex to \$10 million worth of real estate. It was nothing short of amazing.

“You know,” Dr. Biondi continued, “you were so right about the importance of planning my retirement. When we sold my medical practice, it was worth less than a half million. A lifetime of work, and my real-estate investments ultimately ended up being worth twenty times more than my practice. And my real estate keeps growing and paying me checks monthly!”

Later on, in Chapter Nineteen, you'll learn how you can do what Dr. Biondi did—namely, build a fortune in real estate on the weekends.

A SECOND MARRIAGE, A SECOND CAREER, A SECOND LIFE

Gail and Richard came up to me at a book signing to tell me their story. They had gotten married when they were both in their late thirties. Each had two children from a previous marriage—and because of two tough divorces, they came together with a lot of love but no assets. To make matters worse, Richard lost his job just two weeks after their wedding. For her part, Gail hadn't worked in more than 10 years.

Just when things should have been starting for the better, they seemed to be growing steadily worse. Then Gail and Richard came across an inspirational book called *Think and Grow Rich* by Napoleon Hill. Motivated to start focusing on what they wanted out of life, they made an inventory of their dreams, goals, and values. Together, they decided that they wanted to start a business in which the whole family could participate.

At first, they got jobs at a local candle shop. They worked hard, and eventually, Richard became the manager, while Gail opened a new store for the owner in a nearby neighborhood. Their kids also worked at the shops and held down other jobs (like paper routes). As a result, within seven years the family had saved enough money to be able to “go for it”—which, for them, meant buying their own candle shop franchise.

They all continued to work hard, and a decade later, they owned five candle shop franchises. A few years later, Gail and Richard sold the businesses, walking away with more than \$3 million. At the ages of 55 and 58, respectively, they were able to retire to Florida as multimillionaires.

As Gail and Richard told me, it didn't happen overnight, but it did happen. “We never lost sight of our American Dream to control our own destiny by being in business for ourselves,” said Gail. “Most important, we feel we've raised our kids to be hard workers. Two of them are already in business for themselves.”

If Gail and Richard's story excites you, you'll appreciate Chapter Eighteen, which explains how you can go about selecting and buying a franchise business.

EVEN GRANDMAS CAN FINISH RICH

Like Lynn Hadley, Dr. Biondi, and Gail and Richard, you too can start late and finish rich. It doesn't have to be or seem impossible.

Even grandmas can start late and finish rich.

Over the years, I've shared a lot of stories about my Grandma Rose Bach. An amazing woman, she helped me make my first investment at the age of seven. (I bought one share of stock in my favorite restaurant, McDonald's.)

On her thirtieth birthday, Grandma Bach made a decision that would change the destiny of my family for generations. The decision she made was that she wanted to be rich.

Why was that a big decision? Because Grandma Bach was poor! Really poor. Renting a modest apartment, living paycheck to paycheck, always struggling to make ends meet. It wasn't an easy road, but she was determined and smart. Her desire to be rich led her to listen and learn when it came to money, and over the next several decades, Grandma Bach became a millionaire—a self-made millionaire. Later, she taught my father, my sister, and me how to look out for investment opportunities. Following her practice of keeping alert to the opportunities that were all around us, we would each become millionaires in our own right (my sister and I while we were still in our thirties).

HOW A GAME OF BRIDGE LED GRANDMA TO A SIX-FIGURE WINDFALL

My grandma was always on the lookout for investments. The big joke in our family was that Grandma Bach could find the silver lining in any problem—and also figure out a way to invest in it.

Not all of grandma's investments worked out, but then one day she came across a big one. She was playing bridge with her bridge club—and bragging about my dad (her son, the stockbroker)—when her friend Molly started talking about her son's new business, a hardware store that the friend said was growing like crazy.

That night, my grandma called my father to discuss investing in this new hardware store. My father wasn't impressed. "There's nothing exciting about hardware," he said. "I don't think you should invest."

Fortunately, my grandma didn't listen to her wise son. Instead, she bought a bunch of shares in her friend's son's hardware company. I say fortunately because the company turned out to be a little outfit called Home Depot. (Molly's son was Arthur Blank, the founder.) Within a decade, the shares my grandma bought were worth more than \$500,000.

The next time Grandma Bach called my dad to discuss a potential investment, it involved a little company that sold office supplies. This time my dad listened and invested along with her. A good thing, too: The company was called Office Depot.

Later in this book, I'll cover how to play bridge with the right group of grandmas and make a fortune.

Just kidding. (I wanted to see if you were paying attention.) But I do promise you that by the time you finish this book, you'll be thinking differently about making money and building wealth—and that like my Grandma Bach, you'll always be open to and on the lookout for the next great opportunity.

BECOMING RICH IS A MATTER OF DECIDING TO BE RICH—AND ACTING!

Over the course of this book, you will meet lots of real people like Lynn Hadley, Dr. Biondi, Gail and Richard, and my Grandma Bach—people who started late with ordinary incomes but nonetheless finished rich. How? By deciding to *be* rich—and then doing something about it.

I'll share with you how to go from wanting to be rich to actually being rich like these people. At the same time, this book will show you a proven system to regain control of your life—so you can start having more of one.

The interesting thing about finishing rich is that ultimately it's not about the money. What it's about is the feeling of freedom that comes from knowing you are *doing something* about your worries and fears—that you're in control of your destiny, and not at the mercy of forces beyond your control. It's about the satisfaction that comes with “buying back your life” from living paycheck to paycheck. It's about having the security and independence to focus on LIVING MORE instead of just having more.

Having traveled the country and met tens of thousands of people at my seminars over the last few years, I've seen firsthand that what's missing in most people's lives today is not *things*—not money or stuff—but a life. Too

many people (maybe you're one of them) are working so hard to pay their bills and get ahead that their lives have gone missing. It's time to change this. They—and you—deserve better.

Most people wish for a better life. Smart people learn, plan, and take action to get a better life.

PRINCIPLE PLUS ACTION EQUALS RESULTS

From here on out, each chapter will end with a summary of the key principles we've just covered, followed by a checklist of specific actions you should take to implement what you've just learned. I've organized the book this way because *Start Late, Finish Rich* isn't just about learning—it's about learning *and doing!*

You want results. That's why you spent your hard-earned money on this book. Well, to be perfectly honest, I can't give you results. All I can do is coach you. You're the one who must take action.

So read the summary of the key principles below and then act on what you've learned. Particularly if you're starting late, the only way you can live and finish rich is if you begin making it happen. The time to start is today.

KEY "START LATE" PRINCIPLES IN CHAPTERS ONE AND TWO

- Give yourself a break: everyone makes mistakes—smart people learn from them.
- The fastest way to get rid of regrets is acknowledge them . . . and “burn them up.”
- It's not about the money—it's about living the life you were meant to live.
- Money buys you freedom.
- It's never too late to start.

FINISH RICH ACTION STEPS

Reviewing the principles we discussed in Chapters One and Two, here is what you should be doing right now so you can Start Late and Finish Rich. Check off each step as you accomplish it.

- Recognize that what matters is not what you “should have done” but what you now do.
- Do the “If Only . . .” challenge described on pages 15 and 16. Make your list of “if only’s,” burn it or shred it, and let it go. If possible, do this challenge with a close friend or someone you love. Sharing the process will help someone else, bring you closer together, and motivate you both to support each other in the future.