

7 Simple Principals to Follow to Become Financially FREE

Here is a list of a few simple rules that I came up with to become financially free. If you're doing these then your own personal financial statement is probably looking good. And if you're not doing these or only doing 1 try to do as much as you can so you become financially free.

- 1. Dollar Cost Average.** Keep putting money in investments month after month. This is an example of a 401k. If you don't have a 401k open a Roth IRA and start making monthly contributions into that to build your retirement.
- 2. Own Your Home.** Work towards home ownership. Yeah I will agree not a great time because real estate is at an all time low but if you have a good stable secure job and renting try to put those renting dollars to a mortgage and then years down the road you will own that piece of real estate.
- 3. Extra House Payments.** When you do own a home try to make extra house payments to pay that house off. By making an extra payment a year just 1 can knock off 5 to 8 years on your loan. Which is big savings.
- 4. Be frugal.** This is a biggie. Buy what you need stop buying all those wants. Yeah we want stuff and yeah it's very easy to spend money. You have to have a great passion of financial independence in your head to be frugal.
- 5. Make Side Money.** Open a side business if you have a full time job. Tell people you're a handy man and do side work on a Saturday afternoon for some extra money. Buy a rental property, would be cash flow and good tax advantages. When having a side business you get to write stuff off like say a computer and other things around the house that you would use for business.
- 6. Credit score.** The better your credit score is the better interest rate you get so you save money. Just for having a good credit score you can save money on your mortgage and loans. Getting a 5% mortgage rate over 30 years to a 6% rate will save you thousands. So make sure your score is good and high. Pay your bills on time.
- 7. Vision.** Keep thinking about your goal and passion. Work and save towards it everyday. Stay focused. If you are doing these simple principles then you probably have financial freedom in mind which is a great thing. Keep that financial freedom in your mind at all times.