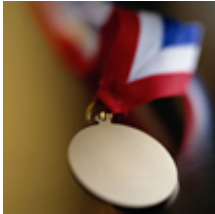


THE \$-ROAD TO RICHES-\$®

FEBRUARY 2006 NEWSLETTER

DISTINCTIONS OF THE ROAD TO RICHES



CHANGING THE WAY I OPERATE . . . *Pulling Up the Weeds* by Bill Ecay

I like to sleep late, buy frivolous things and eat expensive lunches and not keep track of any of it. Change me? Never! Change the way I operate? What does that mean?

Each year my company closes up shop for a day and all 300 employees engage in a community service project where we contribute our time and expertise. Last year we went to Harlem to the Children's Aid Society campus. There were many projects on this campus from painting to building but I volunteered for the landscaping team. Our task was to transform the courtyard from an overgrown, trash filled lot to a beautifully landscaped garden. I picked out the nastiest corner of weeds, rolled up my sleeves and got down to it.

As I was pulling up the weeds, I reflected on what I was really doing there that day. I realized that the work I was doing in this courtyard was a reflection of the work I am doing in my life as a result of my participation in the \$-Road to Riches-\$® program.

Two years ago, I was complaining about how bad I was in the area of money management. I was living from paycheck to paycheck with no plan for my future. All the money that came in went right out. This area of my life was in shambles. At that time I began to recognize that up to that point I had led a life filled with bad money management habits. Registering into the \$-Road to Riches-\$® program was a bold step for me in claiming accountability and responsibility for my financial life and in declaring a future, my vision of a future, that I could commit myself to living daily.

This has not been an easy process. I enjoy my bad habits. They have deep roots. I like to spend money and feel good about it. I was proud of my low rent apartment. By changing the way I operate, and asking for a receipt when I make purchases, and then recording that information in my cash flow report, I can see what I'm buying, what I need, what I don't need and where I can adjust how I spend my money so that I can make a difference in the pursuit of my long term plan for myself.

In the \$-Road to Riches-\$® program, I recognized that I had not been paying attention to my long-term goals. Every dollar I was spending was simply taking care of my immediate needs. Nothing was going to my future. I saw that changing the way I operate was like a handy new tool for pulling up those bad habits and really being accountable for my money.

Another example, I love to sleep late but sleeping late was getting in

the way of my plans to build a new business. So I changed that too and now I am up every morning at 6:45am to be on a daily team call at 7am to support teammates regarding the actions that they say they will take and to obtain support for myself in the actions I say I will take. This team calls me forth toward my future goals and my vision, and my participation does that for them too. Being on that call everyday for months changed the way I operated. It was another opportunity to be responsible for both my long-term and short-term goals.

I learned how to calculate my net worth and now I do it every month. I carry a small pad of paper with me and when ideas come up during the day, I write them down immediately. At the end of the day I review that list and see what actions I can take that will forward me on my path to my goals. These are some of the ways that I've changed the way I operate that are making a difference for me.

So as I stood there that day in Harlem, among the weeds, I could clearly see that pulling up the bad habits and changing the way I operate are synonymous with landscaping my life to be exactly the way I want it, that I am the one in charge. I have power and a sense of freedom that wasn't there before.

I also see that by changing the way I operate, I transform my own life and the people around me seem different in ways that are inspiring and totally unpredictable. That courtyard in Harlem ended up looking beautiful that day. It was a reflection of the beauty I've found in my own life by changing the way I operate. It's living by design. I was suddenly proud of the work I had done to cultivate my life.

FINANCIAL MANAGEMENT CORNER



REAL ESTATE LEVERAGE

by Ron Giannamore

You don't need to be millionaire to leverage your assets. What's leverage, you ask??

Leverage is financing with a small amount of cash to purchase a large investment property. It is the ability to use a little money to buy a big asset. For example, use small amounts of money from your 401(k) account, your savings account or from your home equity line as a form of down payment to purchase an investment property. Access to these assets will allow you to borrow larger amounts of money. The concept of leverage is that you can use this small amount of money to access the funds needed to purchase your investment property. This large asset would then appreciate annually and increase your net worth.

Here are two examples of leveraging \$10,000

Invest in a house or property.

Make a \$10,000 down payment for a mortgage of \$200,000.

This real estate purchased at \$200,000, appreciating at an assumed

rate of 5% annually, will be valued at \$210,000 after one year, which is a \$10,000 gain. The property value is now \$210,000. At the same assumed rate, the property value would be \$220,500 after the second year, another \$10,500 gain.

Keep savings in the bank.

A \$10,000 savings account in the bank with 5% interest rate is worth \$10,500 at the end of the year, a gain of \$500. By adding the second year gain of \$525 the total gain is \$1,025, so at the end of the second year, the \$10,000 is now worth \$11,025.

Comparing these two examples, of leveraging your \$10,000, the real estate investment has gained \$10,000 for the first year, and \$10,500 the second year for a total of \$20,500 while your savings interest has gained only \$500 the first year and \$525 after the second year for a total of \$1,025.

Here's an example of leveraging on a big scale

If you purchased 10 properties, assuming the same 5% appreciation rate, the gain would look like this after two years:

10 properties at \$200,000 each: That's \$2,000,000 million worth of property that you purchased with a \$100,000 (ten \$10,000 down payments) investment.

The \$2,000,000 property value at 5% yearly assumed appreciation yields \$100,000 yearly. You have increased your net worth by \$100,000 after the first year. After the second year your net worth will have increased by \$205,000.

It's important to keep in mind that the gain is not realized until the property is sold. Until that time, it's a paper growth. Also consider that you will have management expenses associated with this type of leverage plan, and that properties must be maintained and occupied. This is not just an investment, it is an actual business. In planning your financial portfolio, investing in real estate has financial advantages over saving money in the bank. It is for you to decide which path to follow and whether your cash flow is adequate to handle taking advantage of leveraging your assets.

EXPERIENCES



FIROZÉ
by Fiorouzeh Z. Salime

I was frightened confused, and tired. I could not make sense of things, and I felt overloaded. I was in a state of panic and explosion, working 14-15 hours a day. I had lost all belief and confidence in *me*. Things just couldn't get any worse, and I saw no relief. Then I took a minute and thought what could be worse? What could be the very worst thing that could happen? And then I thought there is nothing ... nothing to fear.

I gave up resisting failure. What does it mean? I gave up complaining about it. At that time like no other time, I waved in surrender. Surrender. SURRENDER. No more fear of what if, or fear of failure or fear of not looking good. I surrendered to faith, trust and risk. This was an astonishing experience for me . . . to surrender. For me it was like having my eyes closed and finding tranquility where no worries or fears exist. My intention, freedom and joy, rushed over me like a waterfall, and I was freedom and joy. I was power, and I had freedom. I could see who I needed to BE and who I could be to turn around my failing business.

I had been very ready to declare bankruptcy and now all the worries just were not there. I was filled with energy and taking actions, and I was fearless of the results. It didn't matter how big the actions were that I took, I just took them, and I decided to take big steps, big actions. My vision was fueled with faith, trust and risk. I met with no results at times like a website that had problems and no orders for products, but that didn't stop me. Freedom and joy. Go, go, go. No fearjust take the steps. Faith, trust and risk, just take the actions even if there are no results. And that's what I did.

By having faith and trust and by taking risks, I am experiencing freedom and joy. When I wake up in the morning, I give thanks, and I am present to freedom and joy. This is a practice I do every day. Firoz  is accelerating forward. My company's sales have increased by 40%. This interesting turn-around phenomenon is a result of my participation in the \$-Road to Riches-\$  program.

I cannot say enough about how the practices and distinctions of the \$-Road to Riches-\$  Program have enriched my life, my business and my relationships. It is no longer about reacting. It is about my intention of freedom and joy and shifting to my intention when I don't want to or when I am faced with 'things just couldn't get any worse'. Fear always rings the bell for a second, but now I have practice, and it takes seconds to shift to my intention. When I do, there is ease. I feel freedom by surrendering, and because of who I am being, I no longer react to other people's actions and reactions. This practice is enriching my experience of my life. It is all great as I am free.....and all powerful, it is all very simple.