

5 Things

you can do to



Create Lifestyle

FREEDOM

What does “Lifestyle Freedom” mean to you?

To me, it means being able to choose how I spend every hour of my day (without negative consequences). It means being able to choose where I live, how I live and whom I surround myself with. It means being able to ready menus from left to right, instead of the other way! It means being able to support the charitable work that calls to me, travel when and where and how I choose.

I could go on but I think you are getting the picture.

Here’s another take on it:

Time freedom and financial freedom:

You’re in control of your time and income.

You’re not enslaved to the corporate world, a boss, a time clock, or alarm clock - You choose when to work, where and with whom to work.

You’re in control of your financial destiny, free of the rat race, and are debt free.

You have the things in life you want

You’re free to help others get what they want.

You know who you are and are free to be who you are.

You’re free from destructive habits.

You enjoy good health.

You have good relationships with family and friends.

You have a dream and are free to follow it.

You’re free from worry because you know what your future holds.

Your personal, financial, and professional life is in balance.

Sound good? It does to most people but the reality is that when most people subtract sleeping time, commuting time, working time, and time for things you have to do each and every day of your life, most people don't have more than one or two hours each day to do what they like to do. And if they have the time, they may not have the money or health to do it.

Many people look forward to "retirement" as a time when they can do what they want but sometimes, one's health has deteriorated from a lifetime of work and they no longer have the health required to do the things they once dreamed of.

Most of us wish that we would win the lottery, inherit a large sum of money or somehow become financially independent.

There are people who do become financially independent without winning the lottery or losing a relative. These are people that master the art of creating "passive" or "residual" income.

"Passive income is an income received on a regular basis, with little effort required to maintain it. It is closely related to the concept of "unearned income".

Do a Google search on "passive income" and you will come up with almost 4 million entries! Clearly, people are interested in this topic. In my experience, most people are interested in the concept of "getting something for nothing."

Here's what one expert has to say on this topic:

“Many people think that passive income is about getting something for nothing,” says Todd Tresidder, founder of FinancialMentor.com, a financial coaching service. “It has a 'get rich quick' appeal ... but in the end, it still involves work. You just give the work upfront.”

I have been lucky enough to earn passive income in multiple ways but I can't say that I necessarily knew what I was doing when I began. Let me share some of my experiences.

#1 Real Estate

This is one of my favorite sources of income! In the late 80's and early 90's I got good at "flipping" properties: buying a piece of real estate, doing some modest upgrades and selling at a substantial profit. Many variables will determine whether you can do this successfully: do you have dollars for a down payment and good enough credit to get a good interest rate on a loan? Have you chosen the right property: right neighborhood, right piece of property, right time? And then, you must realize that this isn't exactly "passive". You will need to research who will perform the work, sell the house, etc. and you will need to oversee, at some level, all of the processes.

If done right, flipping houses can result in substantial profits but one wrong move can completely undo you. (I have a personal story about that!)

The other side of creating passive income with real estate is entering the rental market. My husband and I have had extensive experience with rentals, residentially, commercially and in vacation rentals.

It's a tricky business but can be lucrative. Things to consider are: your desired return on investment, costs and expenses of the rental and risks of owning the property.

Vacation rentals seem attractive because of the higher rents possible but vacant properties during down times can take their toll on your bottom line. Conversely, long-term tenants can add a lot of wear and tear to your property, lowering the value of your investment. Commercial real estate appears attractive

but location is key. We've all seen storefronts that seem to be an ever-changing string of businesses.

#2 Creating Information Products

Books, DVD's, mobile applications, articles, music, etc., etc.

As a national aerobics champion and fitness professional, I got to make exercise videos and training manuals and the royalties were fun to get... but they didn't last long.

To develop this avenue of residual income, you cannot just have one inspired product; you must continue to come up with material the public is interested in. The plus side of this endeavor is that you don't necessarily need capital (other than intellectual or "talent" capital) to generate income this way.

Additionally, if you are successful in creating an online presence through blogging or other online content, you can generate income through affiliate marketing as well: earning a commission on other products sold through your website through vendor links on your site.

On the downside, you must be prepared to devote lots (and lots) of time and energy to continually create valuable material. If this is something you love to do, this may be a viable option for you.

#3 Investing (non-real estate)

This, of course, is the most typical and known way of creating passive income: investing dollars in the stock market, gold, dividend yielding stocks, whole life insurance policies, other people's projects, savings, etc.

We have been able to invest in several of these vehicles but they are usually not without significant risk; the lower the risk, the lower the return, the higher the risk, the higher the return.

We were lucky with an investment in gold bullion but it has never reached the value it did when we sold a substantial amount a few years ago. On the not so lucky side, we lost a significant amount in other non-real estate investments during the 2008-2009 economic downturn, as many, many people did.

Additionally, not everyone has the amount of capital necessary to actually generate a substantial return on his or her investment. For example, to generate \$1000 per month, one would need to have \$250,000 to invest AND find a vehicle that would give them a 5% return...difficult to find these days without significant risk.

If you are in a position to take a gamble, this is one of the easiest ways to create residual income.

#4 Inheritance

This would be my favorite source of passive income and I got to watch my husband inherit some money from his mother. (see #3)

Most of us think of earning an inheritance as having someone else do the work and leave us a monthly income, just for being a relative! I do know people who have been the beneficiaries of inheritance; some of them have used their good fortune to create meaningful, contributing lives and it has destroyed others.

Even if you are lucky enough to become an heir or heiress, you usually have to learn to manage the money that you inherit or hire someone to manage it for you. This can result in a further risk, however.

#5 Network Marketing

This is my second favorite way to create passive income and is what has allowed my family to take advantage of the first three on the list!

Network marketing is an industry that allows individual entrepreneurs to team up with a company to move products or services using “peer to peer” marketing tactics, thus eliminating advertising and distribution costs.

Many large companies such as AT&T, Direct TV, Gap, Amazon, Google, Apple, Macy’s, Nordstrom and Travelocity, to name a few, have borrowed the concepts of network marketing to reach a wider market. These companies have realized that the impact of their multi-million dollar advertising budget pales in comparison to the power of word-of-mouth advertising.

If you can find the right network marketing company, you can build extra income in field you are passionate about without interfering with your primary income source and without much up front money.

Many people think they have to be good at sales to build a successful network marketing business but that’s not true. Most of us tell our friends when we see a good movie or eat at a great restaurant. We tell them ALL about it...what we ordered, who waited on us, etc. What we don’t do is call them everyday to see if they went to the restaurant or saw the movie. Network marketing is a sharing business.

Another misconception that people have about

network marketing is that they need to know a lot of people. In truth, five good people will shape a network marketing business. Those 5 people will know five good people, etc. Hopefully, everyone has at least 5 good people in their lives.

The other misconception people have about network marketing is the confusion between the network-marketing model and pyramid or Ponzi schemes, which are illegal. You can read more about this here: <http://www.entrepreneur.com/article/35744>

In a reputable, legitimate network marketing company, it should be relatively simple for an individual to develop an income of \$200 to \$750/month just through sharing the products or services.

By teaching the skills necessary to do this, the rep should be able to create a significant income stream of \$1500 to \$5000 with part time effort. For people with above average drive and work ethic, 6 to 7 figure incomes are possible.

Eric Worre outlines the skills necessary to build a successful network marketing business in his book. "Go Pro" This is the model we teach. www.networkmarketingpro.com

Worre puts forward the concept that network marketing is a career that has a low barrier of entry (a blessing AND a curse) and has skills that can be learned, just like any career.

He outlines 7 skills that anyone taking the industry seriously can and must learn to be successful. I recommend this book to anyone wishing to enter this

field.

Lastly, anyone pursuing a life of entrepreneurship, whether in network marketing or any other industry, must first work on himself or herself. Hence, your business becomes “a personal growth course cleverly disguised as a business”.

Conclusion

I have an expensive liberal arts degree, some graduate school and multiple fitness certifications. I have experience with other “residual” income opportunities.

I have never had the personal nor financial satisfaction I’ve achieved in the network marketing industry.

I’ve been lucky enough to be with the same company for over 20 years; something that is almost unheard of in any industry.

If any of this appeals to you, I’d like to explore the possibility of working together. The fit must be right on both sides. If it is, you could be in for the ride of your life!

Work with Joy