

# Wisdom for Living



*Sophie Lancaster - Wealth Manager*



## HERITAGE WEALTH MANAGEMENT

retirement • investments • insurance

 3600 NW 43rd Street, Suite G2, Gainesville FL 32606

 (352) 333 - 7767

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# Developing a Wealthy Mindset

As a Wealth Manager and a Financial Advisor, it's my purpose and passion to help you achieve your personal financial goals. One thing that I am sure of is that God has a great plan for your life. There are a lot of people in this world who want to be rich. However, I would rather be wealthy than be rich. Richness is defined by a number, a quantitative measure. Wealth, on the other hand, is attaining a position that allows you to live your purpose. Wealth is not defined by a number in a bank or investment account. It is defined by having enough resources to fulfill a purpose. Everyone has a purpose. Ephesians 2:10 says it best, "For we are God's handiwork, created in Christ Jesus to do good works, which God prepared in advance for us to do." There are good works that we have been gifted and have been created to do. Those "good works" are called your purpose.

Being rich without a purpose is a state of destituteness. the pursuit of riches without purpose produces an unquenchable thirst that no amount of water can satisfy. When you have a get rich mentality, your security rests on how much you earn or how much you have accumulated. When you have a "get wealthy" mentality, you are

consumed and focused on accomplishing the "good work," your purpose.



Our perception and way of thinking determine our behavior. From the day we are born, the world impresses on us the way that we should think, act, or be. We learn behaviors from those who are around us and from what society says. Marketing and other mediums tell us that our worth comes from what we have and who people say we are. We have been conditioned and programmed to be compulsive consumers who are constantly chasing for the next great and latest thing. Because we live in a progressive society where the world is constantly innovating and changing, there is no end to the spending.

Here are five behaviors that help develop a wealthy mindset.

## 1) Live for purpose and not for people

How would you like to live life freely? Free from people's unreasonable expectations about what car you should drive, what clothes you should wear, where you should live and more. There are lots of people that buy a house or a car that they cannot afford or simply don't need because they are trying to live a life that can be admired by others. Change your mindset! Don't strive to wear a number. Wearing a number is a mentality that says "what I wear, what I drive, and where I live and what I do defines who I am and my worth." When you are troubled by this mentality, you buy expensive things so that you can convince yourself and others that you have achieved a certain financial status. Sometimes, we feel that we should reward ourselves with high-cost items because we have worked hard and deserved

it. When you make a sacrifice to buy an expensive item, it means that you cannot afford it. Don't put financial pressure on yourself to simply live an illusion. You have to think before you buy. Ask yourself these three questions;

- 1.Can I afford it?
- 2.Do I really need it?
- 3.Will it help me achieve my purpose?

If you answer no to any of these questions, then don't buy! Asking yourself and being honest with yourself will help you reduce impulse or emotional purchases that waste your money.

## 2) Be a lender and not a borrower

I absolutely love Romans 13:8, which says "Owe nothing to anyone except to love one another; for he who loves his neighbor has fulfilled the law." Our goal should be to "owe no man nothing." God's plan for us is to be debt-free. We must avoid frivolous spending, and be careful not to contract any debts for yourself or as a cosigner if you do not have the ability to satisfy. Your goal is to pay everyone, companies included, back what you owe them. Do not be quick to get credit cards and loans. Use the three questions to prevent

unnecessary spending. If you are already drowning in debt and have no savings, there is hope. With commitment, dedication, and favor, you will work your way out of debt. Split the 20% for savings between paying off debt and building your emergency fund. Once you have achieved your emergency fund goal, you can dedicate more towards debt. Be diligent and practice self-control and you will see yourself climb out of debt.

### 3) Live for the moment while saving for tomorrow

Just because you earn it doesn't mean you have to spend it all. Learn to live on 70% of your income. Over time and with good management, you will be able to decrease that number to 50%. This can happen in two ways; as you become a better financial manager, you will find ways of eliminating expenses, and as God sees your faithfulness, He will increase your earning ability.

Living on 100% of your income is a recipe for disaster and a setup for debt. Life happens! Cars breakdown, health issues arise, and unexpected expenses pop up. A budget will help you live below 70%. To determine what you need to thrive, you must know how much money you need to survive. Survival expenses are the cost for modest shelter, food, insurance and transportation. Your budget will empower you and help you prepare for the needs of your household in advance. It will allow you to figure out if you are wasting money. Your budget is your roadmap, your GPS and your best tool to guide you to your goals.

Your budget will have three saving goals. Dedicate at least 20% of your income to these three goals. You can sit down

with a Wealth Manager to help you figure out how much to put in each. The three goals are:

**1. Emergency savings** – This is money you put away that can be accessible in cash within a 3-day period. Your emergency savings should be 3 to 6 months of your “survival expenses.” If you need \$3,000 a month to survive, your goal is to save at least \$9,000 to \$18,000 for emergency savings.

**2. Short-term goals savings** – This is money saved for goals like a special trip, a new car, and home improvements. These are goals that need to be accomplished within three years

**3. Long-term goals savings** - To achieve optimum results, it is best to invest for long-term goals. Saving and investing often are used interchangeably, but there is a difference. Saving is setting aside money for emergencies and short-term goals and investing is buying assets, such as stocks, bonds, mutual funds or real estate with the expectation that your investment will make money for you. We invest for long-term goals, such as retirement and college savings for our children.

### 4) Giving is not an option, but a priority

Giving is an essential part of our existence. It contributes to the good works that are done in this world. I recommend constantly giving at least 10% of your income to a good cause. There is a universal law that exists under the sun. It is the law of sowing and reaping. This law cannot be explained intellectually, but it works. Luke 6:38 describes it best “Give, and it will be given to you. You will have more than

enough...” So, when I freely and joyfully give a portion of my money, I then position myself for a blessed life. The biggest blessing that we experience is joy. There is joy in seeing a church advance in God's work or in seeing a child with cancer afford treatment, or in seeing someone homeless get on their feet. Generosity brings joy to the recipient and the giver.

### 5) Be an investor!

Wisdom says invest rather than only spending. As we invest in our health and relationships, we should also invest our money. Instead of renting, you can invest in buying a house. With the same money that you use to rent, you can use it towards homeownership. As a renter, you have an expense that will never end, but as a homeowner something that appreciates in value and can be paid off. After the mortgage is paid off, your investment will return to you a lifetime of “free” shelter. I also encourage you buy your car instead of leasing it. There is no investment value in leasing. You can also use mutual funds, stocks and bonds to invest for retirement, college and other long-term goals. Investing creates wealth that will not only benefit your life, but it provides a legacy. One thing to note is that investments in securities do not offer a fix rate of return. Principal, yield



and/or share price will fluctuate with changes in market conditions and, when sold or redeemed, you may receive more or less than originally invested. No system or financial planning strategy can guarantee future results.



# How Can We Help You?

## Retirement

We believe in helping you assess your financial goals and participate in the management of your finances. We will guide you to the best plan to help preserve your benefits for a lifetime.

## Investments

Our goal is to customize appropriate strategies to suit your personal vision and objectives.  
Wealth Creation + Wealth Preservation + Wealth Transfer = Wealth Plan.

## Insurance

We provide a full range of plan coverage for individuals and businesses. Life, Health, Dental, Medicare, & Long Term Care.



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