



Positively Jane - The Podcast

Navigating Life's Highway... *together*

Episode #15 Transcript: Build Wealth: Create Financial Independence

JANE SHINE:

How would you feel if you could quit your day job at the age of 30, 40 or 50 and do something that you love instead? Or knew that you had saved enough money to comfortably live on for the rest of your life without worry? Or knew you were financially independent? Meaning...you do not have to rely on your kids or the government to make sure you have enough money to live on when you are older because you know how to create financial independence? In today's episode of the Positively Jane podcast I am going to chat about creating financial independence. If you ever dreamed about having extra money, even a million dollars, this episode is for you. So hang on!

INTRO:

Hey there - I'm Jane Shine. As a blogger for over 4 years, I have been encouraging women of all ages to rise above those circumstances that kick them in the butt and choose a life filled with joy. Topics - you name it. From relationships, anger and irritation, embracing the aging process, how to retire with wealth, and so much more! We have been navigating life's highway together and I can't wait for you to dive in and navigate your own life with us.

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JANE:

I am going to be giving you some numbers so grab a pen and paper or download the show notes so you can refer back to it all. Ok - let's roll. I am going to start off with a bit of bad news. I hate to even break it to you... but creating financial independence does not happen overnight. In fact, it takes planning and effort on your part. And the sooner you can begin, the more money you will be able to save and accumulate. Think about it...how long does it take to save money for a new sofa or a new car. And then multiply that by a



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whole lot more for your retirement.

So let's dream a sec and say that you would like to have a million dollars when you are 65. Sound good? So how much money do you need to save in order to have the million?

First up - is it possible to save your way to a wealth. How about a million dollars. Can you work, pay taxes, and set aside the extra to get to a million? Assuming that you will retire at age 65...let me do the calculations for you.

If you are 20 years old you need to set aside around \$1800 a month in order to have a million dollars.

If you are 40 years old, and have 20 less years to work than when you were 20, you would need to set aside about \$3300 a month.

Those numbers represent saving from your paycheck.

Only there is another way. You can invest in the stock market. Now I used to think that investing was gambling. I once heard that you only invest as much as you are willing to lose. I heard it and didn't question it and what I heard shaped me. I was trying to save my way to wealth.

It wasn't until I met a really smart investor who explained to me why I was making a huge mistake just leaving my money in a savings account with ½ % interest that my husband, Willy, and I made the change and put our money in the stock market. And that change was huge for us...it allowed us to retire in style and not have to worry about money at all.

Now this podcast is not about investing. I will talk about that at a future date. I do have a course called 'Investing for Freedom' that opens up once or twice a year. You can put yourself on the waitlist and I will let you know when it is ready to go again. The link is in the show notes.

So, let's go back to that person who is 20 years old. You know, the one who needed to save \$1,800 a month in order to have a million dollars.



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The stock market can seem risky and intimidating at first. I get that. But when you take into account that over 100 years of stock market history, the stock market has had an average rate of return of 10%. Some years it's more and some years it's less - but the average is 10%. Meaning that you earn 10% on all the money that you invest. So if you invest \$10,000 you will earn \$1,000 - and that sure can add up.

So, as a 20 year old, you would only have to invest \$100 a month in order to have \$1mm when you are 65.

If you're 30 years old you would need to invest \$300 a month.

If you're 40 years old you would need to invest \$800.

If you're 50 years old you would need to invest \$2,500 a month.

As you can see, the sooner you begin, the less money you need to invest.

Let's go back to the 20 year old – If their investment went up to \$300 a month... they would have over \$3mm dollars when they are 65. AND they only invested \$162,000 of their own money. Yup – you heard that right!

How does that even happen? It's the magic of compounding interest.

Compounding interest is when your money makes money on your money and so on. I have a [Retirement Calculator](#) on my website. Check it out....input your own numbers and see what happens. The link is in the show notes.

Do those numbers excite you? Are you wondering if it's true or even possible? Are you saying to yourself - sounds great but I don't have an extra \$20 let alone \$100 or more! And I get that too. When I was in my 50's I hit a financial wall and realized that if we didn't do something and fast we would be living in a 2 man tent and eating dog food for dinner. I need to save more money.

At the same time, if you would have asked me if I had an extra \$20 in my budget (which was really a record keeping system), I would have said no way. I thought we were maxed out financially.



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But as it turns out I was able to find thousands of dollars in our budget. We didn't get new and extra jobs - we just cut back on all unnecessary spending. And for me unnecessary meant anything that was not needed to survive. We needed food, shelter, heat and some gas in the car. We didn't need clothes, eating out, low air conditioning temps, a bunch of tv channels, vacations, hair and nail appointments. You know - all of the fun things.

Because I knew that even though all of those fun things were great and my kids enjoyed them...the fact that they did not have to financially take care of us when we were older would be more important when they were adults with their own families and expenses. And fast forward - this is a fact that they appreciate today.

If you haven't had a chance to listen to Episode #8: Build Wealth: Where do you Begin please do. This will help you as you are figuring out your first steps. I have liked it in the show notes.

For most of us, advance financial planning is not something that we were ever taught. And, it is definitely something that does not come intuitively. In fact, most of our friends are maxing out a lifestyle based on income. Thoughts of retirement are FAR away.

I would observe my parents and my friends and I did what they did. Bump in pay - bump in lifestyle. NO one, and I mean no one, talked to me about money. I knew how to balance a checkbook because my mom taught me - which is a skill that is not taught today. Our kids observe college student loans being used for vacations, pizza nights for the dorm, new laptops, phones, and sometimes cars. FREE money right?!

Until they graduate and realize that they are now saddled with \$150,000 in student loan debt and are only making \$60,000 a year. What a huge burden for a 21 year old new adult.

I would like to encourage you to not look at what others are doing and to find out what you need to do. Find a course that will help you get started. I have tons of financial resources available for you. I have a course that opens up once a year. Get on the waitlist. It's called 'Financial Independence Society.' I will



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teach you how to get ahead of your money so you can have \$1mm or more when you retire.

And one last thing...please, I will say it again, please don't discount any of this because you are older or don't have an extra \$100 a month or more. Something is infinitely better than nothing. Start saving and investing NOW! It is never too late. Let the magic of compounding interest create magic in your life!

I promise that I will have a podcast on investing coming out soon. So stay tuned for that one!

And as always, I would like to encourage you not to let the circumstances of life kick you in the butt. I would like to encourage you to learn how to rise above those circumstances so that you can live a joyful life....everyday.

If you haven't already go on and grab my FREE 'Joyful Living Quickstart Guide' - this guide will help you eliminate stress, AND kick anger and irritation to the curb forever - so you can enjoy all that life has to offer.

Thanks for listening. If you like what you hear please subscribe and share with your friends. I have linked everything I talked about in the show notes. Go on and grab them. Until next time - let's continue to navigate life's highway... together.

Links mentioned in this episode:

- [Find the Joy in Your Finances](#)
- [Chicos](#)
- [Financial Independence Society](#)
- [Investing for Freedom](#)
- [Joyful Living Quickstart Guide](#)



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- [Podcast #8 Build wealth: How Do You Begin?](#)
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