

Title: How To Become a Millionaire

Meta: Looking for ways on how to become a millionaire? With a little patience and a lot of knowledge it's possible. Insurinary shares these tips.

H1: How to Become a Millionaire

Being a millionaire is many people's dream. For many, it is just that, a dream. But it doesn't have to be for you. These days it's possible for almost anyone to become a millionaire. There are two big things that every millionaire, and billionaire, *must* have to achieve that status.

Those two things are, simply, (1) A plan; and (2) Patience. Just like you can't get fit if you don't have an exercise plan, you can't grow wealth if you don't have a financial plan. 80% of millionaires worldwide didn't become millionaires before the age of 50. On average, it takes a "self-made" millionaire 32 years to make their first million. Between 2019 and 2022, the number of millionaires in Canada grew from around 1.3 million to over 1.6 million. So how did they do it, and how can you follow their example?

H2: How to Make a Million Dollars - Key Points

Along with planning and patience, there are a few key takeaways which certainly help in the journey towards becoming a millionaire. They are:

- Start early. The longer you save, the longer compounding will work in your favour
- Curb your spending. Sacrificing now means financial freedom later
- Maximize your retirement account each and every year

H2: Saving vs. Investing

Saving up a million dollars is virtually impossible. It's important to have some money to start your wealth journey, but where you put it and how long you keep it there will determine whether you become a millionaire. If you had \$10,000 today and deposited it in a savings account with an *excellent* interest rate (3%-4%), it would only grow to \$32,000 - \$48,000 in 40 years! That's without accounting for inflation.

It's a much better idea to invest your money into the stock market, where it can likely grow with the economic market, and returns beat the pace of inflation. Other investment avenues can yield much more significant results, like venture capital, angel investments, private equity, and hedge funds which can generate very high returns but are only open to accredited investors. To walk

the path to wealth, you must know how to be an accredited investor. Now you have the beginnings of a plan.

H3: What is Saving?

Simply put, saving money is the process of putting funds aside usually to reach a certain goal such as saving a down payment for a home. More to that, using affordability calculators such as this one can really help determine how much is needed for large purchases such as buying a home. Using a savings account with high interest rates is also a great way to save some extra cash.

While the thought of saving money may seem a little like missing out on the fun stuff at first, once it becomes a habit, and you're able to see the gains and future rewards, it becomes quite addictive.

H3: What is Investing?

Investing is putting your money to work. The idea behind investing is that you are putting your money into things like RRSP's and TFSA's. Accounts like this are often low risk and pretty much guarantee positive returns. However there are many more ways to invest which come at a higher risk, but offer far more positive gains.

H2: Long Term Thinking

If you or you and your spouse have a combined net worth of more than \$1 million, you can become an accredited investor. Your net worth is calculated by combining your yearly income and your assets minus your debts. To start building your net worth, you should look at increasing your assets by acquiring properties or expanding small businesses. A valuable tool for this is The Canada Small Business Financing Loan (CSBFL) program which is a federally backed loan program that will guarantee 85% of your loan. By building slowly and consistently, you can build your net worth into the millions. When you qualify as an accredited investor, the world of high-growth investment is yours. Invest in stocks and businesses that are federally backed.

Warren Buffett started investing in small stocks when he was just 11 years old, and it took him 23 years to make his first million dollars. Today he is a billionaire. It may be impossible to be a millionaire suddenly, but by following a plan patiently, it is possible for you to become one.

H2: Millionaires Have The Right Insurance Policies in Place

It's true. People who have achieved financial freedom, are on their way to financial freedom or who are just starting the journey towards it, have the right insurance policies in place. Whether it's protecting your family in the event of the unexpected, insuring your mortgage to secure your home, having livable funds available in case of illness, or just making sure your loved ones can live comfortably, having the right insurances are sound financial investments.

