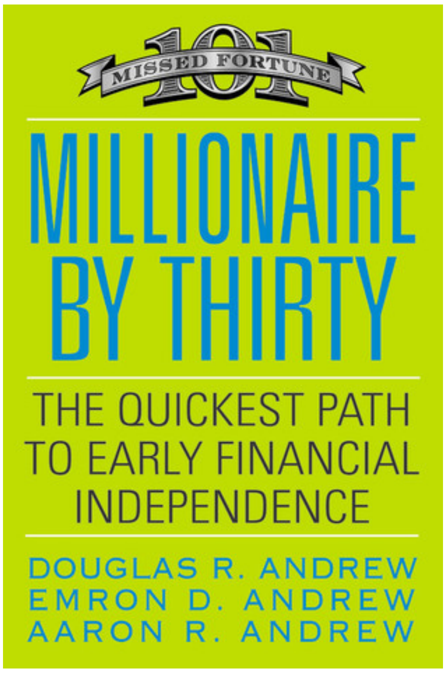

Millionaire by Thirty: The Quickest Path to Early Financial Independence

Douglas R. Andrew , Emron Andrew , Aaron Andrew

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Most people know that there are 70 million Baby Boomers in America today....but what is less known is that there are approximately 100 million people in America between the ages of 16 and 30. This generation has just entered, or will soon be entering the work force. And they have no idea how to invest, save, or handle their money.

Young people today come out of school having had little or no formal education on the basics of money management. Many have large debts from student loans looming over their heads. And many feel confused and powerless when their pricey educations don't translate into high paying jobs. They feel that their $30,000-$40,000 salary is too meager to bother with investing, and they constantly fear that there will be "too much month left at the end of their money."

Douglas R. Andrew has shown the parents of this generation a different pathway to financial freedom. Now Doug and his sons, Emron and Aaron - both of whom are in their mid-20s - show the under-30 crowd how they can break from traditional 401k investment plans and instead can find a better way by investing in real estate, budgeting effectively, avoiding unnecessary taxes and using life insurance to create tax-free income.

With the principles outlined in *Millionaire by Thirty*, recent graduates will be earning enough interest on their savings to meet their basic living expenses by the time they're 30. And by the time they're 35, their investments will be earning more money than they are, guaranteeing them a happy, wealthy future.

Millionaire by Thirty: The Quickest Path to Early Financial Independence Details

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From Reader Review Millionaire by Thirty: The Quickest Path to Early Financial Independence for online ebook

Dan says

Liked it because it complements my existing real estate plan. 2 ideas that really resonated with me: 1) Your real estate equity earns zero return, 2) Tax advantaged deposits and retirement withdrawals with Insurance MFTA's. Everything of course bears some due diligence and tweaking as this is a pre-2008 book, so appreciation is not as hearty, refinancing is more difficult, etc., but worth looking into.

Terry Koressel says

Millionaire by Thirty is all about building assets from an early age. To do so, Mr. Andrew recommends methods that are the opposite of conventional wisdom. For example, maintaining a high mortgage balance (or two high mortgage balances) to fund other investments is an ideal way to take advantage of low net cost financing to fund other higher yield investments. He also is a staunch believer in the universal life policy if purchased at a young age. There are not many independent advisors making the universal life recommendation these days. Bottom line: some really unique tips for aggressive wealth building with limited risk. Good ideas to consider. If nothing else, you will learn some things from this book. I recommend.

Matt says

Most critics say this is a sales pitch for mortgage brokers and life insurance salesmen. In my opinion, they do not do a good enough job explaining the insurance component which, under the right circumstances, can be a very powerful tool.

Definitely worth the read if nothing else than for an alternate view of saving/investing beyond the 401(k) and/or IRA.

Joséphine (Word Revel) says

Initial thoughts: For someone who doesn't believe they're actually able of building their own wealth, *Millionaire by Thirty* is a good starting point to demonstrate that it is indeed possible. They outline very specific steps and encourage readers to think creatively about increasing the value of their assets and ensuring liquidity. However, the strategies are very US-centric, so they don't necessarily apply or work elsewhere. As a result, things like 401(k) and particular tax deductions weren't relevant to me. That being said, it was refreshing to listen to Douglas and his sons also talk about their values and how they affect their views and approaches to financial independence.

Tracey says

Adult nonfiction; personal finance/investing. This book read like an infomercial, treating the reader like a chump (good thing I got it from the library instead of actually buying it). I would not recommend it--the *Rich Dad, Poor Dad* series is way better at empowering readers to take control of their financial health.

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trivialchemy says

I might be a chump. I'm thinking about returning this.

Shaun says

Most of the info on this book was very pre-2008. They really push the whole "highly-leveraging yourself to millionaire status". If you're able to take on a million in debt, great. Otherwise, if you're looking for a reasonable personal finance book, skip this one.

Martin Streetman says

This was a quick read as I am familiar with the subject matter. What I liked was the focus on having a balanced life. Truth be told I saw the book at the library and wouldn't have even bothered except that one of the authors shares the first name of my new nephew. It turns out to be written by a father and 2 sons and to really simplify it has you using your home equity to buy more real estate, refinancing every 2 to 4 years and pulling the money out to get more leverage and so on. They are also huge fans of paid up life insurance vehicles and not fans of a lot of the more traditional savings and investment vehicles. They sure do make it sound great; however the numbers they use in the hypos are out of line with historical norms (your house going up 8% a year just like clockwork). I am reminded of an illustration a life insurance guy showed me about 10 years ago, it worked because I signed up. I can live with the optimism but all your eggs in one basket, interest only mortgages (do those still exist?), not funding retirement accounts it goes against what I always say about diversification.

Christine says

It offers solid advice, but not the easiest read.

The book has some viable steps, mainly focused utilizing real estate to build your wealth portfolio. but the examples can confuse a bit. Might take reading them 2-3 times to fully understand them, if not accustomed to Andrew's wealth building method.

I still don't know if I feel comfortable enough investing in an after-tax IRA, instead of my work's pre-tax IRA. Although its worth contemplating if you desire no-tax withdrawals.

But I do see the perk in Andrew's "home equity retirement account", but for the lay person, it can take some solid years to even consider putting it into place. depends how charged you are to make things happen.

Cheryl says

Don't be fooled by the ridiculous title. Didn't read the entire thing- it's really well divided so that you can skip the stuff you already know about. I really recommend it to everyone who recently (um, in the last decade or so?) became finacially independent or to those who did a long time ago and still don't know what the heck they're doing. Even if you don't make very much money (like me), you can probably be doing a lot more with what you have. Since reading it, my boyfriend and I bought a condo and are finally making ourselves- not landlords- richer.

Jason says

I don't know quite what to think of this book. It seems very much like 'Rich Dad, Poor Dad' (which is a complete sham) and I feel like I've been propositioned for a bad network marketing "opportunity". There has to be a down side to MFTA plans & they talk about none of that.

Unfortunately, the only info I've found is from sources at both ends, there doesn't seem to be any objective, reputable people saying 'hey, this isn't a bad deal, but here's what you have to look out for'.

J says

I got halfway through until I decided to see if anyone else was as frustrated as me when reading this. The first three chapters are just the author talking about his other books, name dropping, talking about his sons, and telling you what you will learn later on. He claims to follow a rule of 3 in teaching you info, but often goes against it and adds a fourth aspect. Taxes examples are confusing - you don't expect for them to be easy, but he goes in depth explaining the easier things rather than the harder ones. For example, one page he explains an addition/subtraction problem (hello??? obviously we can do simple math in our heads) but vaguely goes over his graphs of interest percentages. Chapters leave you uninspired about business. Do yourself a favor and pick business books with an average rating of 4 or higher rated by hundreds - if not thousands - of people. I guarantee you that business/finance books with an average rating lower than a 4 will feel redundant or confusing in comparison to the better books you've read. If you are looking for a starter approach in finances I highly recommend Rich Dad, Poor Dad instead. Much clearer, more concise, and leaves you more informed and inspired than this junk book.

Kyle Leybas says

While the book definitely had some interesting concepts that I haven’t ever considered, the book was not well written. It could have been much shorter. The first chapters of the book were incredibly repetitive and just kept saying the same thing over and over again. Get to the point and give more details. I get that you can be a millionaire by thirty, but stop telling me that and tell me how with detail instead of just building up for multiple chapters without any substance to it.

Geoffrey says

This book is a watered down version of Andrew's other books. I was able to read it in about 3 hours, so it doesn't take too much time of out your life.

Positive takeaways;
-Don't let too much of your home equity sit idle, put it to work.
-Purchase real estate
-Keep your expenses in check.

Items to be considered when dealing with his assumptions;
-All houses don't always rise in value.
-Refinancing all the time is expensive.
-Beyond your personal residence, buy investment property first and a second home after your passive income is greater than your expenses. A second home is a liability.
-Don't forego your 401k or IRA, especially with an employer match
-He really needs to explain this insurance thing in much more detail. Some of his charts were a joke, showing his hypothetical investor paying a $300k premium in a single year.
-You only get to deduct up to $750K in mortgages, which includes primary and 2nd home. You cannot deduct HELOC payments, less a couple of exceptions. In California, tough to have 2 home and have mortgages under $750K in the near term.

At the end 0f the day, there were a few things I found positive here, BUT - his charts drove me crazy - "Figures don't lie but liars figure".

Ali M. says

The core of this book can be summarized down to a few pieces of advice:

1) You should buy a house as soon as possible. Rent is throwing money away, but a mortgage is going back to you. Get creative, borrow money from a relative, make a creative arrangement with the owner, but buy ASAP. This is pretty standard, solid advice and not controversial.

2) Banks make money through arbitrage. They borrow money from customers with savings accounts or certificates of deposit and give them a lower rate of interest, then loan out that money to people at a higher rate of interest. The idea is that you should also mimic this model in your life. This has some counter intuitive consequences. For example, it does not always make sense to immediately pay off your student loans or your mortgage. You can pay the minimum amount owed, and then instead of paying extra, invest the extra money somewhere that earns high interest, and in the long run be able to pay off the loan faster.

3) It's very important to look at the tax consequences of different investment options. You can get tax deductions off mortgages and student loans that are very valuable. Certain investment options, like 401K's

will require you to pay taxes when you withdraw from the account. Or Roth IRA Accounts require you to pay taxes before. These can eat away quite a bit from your investments. It often makes more sense to invest in real estate, even before you have paid off your first property, because of the tax benefits.

4) He also makes an interesting enlargement for maximum-funded, tax advantaged (MFTA) life insurance being the most tax-free way to accumulate, access, and pass on your wealth. I thought this was one of the most interesting parts of the book, though I am not entirely convinced by it.

Obviously there is a lot more detail and nuance than what I wrote here. It was worth a quick read, but I am not sure if I personally would want to apply everything here to my own life completely. Like most other financial advice books, the mindset and attitude is much more important than every detail. I personally think the tax advice is particularly important to note.
