

Simple Habits of the Average Millionaire

stashed side gigs nose dive scrimp and save drag eke out

Stay away from debt.

One of the biggest myths out there is that average millionaires see debt as a tool. Not true. If they want something they can't afford, they 1) _____ and pay cash for it later. Car payments, student loans, same-as-cash financing plans — these just aren't part of their vocabulary. That's why they win with money. They don't owe anything to the bank, so every dollar they earn stays with them to spend, save and give! Debt is the biggest 2) _____ on building wealth. You need to avoid it like the plague!

Live below your means and have an emergency fund.

A huge part of building wealth is limiting your lifestyle so you actually have money to invest and save for a rainy day. Nearly half of the millionaires we questioned in The National Study of Millionaires said they save at least 16% of their monthly income, whether for an emergency fund or just to keep a little liquid cash set aside. Listen, folks. No one is immune to emergencies. Cars break down. Roofs leak. Companies **lay employees off**. That's why you need a dedicated emergency fund of 3–6 months of expenses 3) _____ away so that when you face those **rainy days**, you have an emergency-fund-sized cash umbrella ready to go. It helps turn a full-blown emergency into an inconvenience. Living below your means and saving for a rainy day isn't just for people trying to 4) _____ a living.

Look for more ways to earn money and cut spendings.

There's no getting around it — millionaires are hustlers. They have that **entrepreneurial drive** and are **constantly on the lookout for** ways to create more income. Many are business owners or take on 5) _____ that allow them to save or invest more money each month. A lot of millionaires invest in real estate to provide so-called passive income. But keep in mind, you don't want to buy a rental property unless it's with cash. Debt always equals risk—and the riskier your investment, the more likely you are to lose everything. Then it's back to square one, and your chances of reaching millionaire status take a 6) _____.