

Here are some helpful tips to remember:

1. Pay yourself first!

Revisit or create a budget. Many of us get caught up in the routine of paying bills, and once the bills are paid there is nothing left for ourselves. To be financially independent, you must have a good financial plan that includes paying yourself. If you do not pay yourself first, nobody else will. Tip: Your share should be about 10% of your gross income. If that's difficult, start with 3% or 5%.

2. Create a rainy day fund.

Make sure you have a pool of funds saved for unexpected expenses. Financial expert David Ramsey suggest emergency fund of at least \$ 1,000. Some financial experts would suggest to save up to 6 months income.

3. Set up an automatic savings plan.

Having funds transferred to your savings account automatically makes saving even easier! Better yet make it a TFSA account. This account could for big ticket items like a home renovation or a family vacation. What you focus on expands and soon enough the funds for your home renovation or vacation will be available to you without resorting to credit.

4. Try investing in mutual funds or segregated funds.

Realize the power of compound interest and let time work for you. It's not a get-rich-quick scheme, but over the long run stocks historically continue to grow. Better yet, go for dividend stocks or funds. Remember that there are benefits to stocks that consistently pay dividends.

5. Pay down your mortgage.

Remember, for the first five years of a mortgage, the majority of your payment is applied to the interest and not to the principal. If you make any additional payments, request they be applied directly towards the principal balance. If you are well disciplined, an interest only mortgage may be ideal for you. You pay the least interest and any amount you pay on top will go towards the principal of the loan. This is especially advantageous if you have monthly surplus funds or have erratic income such as self employed individuals or business owners.

6. Check your credit.

You can do this online with Equifax for a small fee. I would suggest to go with Equifax Score Power for a more comprehensive report with your corresponding credit "beacon" score. Arguing about disputed credit items on your report with the credit rating agency could take months to rectify. So be prepared and check over your credit rating thoroughly right now. This sad home-buying scenario could have been easily avoided by staying informed. Don't wait until it's too late!

7. Try the power of Persuasion.

If paying your credit cards in full is not an option, try negotiating a lower interest rate. Play the companies against each other. Don't be shy. Ask for a lower rate and to have the annual fee waived. You'd be surprised how often you are given what you ask for.

8. Credit cards: Love them or Leave Them.

Credit cards can be a blessing or a curse. If you have an unexpected financial emergency, they are a blessing. If credit card purchases have become a way of life and minimum monthly payments are the norm, then they have become a curse. Wouldn't you like to have an investment that paid an 18-29% interest rate?

Pay off your credit card balances or, at the very least, consolidate high interest credit cards. A line of credit might be a good option for you to consider. Most lines of credit are offered at a significantly lower interest rate. This means more of your money can go towards your principal rather than the interest.

9. Educate Yourself.

Take that class you've been dreaming of. Whether it's pottery or a how to invest in the stock market course, education is an important part of personal development. Take advantage of continuing education programs at your local high school and you'll discover that one night out a week is less expensive than entertaining yourself with a fancy meal—or shopping. It's also a great way to meet new people with similar interests.

10. Diversify your Investments

Financial expert, Robert Kiyosaki, suggests to learn real estate investing. Or be in business for yourself on top of your holdings with stocks and mutual funds.

Creating assets for income is the key to financial independence. Follow the saying: "Don't put all your eggs in one basket."

While the tips suggested are helpful it would be best if you approach your financial plan holistically.

It's important to hire a team of financial advisors (an accountant, investment specialists, insurance specialist, mortgage and leasing specialist, legal services etc.) you can trust, namely someone who understands your goals. Better yet, your financial team should work together to help you achieve the financial future you desire.

The One Source Financial was created to address this need. The One Source Financial is composed of a network of financial professionals who are independent yet would work together, pooling in their expertise to empower you to the financial future you desire. Think of them as your very own "financial power team!"

To find out how The One Source Financial could work for you. Simply book a one hour complimentary, no-obligation review to let us know where you are , where you want to go and we can help you how to get there. Let's Talk.

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