

A COMPANION GUIDE FOR TEENS TO
ACHIEVE EARLY FINANCIAL INDEPENDENCE

~~FIRST~~

TO A MILLION



WORKBOOK

DAN SHEEKS

FIRST TO A MILLION WORKBOOK

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First to a Million Workbook: A Companion Guide for Teens to Achieve Early Financial Independence

Dan Sheeks

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FIRST TO A MILLION

WORKBOOK

BY DAN SHEEKS





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INTRODUCTION

Make no mistake about it: This book is not about money. It is about freedom, choices, opportunities, and—most of all—happiness.

—FROM *FIRST TO A MILLION*

Welcome to the First to a Million workbook!

This workbook further explains and organizes the critical strategies and concepts presented in *First to a Million* to guide you on your quest for early financial independence.

The workbook will walk you through dozens of critical action steps, including reading other books, finding a mentor, opening a brokerage account, and hitting a savings goal. The tasks are organized into four-month-long Freak Phases, which span nearly five years of your upcoming journey.

Now that you have this workbook, it's time to start working toward your FI Freak goals. Let's get going!

Your Happiness List

In Chapter Four of *First to a Million*, you created your happiness list. These list items are the ten things that bring you the most happiness. Most likely these are not “things” at all, but people you care about and experiences you share with them, most of which don't require a lot of money to enjoy. To make sure your happiness list is always close by, copy your list here. Feel free to update your list as you write it.



MY Happiness LIST

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

Your Why of FI

In Chapter Six of *First to a Million*, you created your Why of FI list. This includes the reasons and motivations you have for pursuing early FI. You then broke these down into lower-level and higher-level whys. You must review your list often to stay focused on why you live a Freakish life. The journey will not always be easy, but when things get tough, your Why of FI list will help you.

You may have put your list in a phone note or a Google Doc. To make sure your Why of FI list is always close, copy your list here. Feel free to update your list as you write it below.



Higher-Level Whys

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Lower-Level Whys

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Be Flexible

While I hope this workbook becomes the bedrock of your path to early FI, it does not contain *all* the answers. Every FI Freak will have different circumstances and situations that cannot be covered in one document. Therefore, please use the First to a Million workbook as a guide and not a doctrine. You can change your course at any time and in any way, depending on your circumstances, beliefs, intentions, and ambitions.

This workbook is not a five-year plan or a ten-year plan—it is a flexible plan. Your immediate future has a lot of question marks, so don't set a goal of reaching FI by a certain age. Know that your journey will have twists and turns not accounted for in the workbook, and that's okay. Just stay focused on the goal of achieving FI, and the freedom that comes with it, at a young age.

While Freak Phase 1 is meant to be completed during the summer before your junior year of high school, you might not be in that exact place right now. *The workbook will work for you no matter where you are in life, whether in middle school or already graduated from high school.*

If you are beginning the First to a Million workbook sometime earlier than the summer before your junior year in high school, you can start completing some of the tasks in the first few Phases early. Then you can begin working each Phase as intended the summer before your junior year. If you are past the summer before your junior year of high school, you can play catch-up until you are on track. You'll still reach FI decades before most people!

You can work through the workbook faster or slower than outlined—simply modify it as needed for your situation.

Post-High School Plans

The most significant variable among FI Freaks is what they decide to do after high school. Some of you will decide to pursue a four-year degree, some of you will begin working full-time as soon as you graduate, and others will choose an option somewhere in between.

There is no right or wrong choice, but we should recognize the effect this choice will have on your ability to complete some of the tasks laid out in this workbook. Those who are going to school full-time will have less time to accomplish the First to a Million workbook tasks. In choosing to be a full-time student after high school, you have already factored in the disadvantage of having less time to actively pursue early FI. That's fine, but just remember that with your schedule, the Phases may take longer than four months to complete.

A Review of Your Freakishness



1. A person who has withdrawn from normal behavior and activities to pursue one interest or obsession.
2. One who is markedly exceptional or extraordinary.



Pronounced “fye,” like FI-re.

1. A young person obsessed with making intelligent money decisions to allow themselves to reach early financial independence and live their best life.

Being a FI Freak is not a typical choice among young people. If you are young and you think about your financial future, you *are* Freakish. Only a small percentage of young people do so, which makes you extraordinary and different. Accept it, appreciate it, and capitalize on it. Very few people your age know that being Freakish about their money is actually a good thing—a very good thing, indeed.

It is *not* normal to achieve FI decades before everyone else. It is incredibly extraordinary. It is downright Freakish. So be unique. Be a FI Freak!

A Review of the Essentials

The main goal of *First to a Million* and the First to a Million workbook is to help you reach early FI. So let's take a quick look at the FI Equation:

$$\text{Passive Income} + \text{Sustainable Asset Withdrawal} > \text{Living Expenses}$$

This simple equation is the determining factor for whether you are financially independent. Always keep it in the back of your mind as you complete the workbook tasks.

In *First to a Million*, I also went over the Four Mechanisms of Early FI and how to use them in Chapters Fifteen through Twenty-Five. Just as a reminder, they are:

1. **Earn more.**
2. **Spend less.**
3. **Save the difference.**
4. **Invest your savings wisely.**

These Four Mechanisms are the tools that allow you to satisfy the FI Equation and free up decades of your future time. As you work through the tasks in each Freak Phase, I will point out when a task is helping you with a particular Mechanism.

Don't Forget to Enjoy the Journey

If I was to do it over, I wouldn't have just rushed to FI. I would have instead just thought of it as mastering my relationship between time, money, and happiness.

BRANDON GANCH, ALSO KNOWN AS THE MAD FIENTIST, ON THE *CHOOSEFI* PODCAST, EPISODE 288

Sacrificing happiness during your journey to FI goes against all the reasons for pursuing FI in the first place. As you pursue your end goal, don't forget to live in the present. If you don't keep a healthy balance in your life, your motivation and ambition will slowly fade away and you'll likely give up on your journey before reaching your goal.

Think of it this way: If you went full steam ahead toward early FI and achieved your goal in just a few years but sacrificed your happiness along the way, would that have been worthwhile? I doubt it. Instead, ease up on the gas a little bit. You might take a couple of extra years to reach FI, but preserving your happiness during the journey is worthwhile. Trust me. It's not a race; it's a journey.

Take It One Freak Phase at a Time

Some of you may feel excited about starting your journey through the First to a Million workbook. Others may feel overwhelmed. If you're in the latter group, do not fret. After you finish reading this introduction, you'll start by attacking one Freak Phase at a time.

At the beginning of each Phase, there is a list of tasks to complete. I recommend you read through the entire Freak Phase first and then come up with a plan for completing the Phase in the four-month period. When you first review the list of tasks for a given Phase, you may think there's too much to do, but remember—you have four months, which is plenty of time! Create a well-thought-out plan at the beginning of each Phase, and you'll have no problem completing all the tasks.

Tools in the Workbook

There are two tools that this workbook will use to help you complete your FI journey. You'll remember one from *First to a Million*: Freak Speak is back! Plus, I've added another tool to help you succeed.



FREAK SPEAK: Terms that are important to understand on your FI Freak journey.



FREAK TECHNIQUES: Strategies and tactics that are useful on your FI Freak journey.



Calendars

There will be several tasks throughout the workbook that involve putting reminders for recurring tasks in a personal calendar. To maximize your chances of achieving early FI, you should get into the habit of putting all your appointments, meetings, and tasks into a digital calendar. Then look at your calendar at least once a day, or set notifications for your events. You can use an Outlook calendar, a Google calendar, the calendar on your phone, or a calendar app.

Whatever method you choose, know that I will be referring to your “calendar” when I suggest putting an event, task, or reminder in your chosen calendar system.

Self-Education

The single most powerful asset we all have is our mind. If it is trained well, it can create enormous wealth.

—ROBERT KIYOSAKI, *RICH DAD POOR DAD*

There is no way I could include all the information you would ever need in one workbook. Therefore, to succeed on your path to early FI, you'll need to become a devoted self-educator by seeking additional information. Luckily for you, in today's world there is an infinite number of resources for all topics related to early FI.

Each Freak Phase will include a book to read to further your financial education. I have borrowed ideas from various books in this workbook, but there is obviously much more detail on the relevant strategies and concepts in the books I've borrowed from.

In addition to reading books, I will also task you with listening to podcasts and reading blog posts. These two resources will be crucial to your success. Just remember that these resources are usually meant for more experienced adults, so it's okay if you don't understand everything discussed. Do the best you can to digest the information, but you don't have to become an expert on every topic.

If you are a bookworm and want even more recommendations than are listed in this workbook, you can find a reading list at www.biggerpockets.com/teenworkbook.

Podcasts

Podcasts are a popular information source in the FIRE (Financial Independence, Retire Early) and REI (real estate investing) communities. To be a genuine FI Freak, you should find two or three podcasts and become a devoted listener of each. There is a wide variety of podcasts covering a broad range of topics, and most are free to download. Generally, a podcaster will publish new episodes regularly, such as every Monday, meaning podcasts are a veritable fountain of new information.

Here is the first recurring reminder to put in your calendar: **Start listening to at least three podcast episodes per week.** Since this task is a frequent one, you might use your recurring calendar reminder only until you get into the habit of listening to at least three episodes a week.

- **Tip:** Browse through the titles of the first fifty episodes of any podcast, as most hosts start their podcasts with more basic introductory episodes.
- **Tip:** Listen to podcasts (and audiobooks) while driving, exercising, or doing chores.
- **Tip:** When you listen to podcasts, you can change the speed of the recording. I recommend listening to episodes at 1.5x speed.

For a list of some great podcast shows and episodes, go to biggerpockets.com/teenworkbook.

Blog Posts

Blogs are another favorite resource of the FIRE and REI communities. Many people have documented their journeys toward early FI and investing through personal blogs. Engaging with blogs and reading

articles that pique your interest is a fantastic way to educate yourself.

Now it's time for your second recurring calendar reminder: **Start reading at least three blog posts per week.** Find your own favorite blog sites by searching for subjects and topics that are interesting to you.

- **Tip:** Just as with podcasts, it can be beneficial to browse the titles of the earliest posts on a blog, since they are likely more basic.

For a list of some great blogs and posts, go to biggerpockets.com/teenworkbook.

Sharing Your Journey

As you enter Freak Phase 1, consider documenting your experiences as you follow your path to early FI. When you reflect on your wins and losses, you'll deepen your commitment and learn more in the process. By sharing those experiences, you can help others learn from your journey too!

There will be many other FI Freaks working their way through their own First to a Million workbook. Connecting with these people will help you find strength, encouragement, friendship, and inspiration. The journey to early FI is not one you should take alone. If you walk this path with other FI Freaks, your journey will be easier and your victory much more meaningful.

Here are some ways to share with other FI Freaks. Pick the ones you like best, and put recurring reminders in your calendar to check in with your Freakish friends.

- Make short videos or take pictures and post them on your social media accounts. Use the hashtag #teenagefifreak, and don't forget to tag @biggerpockets and @sheeksfreaks!
- Write a blog post of your own (short and sweet is best). Email it to info@sheeksfreaks.com and we may feature your article in the community!
- Submit your wins and losses to the SheeksFreaks community at www.sheeksfreaks.com/submit-your-story. What milestone or big breakthrough did you recently achieve? What setback did you experience that you want others to watch out for?
- Start your own YouTube channel or blog to document your journey.
- Create a BiggerPockets profile and share your finance and investing journey with a post in the member forums.

Start *now*. Post a video about your happiness list and your Why of FI list to your social media accounts, and make sure to include the hashtags #teenagefifreak and #fifreakworkbookday1. Watch as others reach out and support you, and don't forget to comment and support others while you're there.

The journey starts now.

It's finally time to get your Freak on!



FREAK PHASE *One*

MAY-AUGUST

Summer before junior year of high school

Wealth doesn't care if you are smart, stupid, fat, skinny, tall, short, white, black, male, or female... It doesn't matter if you are "better" or "worse" than someone else. Wealth is simply a function of knowledge, action and time... The principles of wealth are well within the grasp of every human that has the capacity to learn.

—SCOTT TRENCH, "INCOME INEQUALITY: ARE THE WEALTHY SUPERIOR PEOPLE OR IS THE SYSTEM UNFAIR?,"
BIGGERPOCKETS BLOG

Here is the checklist for this four-month Freak Phase. It's best to read the entire Freak Phase *before* filling in the due date for each item. This is because some of the task descriptions will include sections for you to write down notes, goals, checkpoints, variations, action steps, and more. Filling in those sections first will aid you in coming up with appropriate due dates. Don't forget to use your calendar to help you stay on track. Once you complete a task, check it off in the right column. You're a FI Freak, so you've got this! Best of luck!

DUE DATES	✓	TASK
	<input type="radio"/>	Read <i>First to a Million</i> by Dan Sheeks.
	<input type="radio"/>	Read <i>Personal Finance for Teens</i> by Carol H. Cox.
	<input type="radio"/>	Set three financial goals.
	<input type="radio"/>	Implement a new Freak Tweak.
	<input type="radio"/>	Sell a personal item you no longer need or want.
	<input type="radio"/>	Find and do a new fun, free activity.
	<input type="radio"/>	Go over the household bills with a parent every month.
	<input type="radio"/>	Register for beneficial classes during your junior year.
	<input type="radio"/>	Have a parent add you as an authorized user on their credit card.
	<input type="radio"/>	Have a parent help you open a checking account.
	<input type="radio"/>	Start tracking your income and expenses.
	<input type="radio"/>	Get a job.
	<input type="radio"/>	Create goal-oriented social media accounts.

Read *First to a Million*

I assume you found this workbook because you've read *First to a Million*. If that is not the case, read that book before you do anything else.

Read *Personal Finance for Teens*

Sometimes learning about personal finance topics can be less than thrilling, but this book provides vital information for your FI journey. Although it may be a bit dry in places, you should at least read the chapters recommended below—without them, you might have difficulty following this workbook.

Keep in mind that almost every personal finance book presents information based on the assumption that you are satisfied with the idea of working until you are 65 years old (or older), and *Personal Finance for Teens* is no different. However, because you are a FI Freak and not the average young person, some chapters in this book do not apply to you.

Here are my recommendations:

CHAPTER CHECKLIST FOR PERSONAL FINANCE FOR TEENS:

- ☐ **Chapter 1:** Managing a Checking Account
- ☐ **Chapter 2:** Getting a Job (optional depending on your situation)
- ☐ **Chapter 3:** Understanding Taxes and Your Paycheck
- ☐ **Chapter 4:** Creating a Spending Plan
- ☐ **Chapter 5:** Understanding How Credit Scores Work
- ☐ **Chapter 6:** Using Credit Cards Intelligently
- ☐ **Chapter 7:** Making College More Affordable
- ☐ **Chapter 8:** What a Car Really Costs

Chapter One explains how to manage a checking account effectively. If you don't currently have a checking account, read this chapter before getting one (which is one of the other tasks in this Freak Phase). It is vital to keep track of your checking account balance and transactions. The book talks about using a "check register" or "transaction register," which is a written log of all your transactions, to do so. You could also use a Google Sheet or an Excel spreadsheet.

One of the other tasks you'll be completing in this Freak Phase is to start tracking all your income and expenses. Doing this will be much simpler if you have a solid understanding of managing the money in your checking account.

Set Three Financial Goals

Setting goals is the first step in turning the invisible into the visible.

—TONY ROBBINS

FREAK TECHNIQUE



SETTING GOALS: Setting tangible and achievable goals is a common habit among successful people and has been proven effective in numerous studies.

You'll be doing this task at the beginning of every Freak Phase. Focus on objectives *not* included in that Phase's checklist. Everyone's path to early FI is a little different. You can add critical goals that are particular to your personal journey.

When you set a goal, it should have these four traits:

- It should be specific.
- It should be measurable.
- It should be achievable.
- It should have a time frame.

Here are some examples:

I will save \$1,800 for an electric scooter next year by saving \$150 from each month's paycheck for one year.

OR

By the end of this summer (August 31st), I will have started my first side hustle and made \$500 in revenue.

OR

Within the next sixty days, I will watch twenty hours of YouTube videos about entrepreneurship for teenagers.

Accountability Partner

FREAK SPEAK



ACCOUNTABILITY PARTNER: A person who coaches or supports another person in keeping a commitment.

To help you achieve your goals, you'll need an accountability partner who understands how important those goals are to you. The job of an accountability partner is to encourage and support the goal seeker, check in and see how things are going, and call out the goal seeker when they are not working hard to achieve their goals. It is important that the accountability partner hold the goal seeker accountable, rather than consoling or coddling them when they are not progressing as they hoped.

Once you have chosen your accountability partner and explained what you would like them to do, you'll need to communicate your goals to them at the beginning of each Freak Phase.

+ + Put a **RECURRING REMINDER** in your calendar to complete this task at the beginning of every Freak Phase.

Goals

+ ACTION STEPS

Write out your three goals for this Freak Phase here.

Put any necessary reminders in your calendar so you can reach these goals.

1

2

3

DATE: _____

The date I communicated my three goals to my accountability partner.

Implement a New Freak Tweak

Being frugal is the cornerstone of wealth-building.

—THOMAS J. STANLEY AND WILLIAM D. DANKO, *THE MILLIONAIRE NEXT DOOR*

Chapter Seventeen in *First to a Million* discusses the importance of frugality and some specific ways you can be more frugal. Frugality is essential for maximizing the potential of Mechanism 2, *spend less*.

Remember: Frugality is *not* about deprivation or sacrifice. Frugality is simply about being intentional with how you spend your money. It is about giving thought to your purchases (even the small ones) to determine if they will bring you joy and satisfaction.

These decisions depend on your personal values. If a potential purchase is something that will bring you great delight and happiness, you should absolutely spend the money on it. But if the potential purchase will bring you little to no value, then pass on it and save the money to fuel your FI journey.

What will you get from making these frugal choices? You'll get early FI. You'll get decades of freedom. Saving more money with frugality decreases your living expenses, making the FI Equation easier to reach:

$$\text{Passive Income} + \text{Sustainable Asset Withdrawal} > \text{Living Expenses}$$

For each Freak Phase you'll implement one new way to apply frugality in your life. A creative way to be frugal is known as a "Freak Tweak." If at any time you find it challenging to come up with an idea, simply Google "frugality ideas" or refer to Chapter Seventeen in *First to a Million*. (By the way, feel free to list more than one new idea!) Depending on which Freak Tweak you have chosen, it may help to put a reminder in your calendar.



FOR FRUGALITY IS...

+ Put a **RECURRING REMINDER** in your calendar to complete
+ this task at the beginning of every Freak Phase.

Sell a Personal Item You No Longer Need or Want

You probably own some items that you no longer need or want. They could be items you have outgrown or no longer value.



SELLING UNWANTED BELONGINGS: A strategy that declutters your life and increases income.

Think back to the happiness curve from Chapter Five in *First to a Million*. The curve shows that there is a point at which we have “enough.” After we reach the point of enough, which includes necessities and some luxury items, our happiness level is maxed out. Decluttering our lives helps us to stay at or near the point of enough so we maximize our happiness. It also utilizes Mechanism 1, *earn more*.

An item that has a small monetary value could be a waste of time to sell. For example, if you want to sell a hoodie that’s worth \$10 but you spend a total of two hours dealing with all the aspects of selling it, you will have made \$5 an hour. That’s not a good use of your time. Instead, consider donating inexpensive items to a local charity or secondhand store.

If the value of the unwanted item is \$50 or more, there are many platforms you can use to sell it. I suggest trying one at a time to see which has the most success in your area. Some possible platforms are:

- eBay (best for big-ticket items)
- Craigslist (best for selling locally, but beware of scammers!)
- Facebook Marketplace (best for selling locally, with fewer scammers than Craigslist)
- OfferUp
- Nextdoor
- Letgo

MAKE A LIST OF
ITEMS WORTH
AT LEAST

\$50

THAT YOU
COULD SELL:

The Item I Will Sell During
This Freak Phase Is:

- + + Put a **RECURRING REMINDER** in your calendar to complete this task every Freak Phase. Refer back to this list for ideas on what to sell.

Find and Do a New Fun, Free Activity

Nothing matters in life more than great moments with people we care about in places we love to be.

—GENE NATALI ON THE NGPF PODCAST

Part of living a frugal life is finding ways to add happiness with little or no cost. It's okay to spend money doing things you love with the people you cherish, but it's also a good idea to periodically try some low-cost or free activities with those same people. This is another nifty way to apply Mechanism 2, *spend less*.



ENGAGING IN FREE ACTIVITIES:

By finding free ways to entertain yourself, you are hammering Mechanism 2 and will reach FI faster.

Instead of going out to eat with your best friend, try packing a lunch and having a picnic with them in your local park. Or instead of going skiing on your day off from school or work, rent some snowshoes (much cheaper!), explore a free trail, and bring some snacks in a backpack.

Here are some other free or low-cost activities that could add happiness without subtracting from your FI goals.

- Do a geocaching scavenger hunt.
- Read a book.
- Host a movie marathon.

- Bake something you've never made before.
- Play a board game with your family or friends.
- Spend time outdoors hiking, biking, or gardening.
- Host a potluck dinner with your favorite people.
- Have a campfire in your backyard and make s'mores with your friends.
- Talk a stroll in your city's downtown.
- Go to the beach.
- Take a free class online.
- Visit garage sales with your best friend and look for deals.

LIST SOME MORE FREE OR LOW-COST ACTIVITIES YOU WOULD FIND FUN:

- + Put a **RECURRING REMINDER** in your calendar to complete this task at the beginning of every Freak Phase. Refer back to this list for ideas.

Go Over the Household Bills with a Parent Every Month

The best way to learn about managing money is to be involved with the process. You probably wouldn't consider participating in your parent's monthly ritual of paying the family bills as prime quality time, but it is a Freakishly magnificent learning opportunity. The chance to get insight into the income and expenses of the small business known as your family is one you should not pass up.



HELPING WITH MONTHLY HOUSEHOLD BILLS: By helping a parent organize and pay the household bills, you are learning about the financial responsibilities of an adult.

If you're lucky enough to have a financially savvy parent, use them as a resource for maximizing your financial future. Otherwise, maybe you could teach them a thing or two.

To gain a better understanding of money, ask a parent:

- If you can observe them while they pay bills.
- If they can go over the household's monthly income and expenses.
- If they will let you help them balance their checking account.
- If you can watch them while they invest their money.
- If they will go over their paystub with you.
- Why money goes *here* and not *there*.
- If they are able to do something to earn more income. (Mechanism 1)
- What they do to spend less. (Mechanism 2)
- What their savings rate is. (Mechanism 3)
- How their investments are doing. (Mechanism 4)
- If they will explain their employer's 401(k) match to you.
- What they would do if they won \$10,000, \$100,000, or \$1 million.

If your parent is willing to discuss some or all of these things with you, a useful conversation about your family's finances will follow. You can learn a ton just from what your parent is doing (or not doing) with their money. These conversations can happen at the nightly dinner table or while riding in the car, walking the dog, making breakfast on a weekend morning, or browsing the grocery store aisle. Anytime you're with them, you can ask questions.



Put a **RECURRING REMINDER** in your calendar to complete this task every month.

[illegible]

Register for Beneficial Classes During Junior Year

If you are reading this during summer vacation, it may be a bit late to decide what classes you'll take next year. But even if you have already registered, you should make a list of classes that can help you achieve your early FI goal. You might be able to change a class or two once you get back to school, or you could tweak your schedule for the second semester next year. At the very least, you will have a better idea of which classes you'll want to take during your senior year.

As explained in Chapter Twenty-Six of *First to a Million*, there are several classes your high school may offer that can boost your FI journey. And they're free! Here are a few:

- Personal finance
- Computer applications (or another class that teaches how to use Excel)
- Accounting
- Entrepreneurship
- Marketing
- Video editing (helpful with certain side hustles)
- Classes that offer concurrent enrollment or dual enrollment (you receive college credit)

If you need to put a reminder in your calendar to talk to your school counselor or registrar as soon as you return to school this fall, do it now. Otherwise, look over your school's course guide and make a list of classes you would like to add, swap, or take before you graduate from high school.



Classes I'D LIKE TO TAKE

Ask a Parent to Add You as an Authorized User on Their Credit Card

In Chapters Eleven and Twelve of *First to a Million*, we went over the crucial importance of building your credit score and how credit cards can help you do that.

You are not legally allowed to get a credit card until you are 18, but there is a workaround. If your parent has a credit card, they can likely add you to the account as an “authorized user.” As an

authorized user, you are not ultimately responsible for the money charged on the credit card, but your parent is allowing you to use the credit card to make purchases. When your parent pays off the balance every month (the responsible way to use a credit card), it can have a positive effect on their credit score *and* yours. Becoming an authorized user on your parent's credit card allows you to start building an excellent credit score before you are 18.



AUTHORIZED USER: An additional cardholder on someone else's credit card account who receives a credit card in their name that is linked to the primary cardholder's account.

You'll need your parent's permission, but if you can prove to them you understand the negative consequences of using a credit card recklessly and can convince them you won't do so, they should be willing to add you.

Use this checklist to track your progress on becoming an authorized user. ➡

Ask a Parent to Help You Open a Checking Account

In Chapter Twenty of *First to a Million*, you learned that money in your checking account should be for regular expenses like paying your bills and conducting your everyday life. Chapter One in *Personal Finance for Teens* covers checking accounts in depth.

Checking accounts are the most basic accounts offered by banks, and they have many advantages:

- Checking accounts can be free, especially for students.
- You can lose cash, but you can't lose money in a checking account.
- Pretty much every checking account will have a debit card, which you can use to make purchases or get cash from an ATM.



To Do:



Ask parent if they will allow you to become an authorized user on their account.



Ask parent about their credit score and how often they make credit card payments. (If your parent is irresponsible with their credit cards, don't become an authorized user on their account!)



Have parent call the credit card company to inquire about adding you as an authorized user. (Sometimes there are restrictions.)



Have parent make sure the company will also report on-time payments to your credit history. (Sometimes they won't—even if you're an authorized user.)



Receive your credit card. (It can take a few weeks to arrive in the mail.)

- Just about every bank has an app that will allow you to quickly check your balance, look at recent transactions, transfer money to a friend, and find ATMs or bank locations nearby.
- You can set up some bills to automatically deduct from your checking account, and you can pay other bills directly from the app on your phone.
- You can have your paycheck deposited directly into your checking account.

The younger you are when you open your first checking account, the better—but since you are under 18, a parent will have to open the account with you. Their name will also be on the account as a “joint account holder,” but it will be *your* money in *your* account. Since you are a high school student, a student checking account—which all major banks offer—is the way to go. And don’t forget to download the bank’s app to your phone.

Use this checklist to track your progress in opening your checking account. ↓



To Do:



Ask a parent to help you open a joint checking account.



Choose a bank.

- It can be beneficial to use the same bank as your parent.
- Choose a bank that has student accounts.



Call the bank and say that you’re looking for an account with:

- A small initial deposit to open the account (\$50 or less)
- No maintenance fees
- No minimum balance requirement
- Free ATM usage within the bank’s network
- A great mobile app
- A free or low-fee debit card



Ask the banker:

- When would be a good time to open the account?
- What forms of ID will you and your parent need?
- How much money will you need to open the account?
- What are the possible fees with this account, and how can you avoid them?
- When will you get your debit card?



Open the account.

Start Tracking Your Income and Expenses

Chapter Nineteen in *First to a Million* covers tracking your income and expenses. If you don't remember much from that chapter, I highly suggest reviewing it before you read through this task, which is an unbelievably useful tool for maximizing Mechanism 2, *spend less*.



TRACKING INCOME AND EXPENSES: Keeping track of all the money that comes in and goes out of your life, allowing you to set more accurate financial goals and monitor your progress toward early FI.

On your journey to early FI, you must be aware of every dollar that comes into and goes out of your life. Luckily, doing this is pretty straightforward and even a little fun! As a teenager, you probably don't have hundreds or thousands of dollars in income or expenses, but starting this habit now will allow you to adjust your systems easily as your financial responsibilities grow over time.

Many free apps can help you track your money. I recommend Mint, but there are other quality choices, such as Wally, YNAB (You Need a Budget), Personal Capital, and PocketSmith. Once you have set up your tracking account and synced all your financial accounts (checking accounts, savings accounts, investment accounts, Venmo, PayPal, etc.), every dollar you earn or spend will automatically appear in your tracking account.

Be sure to explore all of the app's options and make this your go-to place to see your overall money picture. I check my Mint app at least once a day to see what's going on. It can also tell you about upcoming bills you need to pay or large transactions you should double-check.

✓ **TASK**

- ☐ Choose a tracking app and create an account.
- ☐ Sync all your financial accounts.
- ☐ Set up your initial expense categories. (You can add more later as needed.)
- ☐ Put a weekly reminder in your calendar to update and categorize your recent transactions in your tracking app.
- ☐ Put a monthly reminder in your calendar to add all cash transactions from the previous month into your tracking app.

Get a Job

Summer is here. That means no school for about three months! Yes, it’s time to have some fun, but it’s also time to start making (and saving) some money, aka hammer Mechanisms 1 and 2.

Without classes and homework filling your schedule, a full-time job is a definite possibility. I recommend you work somewhere forty hours per week *and* find another way to make money with a part-time job or a side hustle. Parts of your summer may be busy with family vacations or summer camp, but there is undoubtedly some extra time for you to rack up the hours and some Benjamins.

In Chapter Sixteen of *First to a Million*, I go over how a teenager can make money. Review that chapter as you begin to think about finding the best way(s) to make money this summer. It covers many options for part-time jobs, full-time jobs, and even some next-level jobs, which are great for anyone interested in REI. By working a job related to real estate, you’ll be doing what Robert Kiyosaki calls “working to learn, not to earn.” (Though you’ll still get paid, which is a nice bonus!)

Look back at Chapter Sixteen for job ideas, find a job category that interests you, and approach as many businesses in that category as you can. If you need more guidance on applying for and getting a job, refer to Chapter Two of *Personal Finance for Teens*.

Paystubs

When you get your first paycheck, sit down with a parent and go over each line and number on the paycheck/paystub. Ask questions about what each item is. You may want to google some of the items to learn more. (As a bonus, you can ask a parent to go over *their* paystub.)

List the businesses where you’ll apply for a job.

NAME OF BUSINESS	MILES FROM HOME	EXPECTED PAY RATE	APPLIED?	FOLLOWED UP?	INTERVIEWED?

Create Goal-Oriented Social Media Accounts

Social media is an important part of most of our lives. Right now, you may have two, three, four, or more social media accounts, all of which are vying for your attention and time. Let me ask you one quick question:

Who are the customers of these mega social media platforms?

If you answered “the users” or “the members,” you are way off. *You* are not their customer. Not even close. The companies that pay to advertise on these social media platforms are the customers—and you are the *product*! Social media companies are actually selling access to your attention and time to advertisers.

If you feel used, don’t let it get you down. There are ways to use social media that are healthy *and* can help you reach your goals, even if the social media companies don’t have your best interest in mind. Start some new social media accounts strictly for building your network and marketing your skills and abilities (even if you haven’t acquired them yet). Choose a username that is professional. In your bio, put “aspiring real estate investor” or “financial freedom freak.” Let your tagline or bio speak about who you really are (a FI Freak) and what goals you have.



PROFESSIONAL SOCIAL MEDIA ACCOUNTS: Social media accounts designed to network and promote yourself on your FI Freak journey.

Switch your mindset from “look at all the stuff I have and cool things I do” to “look at how I’m frugal, saving for my future, and learning new skills.” Instead of posting pictures and updates on social media about a new item or experience that cost you hundreds of dollars, post something you did that *saved* you hundreds of dollars. That’s what a Freak would do.

Don’t go overboard creating new accounts—if you do, you’ll spend too much of your valuable time monitoring and updating them. Choose one or two platforms and keep your accounts current by posting once or twice a week. As you progress on your journey to financial freedom, people will notice your Freakish choices and see how they are paying off.

At first, they will ask, “Why are they doing that?”

Later, they will look at your social media posts and ask, “*How* did they do that?”

The following are just some of the hashtags you can use to find visibility:

#frugalfreak
#sidehustle
#financiallyliterate

#realestateinvestor
#stockinvestingiscool
#paymyselffirst


#financialindependence
#freedom
#getyourfreakon

Choose one or two platforms for your new accounts and fill in this chart.

SOCIAL MEDIA PLATFORM(S)	USERNAME	BIO/TAGLINE	FIRST POST WILL BE

- + Put a **RECURRING REMINDER** in your calendar to post something to your new
- + Freakish social media account(s) once or twice a week.

Congratulations! You've just completed Freak Phase 1! It's time to be proud of your Freakishness and check in with your progress. Post a video of yourself describing the three most meaningful tasks you completed in this Freak Phase, and post a picture of yourself with your completed checklist from the beginning of this Phase. Don't forget to use **#FREAKPHASE1** and **#TEENAGEFIFREAK** and to tag **@SHEEKSFREAKS** and **@BIGGERPOCKETS!**



**NOW GO OUT
THERE & GET YOUR
FREAK ON!**