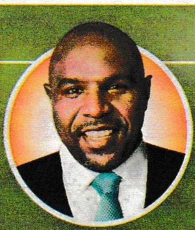

HOW TO BE A MILLIONAIRE

In researching his new book, *Everyday Millionaires*, financial coach Chris Hogan and his team asked more than 10,000 Americans with seven figures in the bank how they'd built their wealth. What Chris learned may surprise you: It's rarely about winning the lottery or inheriting a pot of gold. And many millionaires are teachers, engineers, and accountants who got there through smart everyday decisions. They did it—and so can you, with Chris's tips.

GETTY IMAGES.

1 DECIMATE DEBT

Nearly all the polled millionaires recognize that debt—and the interest charges that come with it—steadily drains your coffers. You may not be able to get rid of your mortgage, but about three-quarters of the millionaires studied have never even carried a credit card balance. Almost all—95%—save up for big purchases (compared with 67% of the general population). Plus, the average millionaire owns a four-year-old car with 41,000 miles on it—and eight out of 10 drive it away debt-free without carrying a car payment along with them.

THE BOTTOM LINE Save before you spend, and pay with cash, not your credit card.

2 INVEST EARLY AND OFTEN

Once you've taken care of your debt (except the mortgage) and filled your emergency fund with three to six months' worth of expenses, it's time to make like a millionaire and invest. According to the data, 79% of millionaires used a company-sponsored retirement plan, like a 401(k), to reach millionaire status, and 74% invest outside a company plan—meaning many of them do both. Employer-sponsored plans generally provide a way to participate in relatively stable investments, possibly get a match from your employer, and set your retirement savings on autopilot through paycheck deductions.

HERE'S HOW TO DO IT The goal is to invest 15% of your pretax income. First, contribute to your company plan up to the amount that your employer will match. Next, move to a Roth IRA, a retirement option that enables your money to grow tax-free. You may have to set this up on your own, separately from the 401(k), so talk to an investment professional for help. There's a maximum annual contribution limit for Roth IRAs (currently $5,500 per person before age 50 and $6,500 for those 50 and over). If you max out the Roth IRA and still haven't hit 15% of your income in contributions, go back to the 401(k) and finish your 15% there.

Small investments lead to big growth.

BEATRIX BOROS/STOCKSY.

Set Smart Goals

Solid money moves start with a good game plan.

MIX IT UP
Set short-term goals, such as buying a car with cash or saving up for a vacation. Your long-term plan should be paying off your mortgage or hitting the seven-figure net worth mark.

BE SMART
Goals should be specific, measurable, achievable, relevant, and time-sensitive, such as "I want to pay off my mortgage in eight years by paying an additional $500 per month toward the principal."

WRITE THEM DOWN
Putting pen to paper makes you 42% more likely to achieve your goals than just having them floating in your head.

REWARD YOURSELF
Celebrate when you reach incremental goals: When your net worth hits $250,000, take your family to Disney World!

3 CUT OFF YOUR KIDS

The millionaires we surveyed don't coddle their adult children. While 6% offer kids over age 25 monthly support and another 18% give them money periodically, about 70% of millionaires have never offered financial support to grown children or given them a free place to live (only 8% of millionaires say their adult kids live with them).