



Rich vs Wealthy

Understanding the difference

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Rich vs Wealthy - introduction

- Rich – the advantage of having a large amount of money
- Wealthy – the advantage of having knowledge to create lasting income
- Budget – spending at or below your means



Rich vs Wealthy

Opportunities for one to have a lot of money are limitless.

Having a lot of money is the ONLY qualifier for being rich.

Having a lot of money requires one to continuously work for income.

Becoming Rich

- Inheritance
- Lottery
- Social Media
- Career

Staying Rich

- Continuous Work
- Money Management

Going Broke

- Lack of Knowledge
- Lack of Money Management



Rich vs Wealthy

Having a lot of money is not the primary factor for being wealthy, knowledge is.

Being wealthy requires one to capitalize on an opportunity to have money work for them.

Being wealthy represents the highpoint of financial freedom.

Becoming Wealthy

- Pedigree
- Financial Education
- Career

Staying Wealthy

- Sustainable Income
- Money Management

Eliminating Wealth

- Poor Investments
- Legal issues



Rich vs Wealthy — Understanding the difference

RICH

- Working for money
- Buying a home
- Being an athlete
- Buying designer shoes and clothes
- Making money

WEALTH

- Money working for you
- Owning land
- Owning a sports team
- Investing in manufacture companies
- Creating residual income



Rich vs Wealthy

Being rich is the act of capitalizing on an opportunity to make or obtain a significant amount of money; such as being a family heiress, winning the lottery, or simply creating a viral worthy Social Media video. Time is the ultimate sacrifice one must pay to maintain a rich status because a means of income must continue to be obtained.

Simply having the knowledge to capitalize on an opportunity and create residual income after making or obtaining a significant amount of money is crucial to being wealthy. This type of knowledge plus a significant amount of money properly invested is the formula for having money work for you.

There is less than two percent of the American population whose financial status meet the criteria to be rich or wealthy. Most, no matter the number of zeros on the paycheck, live from one payday to the next.



Millionaire Households by Race



Rich vs Wealthy

Who is fortunate enough to be a part of the two percent?

<https://youtu.be/u9B6xtZmY2Y> - richest women



Rich vs Wealthy — Why budget

Budgeting is the advantage of having the financial discipline to spend at or below ones means.

Reminiscing about being rich is common and the dream is attainable. However failing to properly manage money can easily relocate the decimal point in your bank account.

As the saying goes, I'd rather to have had and lost than to not ever had at all.

Now, let's take a look at former Billionaires who have both had and lost and makes those with less fortune say, I'd NEVER be broke if I ever get a million dollars.



Rich vs Wealthy

The results of poor management and budgeting

<https://youtu.be/6C0SzxxhfzA> - lottery winners

<https://youtu.be/XBqXYgfB10Q> - billionaires



Rich vs Wealthy — conclusion

In conclusion, good money management as a *dollar-aire* is great practice for money management as a millionaire. Contrary to popular beliefs, extensive accounting isn't necessary to calculate if there is more money going out than coming in.

<https://youtu.be/skj-ALA1HFE> - Oprah's motivation