

Become Your Own Bank

Why and how you can rely on yourself



Money-Act

While governments will bail out the “too big to fail banks,” who’s going to bail out you?

Back up your assets, Back up yourself in case of an emergency, Learn how to loan money to yourself, and become a banker to others and collect residual interest payments!

Why become your own bank?

- ▷ Back each asset with Gold and Silver and some cash. Each residential property you purchase should have an emergency fund.
- ▷ 10% of investable assets in Gold and Silver. 10% in cash.
- ▷ Store it in a non-bank and an emergency stash near by that you have access to. What helps you sleep at night?
- ▷ As you gain equity over time, use that equity to buy more assets
- ▷ Systemic financial crisis proof. Ie: Venezuela, Zimbabwe currency crisis... or Natural Disasters like Katrina.

Interest rates, Real and Nominal

- ▷ Nominal Interest Rates
- ▷ Real Interest Rates... $\text{Inflation} - \text{nominal} = \text{Real}$
- ▷ 1980's interest rates shot up to 23%, yet the real interest rate was negative.
- ▷ Interest rates today are actually higher in real terms vs the 1980's
- ▷ Follow real interest rates closely to determine when its a good time to borrow money.

As you gain equity over time, use that equity to buy more assets

- ▷ Use your knowledge of interest rates to understand when its a good time to use your assets as a bank to borrow against.
- ▷ Maybe you've paid off your own mortgage? You could use the equity in your house to purchase more residuals that bring in monthly income.
- ▷ Maybe your renters have paid down your rental mortgage?
- ▷ Maybe your house or your rental has appreciated in value?
- ▷ Always be cautious when using equity as a bank. Use your knowledge of the world economy and what real rates are. And always get 30 year fixed!

Whole Life Insurance

- ▷ Overfunded Whole Life Insurance is like a savings account, your own personal bank to borrow from, and a way to pay yourself residuals when you retire... oh yeah, its also life insurance.
- ▷ Goes up in price. The lowest return in a year would be zero, but what you've built so far isn't at risk, even if the stock market crashes.
- ▷ You can borrow against the policy and become your own banker
- ▷ You can quit making payments and still withdraw the value you put in. However, the life insurance value will also reduce as you extract money.
- ▷ It is a way to use the snowball effect to purchase more residual income producing assets.
- ▷ Without my vision board, I would have missed out on this powerful opportunity.

Do What The Banks Do

- ▷ Take out low interest loans and loan via P2P higher interest loans. You can take out a LOC, HELOC, or my preference is to use my whole life policy to borrow from
- ▷ Pay back the loan with cashflow to create more cashflow and stack your residuals!
- ▷ Repeat process after each loan is paid off to stack residuals. Whether using P2P lending, buying rental properties, or Legacy Wealth paper strategy if in US.
- ▷ Don't use savings to borrow from, use savings to backstop assets and your lifestyle for emergency situations.
- ▷ Use this plan as a way to purchase residual income producing assets quicker than saving up cash flow.

Remember

While you don't have the legal authority to counterfeit money into existence, use these tools that are available to you to act like your own banker

“There's plenty of money out there. They print more every day. But this ticket, there's only five of them in the whole world, and that's all there's ever going to be. Only a dummy would give this up for something as common money. Are you a dummy?” — [Willy Wonka](#)