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**Don:**Don't go spend money once you pay off the bill, bank it, put it in the stock market, put it savings bond, put it in gold, put it in something that expects positive return, don't go buy another car, he would always, you know, we would be sitting in his house and a new car would go by and he go, "Yeah, that's a nice new car". He'd always say, "Remember this though, you know, you get the new car, and everybody tells you how nice it is the first day you have it. And then the second month you have it, people tell you a little bit less. And then what happens is, three or four years down the road, nobody's telling you how great your car is, but you still have big payment. And you don't think your car is nice, but you've got the payment. And what a lot of people actually wind up doing is they want to get that feeling again of everybody being you know, so impressed, but they might still have two years of a loan left. So, what do they do? They go rolling into the next loan." And he would tell me this and he's telling this to me and I'm 12, 13, 14, 15 years old. He probably says that to most 12-year olds and you know, they roll their eyes and they go, "Okay, whatever you're talking about", but I used to just listen to this and just eat it up.

**Narrator:**You're listening to the Millionaire's Unveiled Podcast, where you'll hear the stories and interviews of everyday millionaires. We'll unveil their decisions, their strategies and their current portfolio allocation. Now to your hosts, Clark Sheffield and Jace Mattinson.

**Jace:**Hello and welcome back to the Millionaires Unveiled Podcast where we tell stories and strategies of everyday millionaires and unveil their current portfolio allocations. This is episode number 95. This is Jace, alongside with my co-host Clark. On today's show we have Don, he has a current net worth of around 630,000. He's a teacher and has a great story on building wealth on any income, we get into his philosophy and his investment allocation. Last week on the show we had Ericka, she has a current net worth of around 1.2 million. She has a great story and investment allocation which includes making around $400,000 on the sale of a New York apartment, she has a very unique real estate investment strategy where she rents furnished spaces out to airline employees. So, a terrific story with Ericka, once again, that's episode number 94, if you're interested in that. Before we get into today's interview with Don, I just want to take a moment to thank our sponsor Obsidian Capital for supporting the show. Creating passive income is one of the quickest ways to create and establish wealth. At obsidian capital, their core philosophy is to enable qualified investors to create long term wealth, passively through strategic real estate investments. Their team of experienced real estate professionals identify stabilized and value add multifamily real estate assets that will provide strong financial returns, a healthy risk profile, tax incentives and additional benefits that come with investing in real estate. They pride themselves on a high level of integrity and have experience in acquiring and managing over 300 million in multifamily assets. Furthermore, their leadership has over 45 years of combined industry experience. View their website today to learn more about their streamline investment process at www.obsidiancapitalco.com.

Once again, just wanted to read a comment we received from a listener this week, this show would not happen without listeners like you yall and we really appreciate you tuning in and contributing to the show. He says, "I just wanted to let you know how much you make my Monday mornings, you're generally what I'm listening to on the exercise bike while drinking my coffee at about 4:30AM. Thanks for being so consistent, and for unveiling the secrets behind what the successful are doing". If you'd like to invest in our multifamily opportunities, feel free to reach out to us at millionairesunveiled@gmail.com, we'll jump on a call with you to discuss the opportunities and strategy, partnered with a couple groups that have current deal opportunities. Another quick bit of information, we've been on a couple podcasts lately, a lot of you all have asked about things that we've learned from the millionaires we've interviewed. And on the Stacking Benjamins podcast, which launched in February, titled Developing your Big Game Plan for your Money, we discussed some of these things. Also, we're on an another one more recently, Passive Real Estate Investing Podcast with Marco Santorelli, that's Episode 172, titled Lessons for Millionaires. So, that will provide a little more insight into us, our stories, that's the stories of Clark and myself, Jace, and some of the lessons that we've learned from interviewing millionaires on our show, so go check out those episodes on those podcasts if you're interested. Also, we'd love to share your millionaire financial story. Our goal is to get a broad list of guests and stories. So, if you'd like to be on the show as a millionaire interviewee or one that is close to millionaire status, please reach out to us. Once again, our email is millionairesunveiled@gmail.com. But without any further delay, let's jump right into today's interview with Don. Don, do you want to just give us a little bit about your background and kind of what you're up to now?

**Don:**Hi, happy to be here on the show. My background is that my wife and I are both teachers in Northern Virginia, it's a pretty expensive place to live, as you know, and being two teachers, it's certainly been an interesting place to live, in the fact that you live and you work amongst a lot of people with high net worths, who have a lot going as far as education and income. And you kind of grow up with the idea that if you're going to go into teaching, the money isn't really going to be for you. And it's not, and it's a calling, but my wife and I have been able to prioritize spending, prioritize saving, and we think we've done pretty well for ourselves. We like where we're going, the direction we're going with our financial life, which is one of the reasons I want to share with the community here. We have three children, I have a seven-year-old, a four-year-old and a three and a half month old so, if I cut out or struggle at times, understand sleep isn't something that I've been getting whole lot of last few months, right? But we're very blessed. And this notion that you know, two people living basically in a middle-class income level, in an expensive area of the world with three kids can't save diligently and get ahead in life, A. we have to stop perpetuating this myth. And I listened to your show and I listened to a lot of shows and this myth gets busted every day by the fire community. It gets busted every day by people of all walks of life and I just wanted to be a part of that, and I want to share my story. So, thanks for having me on.

**Clark:**What is your net worth today?

**Don:**My net worth today is about $631,000.

**Clark:**And what's the makeup of that?

**Don:**So, in our 403B's, we have $277,000, 218,000 is in the Vinix Fund, which is the Vanguard Institutional S&P 500. We have about 59,000 in a Stable Value Fund which is run by our administrator Lincoln Financial. We have about $75,000 in Roth IRAs, all of it is in VTIAX, which is in the Vanguard Total International Fund. We have almost $32,000 in iBonds, about $9,400 in cash. And I know between my iBonds and my cash, I'm working a lot of basically, cash like assets and that's like a big no-no amongst the fire community, but hey, you know, it's my sleep well at night fund and it helps me to feel good about my finances elsewhere. $7,500 in gold, which when you ask me later, if you do, what my biggest mistake is, it's probably going to be that $7,500 in gold. We have about $7,000 in a taxable M1 account, which is made up of 50% VTI which is the Vanguard Total Stock Market and 50% VEU, which is the Vanguard Total International Stock Market. We have about $6,500 in 529 accounts and that one, that is solely for my oldest. And what we do is, as my children go off of being a day care bill every month, we just take some of that money and forward it to a 529.

**Clark:**Awesome, awesome. Good for you guys and congrats on your success.

**Don:**And also, I don't mean to interrupt you, we have about $217,000 in home equity. If you ask me what the luckiest financial thing that ever happened in my life would be, it's that my wife and I got married in 2008, and we had no idea about housing markets. We had no idea about stock markets, we had no idea about anything, and around 2009 we just happened to decide we wanted to buy a house and if you know anything about the historical housing market, we started looking at about March of 09, and that is just totally dumb luck. And we wound up being able to afford a house that we never would have been able to afford in an area-- we never been able to afford it simply because of the housing crash. It costed a lot of people, but it certainly helped us.

**Clark:**Yeah. How much did you say again was in your 403B?

**Don:**About $277,000.

**Clark:**Gotcha. And how much do you owe on that house?

**Don:**We owe 132 and change. Yeah, 132 and change.

**Clark:**Any additional debt on cars or student loans or anything else or just the mortgage?

**Don:**We have-- we owe about $914 on a car loan and the reason it's $914 is because I hadn't carried out car payments since I had gotten married. And I actually got into an accident about 18 months ago and has totaled my car and so I had to go buy-- yeah, I had to buy it a different car and the difference was $2,500. And I could have, obviously could have paid it off at that time, but the payment was like 1.49%. So, it's like, I'm not going to pay it off. So, we pay $80 a month on it.

**Jace:**Okay. By the time this is released, it might even-- you could just be only paying 80, but it will be down by a few hundred bucks by the time this goes.

**Don:**Yeah. And I broke a rule with that because, you know, when I first started being what I felt like was financially savvy with my money was, I was never going to pay for another car payment. I mean, that was, I was never going to have another car payment in my life. And so, I broke that rule, but the math just made too much sense. I mean, savings bonds are paying like two and a quarter between the fixed and variable rate. So, 1.49 I mean, can't just pay that off.

**Clark:**Right. So, your cars, you're buying them used, I assume. How much are they?

**Don:**So, I'm probably going to-- have spent a lot more money than your typical fire member of the community, I have a 2012 Sienna that we paid 22,000 for in 2015, and I have a 2013 Hyundai Sonata that I think the final amount was $10,100 and that had replaced a 2012 Ford Focus that I bought brand new for 16,000. You know, my goal with the 2012 Focus was to drive it until nobody could ever drive it anymore, and then, you know, happened in an accident. So, now I replaced it with the Sonata and that's the plan with that. And so, the Sienna, my plan with the Sienna is to drive it till you know, I have to give it away and just basically, you know, not let automobiles be much of a part of my financial plan. I mean, I'm not a corporate, but--

**Clark:**You don't really want it to be a high percentage your net worth?

**Don:** No, absolutely not.

**Jace:**So, let's just kind of start from the beginning. You kind of mentioned in 2009 you bought the house so, how did this all get started? Did you want to be teachers? Maybe talk about-- you mentioned it’s kind of a calling to become teachers, so mention how you guys both become teachers, and then how did the financial growth start?

**Don:**We were dating, and we got engaged in 2007 and we had to, obviously start saving for a wedding. And we decided that you know, what can we save? Well, at the time, we only had about $400 that we could set aside which you know, at the time, we were, I think 25 and 23 years old, that was a lot of money, $400 still a lot of money. Well, we sat that aside, every month we sat it aside, we sat it aside, and you know, we had the wedding and we were able to pay off the wedding within a few months. But I had always been taught by a mentor of mine back where I grew up that you know, whenever you pay off a loan, bank it so that you can pay for the next thing. So, when you have a car loan, if you pay off your car, don't go buy a new one, bank that money. We started doing that around that time so we got married and you know, when the wedding was over, we didn't take that extra $400 that we had just to save for the wedding and just go say, well, we can go blow it on something, we continued saving it. And then we both had car payments at the time, and they were about $200 each. And when they were both out, we started banking that, and then I had $135 a month bill because I was so smart that I financed the engagement ring. And when that got paid off, that was $135, we started banking that. And so, before you know it in like 2009, we're banking like thousand dollars a month, just in a plain old vanilla savings account, we're saving a lot of money. And we realized very quickly, my wife and I both, that you know this game isn't as hard as we've been told it is, and as long as you don't expand your lifestyle, if you're happy, you know with the way you're living life, and you don't expand it, this number can keep growing. And from that original $400, it's money this week because I knew I was coming on talk about it, I started doing the math, that $400 of free money between raises and between paying off both of our colleges, which at that time in 2008/2009, we both had about 60,000 in debt and college loans. And you start paying these things off, and out of that $400, we've created like about $3,400 in monthly cash flow, and all because of, we took our lifestyle, and we loved our lives, and when stuff started to get freed up financially, we just lived our lives and banked it, we found some place to put it.

My wife was probably on board later than I was but I think after she started seeing that, you know, you can have things in life if you don't go buy a new car every two years or you don't need the newest iPhone, if you're willing to buy, you know, an iPhone that's three or four years old as far as the model, you can only get ahead of life because you know, it's really just math. And here we are, you know, out of that original $400, we have like almost $2,000 added in in day care we didn't have then. But that $2,000 in day care was carved out of things that got paid off and raises at work, and we put about $1,000 in our Roth IRA that was carved out of that extra money from the original 400 that we saved. And it's like, this myth that you have to just get on this treadmill and spend and spend and spend and get a bigger house once yours feels like it's too small because you have three kids, and now need three bedrooms. This is a myth, this can be done, you just have to be happy with what you have, and you have to understand that your happiness comes from other places.

**Jace:**It's great. And that's something I love about our story, is that you've kept it simple and you stayed focused, and you've shown that anybody can do it on any income and you guys are in your mid 30's, you're well on your way to becoming millionaires. And I think that's relatable, right? For the average person, I think that's an inspiration to all of us that you know, just staying focused and kind of keeping your goals, day to day. You know, you mentioned off line that your goals might not be these big pictures all the time, right? Or like yearly goals or whatever, but just kind of, if you have your weekly and monthly goals, all of that just keeps building and building and building and then you look back a few years down the road and you say, "wow, I have lot of money".

**Don:**Yeah, yeah. And I've never, and my wife, she's asked me, you know, with what we do, what's your goal? What are we aiming towards? And, you know, I have ideas I would like to celebrate a little bit just, you know, the family just, you know, maybe even just the two of us whenever we get to a million with our assets, and then the next step is probably a million with our investable assets. And then I think the real goal, if you said, "what is your ultimate goal I?", I've gotten to the point where I think about 1.5 million with the house paid off would lead me to 100% independence. And I think that that would be the point where if something happened to my job or anything, I could just say, you know, I could really actually become a member of the fire community. But guys, I never sat down and said, "my goal is to be in the top 10% of wealth, or to have this or have that". I don't think people who have the mentality that they just want to have money, ever have money. Does that make sense?

**Clark:**Yeah, totally. So, do you consider yourself part of the fire community? Is retiring early in the plan at all or?

**Don:**I have this this talk with people at work because I have some people, I work with who invest in rentals and who consider themselves to be more into that community. And I always tell them, I was programmed to be a fire member, but the problem is, I can't walk away from pension, you know, it's like, I just can't, my options are really, if I could fire, I would have to do it by about age 43 or 44. And I don't know that I would be able to do that. But because after that, it just makes too much sense to stick around with the pension opportunities. I don't consider myself a member, but I tell you what, I admire what people in the fire community do, and I'm not one of these people. And you see this a lot in some of the forums that I go to and a lot of these, you know in the comments section of fire community members, it's like well, yeah, obviously they can do it because they don't have kids, or obviously they can do it because they live in a, you know, a small house. Well, it's like, I don't hold that against them at all. Those people, I mean, my hat's off to them, I've stolen so many good ideas from them as far as my own finances and Mr. Money Mustache and the way he's done things. And I mean, I admire those people. So, do I consider myself a member of the community? I probably imitate one, but I just, in reality, I can't leave work, for probably till the point where it doesn't make sense for me to leave work.

**Clark:**Right. And I think you make a good point that there's always something that we can take from somebody, there's always something to learn. So, I want to dive into your pension a little bit because we talked about that before recording, but first, I just want to ask you, have you seen the lifestyle change in your own lives? Have you changed your lifestyle as you guys have built up your net worth and had children?

**Don:**I have not. If anything, I feel like our lifestyle has become one that's simpler, with a little less financial commitment. And it's funny because we've set, you know, we have this magical monthly number that we stay under for our total spending, and this number is a pretty big number but it includes our phone bills, which are you know a certain amount obviously on the credit card, and our cable bill, and our groceries. But this number has been a static number for probably about 10 years, and we've had three children in that time, and we know right off the top of our heads, at least I do because I handle a lot of the finances that, you know, when money goes to this place or that place. I know at the end of every month, if it's at this number and we're below that number, I have a little extra to put towards something, either savings bonds or the taxable account, and it fits above that number, we don't have the extra money to do it. And you know, we usually will talk about what happens, it's not like we have a big problem with it. We understand that with three kids you know sometimes bills are going to add up. But no, our lifestyle haven't crept. In fact, we've cut cable and the reason we cut cable is because we realized very quickly, number one, we don't watch it all that much. But number two, the creep of the price was going up and we now stream, you know, using streaming services. And we've done a very good job of one-- settings saying, "timeout, let's examine what's going on, and what can we do to change it", and then we change it. And we realized that our happiness comes from things like family and our work, whether than you know, whether or not we have new iPhone.

**Clark:**It's really admirable, right? And you got to admit, it's one of the hardest things for people, right? Especially in this age with social media and comparison and the Joneses right? I think it's probably worse than ever, I think, probably most of us would agree with, right? So, how do you stay so grounded in that? How do you, I mean, you obviously say no, and you have the self-discipline to do it, you know, what advice do you give to somebody who's maybe struggling with that?

**Don:**Well, the first the first thing I would tell somebody who's struggling with it, is that first of all, money doesn't solve money problems. And I have this debate sometimes with people who I, you know, talk finances with, and it's like, well, if this person is so much in debt, well, if they can get that money to get out of debt, then they'll be free. Well, I'm humongously a big believer in behavioral finding. And so, I always believe that if somebody is, you know in deep debt, and they are given the money to get out of debt, rather than figuring out a way to have a lifestyle that allowed them to get out of debt, if you just hand somebody money to get out of debt, in a short amount of time, they'll be right back into it. Because it wasn't the money that was the problem, it was their behavior. And so, I am, if there's one thing that I would say that I truly believe in, is that most of this, in fact, I would probably assume once you get a job that has a certain amount of income, all of it is behavioral. And so, the best-- some of the best advice I got from my mentor growing up who was a much older gentleman in our neighborhood who I look at, as was one of the first fire members in the history of the fire community. He retired at age 48 in the 80's. He would always say stuff like you know, don't go spend money once you pay off a bill, bank it, put it in the stock market, put it savings bond, put it in gold, put it in something that expects positive return, don't go buy another car. He would always, you know, we'd be sitting in his house and a new car would go by and he'd say "yeah, that's a nice new car". He'd always say remember this, though, "you know, you get the new car, and everybody tells you how nice it is the first day you have it, and then the second month you have it, people tell you a little bit less. And then what happens is, three or four years down the road, nobody's telling you how great your car is, but you still have the big payment. And you don't think your car is nice, but you've got the payment. And what a lot of people actually wind up doing is they want to get that feeling again, of everybody being you know, so impressed, but they might still have two years of a loan left. So, what do they do? They go roll it into the next loan". And he would tell me this, and he's telling this to me and I'm 12, 13, 14, 15 years old. He probably says that to most 12-year olds, and you know, they roll their eyes and they go, "okay, whatever you're talking about", but I used to just listen to this and just eat it up.

I mean, I had a natural inclination to understanding financial things. But most importantly, I had a natural inclination to learning from people who I thought made sense. And it just made sense to me that well, yeah, why would you want to go pay? Like, I like money to an extent, I like having money in the bank rather than money and a car. I just used to eat up every single bit of advice that this man would give me. And before you know it, you get into the real world and you get to be 25, 30, 35 years old, you realize that he was right, you know, you can really get ahead of life if you just be content with what you have, rather than worrying what anybody else had. And you know, you've got to figure out what drives you and what motivates you and your why, or else, you're just always going to be unhappy. Money has nothing to do with that, money is a small part of your life, the more you don't worry about money, the more money you're going to wind up with. And I really believe that, up to the heart. You know, what I'm saying is, is that you know, in society today, we buy things we don't want with money we don't have to impress people we don't like, and that is so true. That is so true. And for me, it was like, it's just never been about that. It's just never been about that, and for my wife either, she's very non material. I married well and, she's just very non material, she's happy with, you know, if I want to get a new iPhone, if I were to get an iPhone tomorrow, if mine stopped working, I'd probably get like a 6S or a 7. And if I came home with a 6S or 7 for her, she'd be totally fine, if I came home with no phone for, she'd be pretty okay with that too. So, we both bought in and when you start to see the fruits of it, it's kind of easy to buy in.

**Jace:**Totally. The gentleman was practicing fire before fire was cool.

**Don:**I'm telling you, like he was in-- I don't know what growing up for everybody's like, but where I grew up in a very rural area, it's kind of like a community raises kids and so, you know, you know all your neighbors and you hang out with all your neighbors and you help them when they need help. And it just, we would-- he would talk to me for some reason. He would talk to me about you know, trying to help me with things and it wasn't just finances, it would be, you know things with a lot of different areas, you know, fixing cars and stuff like this. But, I just ate it up and he would just-- he had this humongous farm and he would say stuff like, "Don, if you don't go by stupid stuff all the time and you don't need a new car every year, you can get all this", and he would put his hands up and he had this big 85 acre farm, he had this big a lot of land, and he had a nice house. And I'm like, well, I want that. And so, when I start working, a lot of people got their first job and they want to go buy their first car, I started working, and you guys can believe me or not, the highlight of my first week was finding HR and setting up my 403B. I mean, that was my thing, I'm investing now, I'm an adult. I mean, that's how I felt, it was just something that came to me because it always felt like it was something that was interesting. Does that make sense?

**Clark:**Yeah, totally. So, I want to go back to something you said at the beginning, you said that you had 7500 in gold and that might have been one of your big mistakes. Why do you still have it in gold and why is that a mistake?

**Don:**Well, I bought it, don't go looking at a gold chart when I tell you when I bought it. Because I bought it in about 2012 at about this time actually in 2012. And at that time, of course, I didn't have 7500 gold, at that time I had about 15,000 in gold, actually it was probably about 12,000. And I got it because it was one of the things that always interested me, not just because it had value. I'm a history teacher, and I teach ancient history. And you can't teach ancient history without talking about gold a lot. So, it was something that had always interested me, having gold coins. And so, I shouldn't call it a mistake, because quite honestly, I'm about you know, I've lost about 10% a year since I've owned it for about seven years, which I have to point out, it's gone down for seven years, haven't sold it. I haven't walked in the loss. So, I'm just waiting for the rebound. But in all honesty, it was something that if it rose to 50,000, I wouldn't sell it. It's just something that was cool to me at the time, I had, you know, by being smart with money, I had gotten to a point where I set a lot of money aside and had a lot of money in the savings account. So, I figured, you know, what the heck, I always wanted to own gold, let's go buy some gold, and I bought gold, and it happened to be probably about the worst time you could buy gold. But I don't, I'll never sell it, it's something that you know, unless it just explodes, which is probably not going to, it's probably going to be something that's left in my will to be honest with you, but I have it. And so, I included it in my net worth because if you know there was something to happen tomorrow that I needed to cash out money, I could easily cash it out.

**Clark:**Yeah.

**Jace:**So, I want to talk about your pension setup and maybe just shed some light on to those who may be pursuing financial independence and how a pension can play a role in that. You know, there's a lot of people out there that are teachers or that work for the state and have access to pensions still, although pensions aren't nearly what they used to be. You want to just give us a little bit of light on that?

**Don:**Sure. So, depending on your state, and I can speak for Virginia and I know Pennsylvania is like this as well because I taught in Pennsylvania for a short time as a sub and I was in their pension program. Your pension has a present-day money value that is essentially a cash out value. So, for me, that number is a little bit more than 38,000, for my wife, it's right around there as well. She has a little bit more because she's taught a year longer than I have done. That is the value that if tomorrow I send in my resignation, and I said, you know, I'm done working, they would send me that check, and they would take taxes out first. So, it'd be about a $38,000 check. That 38,000 is essentially all money I put in. They're just giving me my money back with a tiny bit of interest. But what happens is the closer you get to retirement age in a pension system, you're not going to get that money back, that money is going to begin to approach the point where it gets converted into an annuity on your behalf. And in Virginia, what's going to happen is, it's going to essentially get matched starting when it gets converted into an annuity, the difference between what I've put in and what they need to fund the annuity is going to be met by the state and the local district. So, I think a lot of people, number one, don't realize that their pensions have an actual, they have a money value. And depending on where you're at, you might have to go through some hoops to get that value, but it does have an actual cash out value. And number two, that the fact that a pension is so valuable once you teach to a certain point, I think in most municipalities, and in most states, you basically, it makes very little sense to fire unless you have so much money that you're absolutely certain you'll never need more money. Because, like for me, I'm going into year 13, and I really-- I'll probably put another 70 to $80,000 in the pension system between now and the time I'm eligible to retire, which is in about 17 years. And the pay out that I should get at that time is just going to be enormous compared to that 78,000. It's not going to make me feel rich, but it's certainly, if you were to buy an annuity that it will provide the amount of income my pension would, you'd be paying a ton more to buy that annuity than say I would have put into the state system.

So, the fire community, I admire them greatly, and I'm telling you, had I found the fire mentality in the fire community when I was 18, 19, 20, I may have really dedicated myself in different ways and even save more and even got us maybe a smaller house and really dedicated myself to get to that point. I found it when I was in my mid 30's, when I already had two children, and I was already into my teaching career and so the reality is that, I kind of tried to live a fire mindset and a fire lifestyle but you know, just like Millionaire Teacher, it just-- I would have to just be very, very wealthy on like my 403B's and my taxable accounts to justify walking away from it, it just doesn't make sense.

**Clark:**Yeah, totally. And it's the same in some of the military people that we've interviewed, they say the same thing. It definitely plays a big part. And you know, it's an interesting topic, I think we could talk about it all day, right? How much is going to be left in pensions? How much should one expect from a pension return? You know, if I'm just starting out now, should I expect there to be pension money? And what's the rate of return? You know, I think these are all important questions to be asking if one does have a pension, and just something to be mindful of, if you're banking on that, in retirement, or banking on that to retire a little bit earlier.

**Don:**And-- exactly. Had we, you know, had life taken us a different road had, you know, maybe, if we couldn't have children, or, you know, maybe if I had been still single, or, you know, there are a lot of different roads that might have taken me down that, "Oh, I'm in my early 40's, I'll cash out you know, what, I haven't pension program now. Because, you know, I don't need as much because I don't have children". You know, you go down these roads, and, you know, one small change turns into a huge change, but at this point, you know, it just doesn't make sense. And I could see that, yeah, as you say being true for police officers and military members as well.

**Clark:**Right. Yep, I agree with you. So, I just want to go into some rapid-fire questions here before we end with any of the financial mistakes you've made and any advice you give to people that may be in your similar situation. So, what's the most expensive jeans or pair of pants you've ever purchased?

**Don:**Oh, I think I bought $39 jeans, two pairs last year at Kohl's, but I had gift cards. My own, I haven't bought-- I haven't spent more than $20 on an item of clothing in years. I'd say $39 last year at Kohl's, but like I said, on gift cards, so you got to excuse me on that.

**Clark:**You're good. Most expensive shoes?

**Don:**$60. $60, and I bought them in 2010, I still wear them, they're my brown dress shoes for work.

**Clark:**Okay, most expensive car?

**Don:**The Sienna, and we have a Toyota minivan that we spent about $22,000, and you know, I didn't want to spend that much, but the justification in my mind was, that it was number one, it was used. So, some of the depreciation was off, and number two, it's a Toyota and it's one of these deals where, you know, when we bought it, and I was in my mid 30's, and was like, "Well, I'm committing now to having this thing until probably, I'm in my 50's". And that's totally the plan and this is four years later, it's not changed at all.

**Clark:**Okay. Most expensive meal out that you've paid for personally?

**Don:**Took my wife on a date when we were dating and might have spent $60. Now, I only spend-- I tell you what, if there-- if somebody said to you, if somebody is asking me and said, "hey, we're writing a book, what do you think is the biggest key to saving money?". I would tell them flat out, "stop eating out". That is the biggest thing we did, we've eaten out maybe-- we have eaten a meal outside of our home that we didn't cook, maybe four times in the last year, except for when we're traveling, like when we go through family stuff. But we just don't eat out. That's not our lifestyle.

**Jace:**Yeah, and it's interesting to see, just to add, you know when you work in a big office environment, people that bring food every day, or the people that you know a couple times a week they go out, or the people that go out every day, just interesting to notice.

**Don:**Don't get me started on that. You know, I just-- I cannot, my wife and I, I mean, like I said, I married well in the lifestyle I want to lead and we just sit back and laugh sometimes, it's like-- we would just 100% rather make you know something at home and eat it at home and just going out in Northern Virginia, it's not just expensive but it's crowded. It's just not good and it helps the bank account.

**Clark:**Okay, what item or items or experiences are worth spending more money on to you?

**Don:**The biggest splurge, I believe that-- two things probably, number one, I can't see ever owning a different phone than an iPhone. I've owned two androids and they're fine phones but finally got an iPhone about two years ago and I know in the fire community, a much cheaper way of having a phone was you know, Republic wireless, and I've looked in the Republic and this and that, and I use a MV no carrier. So, I don't use one of the big carriers, but I just can't go without an iPhone, and I'll spend the extra few hundred bucks every three or four years to get it. It's just-- and I don't have a Mac computer, but it's just, it's easy to use to me and I just I dig it. And the second thing is, I drive my Toyota, my minivan and just the difference between it and every other car that I've had is just night and day. So, I don't think I'll probably ever own a different car than a Toyota. And I know I bought a Hyundai Sonata about 18 months ago but that was kind of when I was in a bind without a car and it was rushed, and I didn't have time to make a most educated purchase that I could make. But those two things to me are like luxuries that whenever a need arises for something, those are the directions I'm probably always going to go. I just can't see myself owning things other than those whenever I need, you know, a phone or a car. I know that's boring. But I'm telling you, I'm not alone.

**Clark:**No, that's how it is. That's not-- it doesn't matter. High school and college GPA, if you can remember?

**Don:** I was a terrible student in high school. My high school GPA was as such that I didn't get into any of the colleges I applied to, I wound up going to community college for a year and a half. I was not a good student. And I just-- which was one of the motivations to why I went into teaching because I just, I felt like I was a good student amongst teachers who understood me and who understood how to treat me and other students. The problem was that, if I was in a place that I didn't feel like the teachers were, you know, dedicated in like their job, then I responded pretty negatively. My high school GPA was probably in the high ones, low twos. My college GPA, once I grew up a little bit, my college GPA, I graduated with a 3.7. And then, I have my master's degree at I think it was a 4.0, I was not a good student. So, not in high school.

**Clark:**4.0 sounds good to me man.

**Don:**Yeah, I like to tell my students that you know, you can't tell me that you can't do this stuff because I was in your spot and I failed a lot when I was younger. And I think sometimes that perspective helps, when I work with young people that you don't come across like you're a know it all, who always had it come so easy to them because it didn't with me.

**Clark:**Yep, totally agree. Okay, what's your, if you know household spending per year?

**Don:**My household spending per year is at about $74,000. I was thinking about this the other night, and that includes mortgage, which is all in with my HOA is about $1,500 a month, that includes almost $20,000 in day care and actual spending-spending on a month to month basis. If you take out the mortgage and the day care, we only spend about $2,500 a month with three kids. Yeah, I mean, we-- and that is not-- that does not take a lot of effort for us to do. That is something that I'm, like we talked about a lot earlier, that just came from a natural mindset of, you know, life was good, and we were happy, and as money started coming in, and we got raises and stuff, we just put it somewhere. So, that's all we spend. It's not a whole lot of money.

**Jace:**Yeah. And then as much as you're comfortable sharing, what's been your range of household income through your working life?

**Don:**So, when we started, we started out with salaries a bit about $74,000 in 2006/2007. Last year, our combined based salaries were about 125. So, within that time, I got my master's degree which resulted in about a $6,000 a year raise, and then I do a lot of, I guess, what would be considered side hustles. So, I coach as many sports as I can coach, I've coached football and basketball just about every year I've taught. Last year I only coached football because we had two children and my wife was expecting, or we were expecting so I took some time off in the winter. And I work for the Parks and Rec Department down here which I can usually work about 10-20 hours, a pay period, every two weeks on the side which pays pretty well as a side gig. And so, our base is about 125 last year but our overall income was about 144.

**Jace:**Awesome, just to follow up on that, how much did you earn on the side that wasn't part of your W2 jobs as teachers?

**Don:**So, I have it written down but I can tell you easily off the top of my head, the department chair of the department I teach in at my high school and that was about $3,000, the two coaching, or the one coaching stipend I got last year was about almost $4,000, between that and the Parks and Rec side gig , probably $10,000-$13,000 off top my head and that's not an annual, like some years, I'll have 13,000-15,000 from that, and other another years, I might get 5000.

**Clark:**Yeah, that's still nice, right?

**Don:**Well, what it was is that, you know, when I started teaching, I just never said no. So, I just never said no. And so of course, when you start your life, we're saving for a wedding. So, I need money to save for a wedding, so, you guys have something you need done, I'll do it, and then you make money. And then you have your wedding and you pay it off and you're saving for a down payment to your house. Well, now I've got another reason to do you know, if my administrator comes to me and says, you know, like this last year, my administrator came in like April said, "Hey, we have some hours after school for after school detention, if you want to supervise", and it paid pretty well. I mean, it paid really well. But even if it didn't pay super well, my answer was always going to be yes, and they know that because when they come to me, I always say yes. And so, that added some extra income, but I meet so many people who these opportunities come around, summer school and night school, because we have night school for students who might be on, like, suspended, and they're like, "No, I don't want to do that", and I look at it like, "then you can't complain whenever you feel like you can't your get your college loans paid off", because you have these opportunities for side hustles, and you don't take them. And it's like, so, you know, we bought our house and then so if somebody came to me and asked me, I said yes, because now I'm going to have a kid. You know, we had our first child in 2012. And so, I always just had these reasons when somebody came to me with an opportunity, yeah. You know, the worst thing you can do is turn down opportunities, in my opinion, you know, for extra income, because number one, not only does it help your bottom line, two, it helps you with your employer. I mean, you know, who doesn't love an employee that says, "Yeah, I'll help you out or yes, I'll do that”. But it's like, these things add up. These things just add up and they compound, and you just get to these enormous places financially and in your big picture of life because of all these small decisions that you make that help you, and I don't think a lot of people realize that.

**Clark:**Yeah, everything from you know, eat, not eating as much, to working side hustles, right? Totally agree with you.

**Don:**Absolutely. I can't stress enough that it bothers me so much when I read articles about how, you know, people can't get ahead in this generation. And it's like, "yeah, you can", you just have to go do it, you know, you have to stop talking about it and go do it. And it's not easy, but it's like dieting, if it was easy, everybody would do it. But it's-- you're capable of doing it, is I guess what I would like to tell people.

**Clark:**Right. And I think it's a great message, and we're appreciative that you came on the show, because, you know, almost every episode we have people write in and say, "hey, you know, thanks so much to these guys for sharing their stories". And I think sometimes people are reluctant to share, right? Maybe they don't think it's as exciting, or other people are doing other cool things or they don't-- you know, maybe their investment portfolio isn't as interesting as others. But the fact of the matter is, is I think your story is so relatable to so many people and all of us can learn something. So, just really again, appreciate you coming on and sharing your story.

**Don:** I'm so happy to have come on and shared my story. And when-- I've ploughed through so many of your episodes, and I think, you know, we need more of what you guys do, we just need it. We need it for people who are young, who are old, and I just, I'm happy that I was able to come on and share and I hope somebody can take something from something that we've talked about today and use it for themselves.

**Jace:**Hey Don, just to wrap up, is there any last piece of advice you would give to somebody who's just starting out? You've dropped a ton of great nuggets for our listeners and our audience and those out there, is there anything else you would share?

**Don:**I would just-- I would tell people that you know, as you progress through your financial life, there are certain norms and expectations that we have on people today, you know, that whenever day care gets paid off that you can, now you've got free money to go buy a bigger house or that you got an advancement at work, so, now you can, you know, upgrade your car or, you know, it's just-- it's this this enormous amount of peer pressure. And I don't know if it's always been like that, but it certainly is now. But I would just tell people that you don't have to compare yourself to others, you know, you should compare yourself to you and where you were last year, and the year before that, and the year before that. And I know it's not easy, but your happiness doesn't have to do with how nice your house is, or how big your mortgage is, your happiness is something that you're going to have, whether you have a tiny house or a big house, and that the peer pressure is real, but you know, try as much as possible not to fall into it. And understand that you can do a lot of the things that you don't think you can do. And for me, once my children are out of day care, I'll probably be running about a 50% savings rate, about 45-50% savings rate, and you don't have to go that far, you could have half that. You could save 20%, but it's so easy if you don't allow yourself to get in that trap of constantly being in that cycle of debt, debt, debt, paid off, more debt, more debt, and it's just-- don't get in the cycle. And understand that there is a different way of doing it, you don't have to do what everybody else is doing.

**Jace:**Awesome. That's Don with a net worth is 630,000. Thanks for coming on the show today.

**Don:**Thanks for having me. I'm so happy to have been here.

**Jace:**Thanks, Don.

**Narrator:**Thanks for listening to the Millionaires Unveiled Podcast with Clark Sheffield and Jace Mattinson. For more stories, investment opportunities and information, check out our website at millionairesunveiled.com. See you next time when you'll hear from another everyday millionaire.