

“Money is....simple.” A conversation with Gary Vee

Let's hear it for New York! Concrete jungle where dreams are made...there's nothing you can't do now you're in New York!

I was in New York last week and had the great privilege of spending some time with self-made man, Gary Vee. Gary's reputation preceded him – a net worth of more than \$160 million, a New York Times best-selling author, media and communications guru and SERIOUS Jets fan – and he lived up to every bit of it. We met at Gary's office to get a highly successful entrepreneur's view on the topic: “Money is ____”

Back in 2010, I was on vacation and read Gary's best seller, *Crush It*. I went out immediately and followed his advice, launching my podcast and launched my career as a real estate trainer. I probably mention this book in every one of my classes. So, having been influenced by him for nearly a decade, what was it like being in a room with Gary for an hour and what did our conversation reveal about what “Money is” to him?

Gary's philosophy is simple. There's no magic formula to creating wealth and holding onto it. His message echoes my own sentiments, that people are taught from a young age not to talk about money – religion, politics and money – and the opportunity for financial education is lost. Without a good understanding of money, it can slip right through your fingers. I know people making \$30,000 a year living paycheck to paycheck...but I also know people making \$200,000 a year who also don't have a dime in savings.

According to Gary, it's not necessarily about how much you make, it's what you do with it that matters. Let's run through his top five pearls of wisdom from our conversation.

Pearl of wisdom #1 – Don't buy dumb stuff

“People often ask how I was able to put \$50,000 into my business in the early days and it's because I didn't buy anything. I was able to save \$11,000 one year, paying \$1100 in rent every month for a dive in Springfield, New Jersey. I didn't have a credit card until I was 30 years old. I used my debit card. Anything that was in my bank I could spend. If it wasn't there, I couldn't.

“Meanwhile there are people at my company who make \$100,000 a year who are living in way too big of an apartment in Brooklyn, who buy \$4 coffees every morning, who go to Coachella, who are wearing Supremes...and they saved negative \$4,000 this year because they have a credit card.

“The problem is an enormous percentage of things that people that buy is not for them.”

Pearl of wisdom #2 – Keeping up with the Joneses

“The biggest problem with money is that people buy things.

“It's normal human behaviour to be insecure and care what people think and thus you buy clothes and cars and diamonds and houses to try to project something to show people you're successful.

“You're trying to use it to get the girl. You're trying to use it to show your dad that you're better than him. You're trying to do it to one-up your competitive sister. Your older brother was successful and you're insecure about that, so you're going to do everything you can to amass money in the short term and deploy it to create a perception. It's all for other people.

“I've really gotten into a fascinating place in my mind about money and trying to get people to explain why they buy stuff. I think the biggest issue with money is not how much you make, it's how much you spend.”

Pearl of wisdom #3 – Only pay for what you need and enjoy what you buy!

“I wonder how many people have bought homes that are too expensive and too big for them. So many people aren't using 40% of their home; bedrooms become storage spaces, and dining rooms? Who has a dining room in 2019? You're paying for something you don't use or need.

“I get passionate about this because if you bought a home with two less rooms it would make a huge difference. Turn your third bedroom, that you don't use, for the kid you're going to have in nine years, as your dining room. Don't have a dining room, you know what I mean?

“I don't want to demonize people who like fine things, that want to buy a nice watch when they like genuinely like it and can afford it. If you genuinely know Maserati, you understand it, you wash it every Saturday and a sunny day is your dream because you can't wait to drive it. If you're like that, it's for you. That's amazing.”

Pearl of wisdom #4 – Don't spend it all!

Just because a lender is willing to give you \$400,000 for your mortgage, it doesn't mean you need to take the full amount. What do you really need? Will you be under pressure to make those mortgage repayments for the next 30 years?

“I'm dying to know what percentage of Americans own a home, that they used all their liquid on to put a down payment, that have maximized their expenses on their mortgage and lifestyle to maintain it, and don't use 40% of it. Do you know how cliché the picture I just painted this? You bought the most expensive house you can afford.”

Pearl of wisdom #5 – Educate yourself on the game of money

There's no magic pill or quick solution. It's about finding a balance between what makes you happy and what you can afford to have. When money is something America is uncomfortable talking about, sometimes you're never introduced to a common-sense approach to managing money.

“You need to enjoy your life, but do you have any money in your bank account? Do you have credit card bills and debt? If your debt is greater than the amount in your bank account, you need to change your lifestyle.

“When somebody tells me, I make 300,000 a year, but I'm broke, I'm sure their basement and garage is filled with dumb stuff they've used twice. And a landscaper in the yard. And seven plasma TVs in seven different rooms. It's hard to be sympathetic. Cut your own lawn!

“The bottom line? Live within your means. Spend less than you make.”

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