

The Best Investment!

Investments

The stock market has typically been a good solid investment vehicle over the past fifty to sixty years. For the long-term there are very few vehicles that have done as well. Over the past 50 years the stock market has averaged 11% or 12% growth per year depending upon which study you look at. For this example, we will use the best consistent investment—the stock market:

<u>Amount Invested</u>	<u>Rate of Return</u>	<u>No. of Years</u>	<u>Value of Investment</u>	<u>Return on Investment</u>
\$30,000	11%	10	\$99,012	11%

Real Estate

Real Estate is a business rather than classified into the investment category. There are rents to collect and expenses to be paid. For this comparison we will consider it separately:

Assume a purchase of properties valued at \$300,000 at a breakeven cashflow.

<u>Down Payment</u>	<u>Growth Rate</u>	<u>No. of Years</u>	<u>Value of Investment</u>	<u>Return on Investment</u>
\$30,000	4%	10	\$444,073	

Less: Value of Mortgage = <\$237,600>

Net Increase in Investment = \$206,473/10 years

= \$20,644 gain per year/\$30,000 investment

68.8%

(What happens if it doesn't cashflow properly, or property values go down, or you can't rent it, etc?)

Businesses

Success Rate:

<u>Type of Business</u>	<u>Out of Pocket Investment</u>	<u>Typical Income If Successful</u>	<u>Odds of Survival After 5 Years</u>	<u>Total Yearly Return</u>	<u>Return on Investment</u>
Direct Sales/MLM	\$4,000*	\$50,000	6%	\$3,000	75%
Start Typical Business	\$40,000	\$50,000	20%	\$10,000	25%
Buy Existing Business	\$50,000	\$50,000	60%	\$30,000	60%
Buy Franchise	\$30,000	\$50,000	92%	\$45,000	128%

*Investment over a five year period.

Now take just half of your franchise earnings and invest those in the stock market for 10 years, you would have a total of **\$417,632** to add to the other half of your franchise earnings to make a total of **\$642,632** or a **214% return** on investment!

NOTE: These results do not take taxes into consideration.