**How I saved $100,000 in less than 4 years**

**1. I contributed to my retirement via a 401k offered by my employer**

To be honest when I first started working I had no clue what a 401k was, or why I needed one. All I knew was that I was being offered free money via a match and I was all over it. Over time I learnt what it was, about asset allocation, fund types, expense ratios etc but to start out, I took advantage of the free match. At the time, my employer matched 100% of the first 6% that I contributed. I didn't max out my contributions back then but I contributed ~15% of my salary and throughout the 3.5 years I was about to save about $40,000. This was also before the 2018 recession and so the money I contributed had grown because the stock market had been performing pretty well.

***Tip***: Contribute to a retirement plan as soon as you can. Max out if possible. Can't afford to max out right away? Increase your contributions by one percent every quarter until you can. If your employer offers a match take it!

**2. I kept my expenses low**

After my 401k, health insurance and tax deductions, my main expenses were my car (I paid a car note for ~$150 and then later ~$300), insurance (~$80) and my mortgage (~$900). I lived at home for six months after graduating college before moving into my first place which helped me really kickstart my savings.

Groceries were never a big bill being single. Yes, ramen was my friend. Going out was hanging in at friend's houses, and zero alcohol was BIG money saved.  I travelled a lot for work and so a lot of my lunches during the week were reimbursed. I also lived very close to work so I didn't buy gas often. I shopped here and there too but I didn't have any expensive habits...yet. My water bill, internet bill and cell phone bill all came in around $170 combined each month.

***Tip:***Getting your expenses down should be your first area of attack in your budget. Try living close to work if possible, pack lunches, workout at home or outdoors, carpool, cut out alcohol, get creative with ways to bring your expenses down.

**3. I focused on saving 40% to 50% of each pay check and anything extra**

After my 401k, other deductions and taxes (my tax rate was ~25%), the first year I earned somewhere around $1350 - $1400 a pay check. I tried to save at least $500 to $700 every paycheck and because I kept my expenses low, this wasn't hard to do. I saved my yearly bonus (after 50% bonus taxes this was somewhere around $1500 the first couple of years) and I always saved a bulk of whatever tax return I got. As a result, I saved a ton of cash very quickly this way - I averaged about 18k a year in cash savings and in 3.5 years I had well over 50k saved in cash from my full time job.

***Tip:***It's not just about keeping expenses low, its also about making a plan to save what you have left over. I made this easy for myself by having this money automatically sent to my savings account as soon as I got paid.

**4. I started a side hustle**

Sometime in 2017, I also became very interested in take photographs and ended up with a very successful part time lifestyle and wedding photography business after taking a bit of money from savings to invest in an entry level DSLR camera. I studied my craft, did a lot of free photography to start and within a few months I found this business growing very quickly and becoming very profitable.

I loved doing it and it earned me a great side income. I spent my earnings reinvesting into my business, saving (I always save something when I earn something) and funding the early stages of my former super amazing handbag collection that you can read all about on my blog. If I didn't have such a handbag obsession, I know I could have saved so much more money.

The first year of my business I earned around $10,000. The second year I earned around $30,000. Subsequent years I earned more. I worked hard but to me, it was worth it. Around this time, I also started learning about investing outside of retirement and I used some of the money I earned from my side hustle to do that. This side hustle pushed my savings over the 100k mark.

***Tip:*** A side hustle, if setup and managed the right way, can be a huge boost to your income. Just don't spend all your earnings on handbags! :)

**5. I spent money on credit but I was smart about it**

Yup I still had a credit card but the majority of my spending on credit was using a charge card. With a charge card, you are required to pay your balance in full each month. e.g. American Express Gold is a charge card. I was required to have a charge card to cover all my work travel expenses and so I thought why not get one for myself too. I got a few reality checks when I over did it at times but using a charge card always reigned me in and still does. I know my limits.

***Tip*:** If you are able to qualify for one, consider getting  a charge card, it will help you build credit and acts just like a credit card.

That, in summary, is how I was able to save over $100,000 in less than 4 years. I'm a saver by nature. I need that sense of security. An empty bank account makes me antsy. This is a huge motivator for me.

The other thing to note is that I did make money mistakes (yes those stupid handbags, amongst other silly mistakes I made).

**All of this being said, you may not be able to save $100,000 right now and you may have large debts but regardless of where you are (single, married, kids, no kids - I know what it's like to save with kids - I have twins!), know that you can still pay off your debt and you can still save a serious amount of money over time.**

It starts with taking a full assessment of where you currently stand, creating a strategy around your situation, keeping your expenses low, automating as much as you can and staying focused. Over time, and with discipline and dedication, you will see results. I promise. Remember, every single dollar counts.