q wealth: **5 MISTAKES COSTING YOU**

5 mistakes that are costing you serious money

In our years of working with property investors, we have found concentrating on the 'why to' of investing before the 'how to' of investing pays dividends. If you get the 'why' right then how you achieve your goals – financial and otherwise – will fall more easily into place. With that in mind, there's 5 key mistakes that trip investors up. However, if you learn how to overcome these then you are well on the way to achieving far better investment returns.

1. Not taking responsibility for your results

Unfortunately, many investors are reluctant to ever take 100% responsibility for their results. This is often because they have never really taken responsibility for anything in their lives. In fairness, many of us have probably been conditioned this way. For the first 18+ years of our lives, our parents provided for us emotionally and financially. Then we might have got a job, or got married, and some of that burden fell onto our spouse or employer. And, in Australia, there is always the welfare system, or the pension, to fall back on if we need it. So perhaps there is not that strong an onus on the individual to fully invest in their own financial well-being. Plus, it's probably easier to just whinge and complain and blame everyone and everything else anyway, isn't it?

But there is an enormous power in stepping up to the plate and taking 100% responsibility for all your results in life. Start by taking responsibility for all the little things and then to all the bigger things. Begin to take responsibility for your financial security, and don't just 'own' the winning decisions that you make, be prepared to admit your mistakes too, then learn from them and keep moving forwards.

2. Failing to plan

We travel the country speaking to thousands of investors every year and we always ask people we meet if they have clearly defined and written wealth plans. Some people have a vague idea in their heads about some of the sorts of things they might want in life, but very few have taken the time to map out exactly what that looks like, when it will happen and how they intend to achieve these results. Actually writing down all the things you want to achieve in life might seem daunting. It won't come naturally to many people. However, like many skills in life, it is one that can be taught and perfected through diligent practice. The value of a well-crafted plan provides the writer with unparalleled clarity, accountability, direction, energy and focus. And, who couldn't use more of that?

3. Not knowing where your money goes

If you work for 40 years and get paid the average Australian wage you will probably earn in excess of $3.2 million over your lifetime. However, it is often not how much you earn but how much you invest that will make all the difference. At one end of the scale, there are people out there who seem to have no idea where their money ends up. They know they earned it and often have the blisters to show for it, but they can't tell you how they have spent it, or where it all seems to have gone. Then, at the other end of the spectrum are the spreadsheet-zealots. They know exactly where every last cent goes, and have it written down in a spreadsheet or these days tracked in an app. No matter where you lie on the spectrum, improvements may be made to the quality of your life and your financial well-being by improving your money mindfulness and sharpening your skills as an investor.

4. Flipping out

Many people suffer from shiny-object syndrome. That is, they are often seduced by the 'next big thing' or the promise of quick riches, and they flip from one investment to the next – seemingly overnight – with no real reference to their wealth plan (see point 2 above). Now, we are certainly not suggesting you stay a course purely for the sake of it, especially when all the evidence suggests you should change tack, but we are suggesting that when it comes to building long-term, sustainable wealth many investors change strategy far too often. Try not to get distracted. This is where a mentor can be invaluable. Your mentor will remind you of your plan and make sure any short-cuts or alternative routes are only embarked upon when they are absolutely necessary or are likely to provide you with a better result.

5. You stop shooting for the stars

As children we probably all had big dreams and big ambitions. 'What are you going to when you grow up?' is often answered with 'I'm going to play AFL' or 'I'm going to be an astronaut'. So what happens to those lofty dreams and goals you once had for yourself? Have they become bigger and bolder? Or has life slowly eroded those plans you dreamt about as a child? They say that in life you will get what you tolerate. To what degree have you perhaps settled for less than you really wanted? Maybe, your plans have been put on hold? If so, review them, because life 'aint over yet, is it?

One of the most powerful activities you can do as an investor is to uncover, or rediscover, your purpose for, and passions in, life. By reconnecting with your core values and deciding on what is most important to you in life is one of the greatest rewards. Once you reconnect with your goals and ambitions and work out a plan to achieve these, you can get your results back on the right track.
Matthew Bateman and Luke Harris are co-founders of The Property Mentors, a Melbourne-based business comprising an elite team of property professionals who educate, motivate and facilitate clients from all around Australia. Their new book, Let's Get Real (Major Street Publishing $29.95) is now available.

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