

NOTES FROM: *Rich Habits*, by Thomas C. Corley

SUMMARY: This is the updated and expanded second edition of *Rich Habits*, a *classic* book that distills what Corley learned after spending 5 years studying 233 wealthy people and 128 poor people. His purpose was to identify what the rich *do differently*, and the result was this book.

Except in this case, unlike Robert Kiyosaki and his *Rich Dad* series, the people he learned from actually existed. Nothing against Kiyosaki, by the way! *Rich Dad, Poor Dad* is great (buy *assets*, not liabilities!), but *Rich Habits* is grounded in *real* observational data about how the wealthy and successful achieved their success, not stories about imaginary mentors.

The framing parable used to set up the book's insights kind of gets in the way a little bit, but it's not *too* bad. If you're pressed for time, you can safely skip the intro chapters and get right into the habits, but it's not the worst read! After dozens of pages though, it's just like, "*Jeez man, just tell me the habits already!*"

None of these Rich Habits are particularly difficult to install, but as easy they are to do, they're also easy *not* to do. Drift through life practicing the Contradictory Habits, and you'll eventually find yourself broke, stressed, and wondering where it all went wrong.

That's *also* not to say that success and prosperity beyond your wildest dreams are *guaranteed* by practicing these Rich Habits. Rather, it's more like, by practicing them consistently you *stack the probabilities in your favor*, increasing the *likelihood* that you get what you want out of life.

As Corley puts it, you're inviting "Opportunity Luck" by doing this: stacking up wins, building up positive momentum each and every day until, at some point (again, in the not-too-distant future) you look up and realize that you could have told your own fortune.

"Millionaires are Readers: 85 percent of millionaires read two or more books every month and 88 percent read 30 minutes or more each day. What did they read? 51 percent read about history, 55 percent read self-help, 58 percent read biographies of successful people, and 79 percent read educational material."

"Millionaires Set and Pursue Big Goals: 55 percent pursued one singular goal for more than 1 year."

“Millionaires Build Power Relationships with Influencers: 86 percent networked with people who could help them realize their dreams and their goals. These were individuals who held positions of power and influence.”

“Millionaires Say ‘No’ Often: They made a habit out of saying no to people and things that interfered with their pursuit of dreams and goals.”

“Future generations will have you to thank for learning success habits that I share in this book.”

“For these two reasons, efficiency and fuel conservation, the brain naturally likes habits, encourages habits, and fights us when we abandon or try to change an existing habit. That is why habit change is so hard - your brain goes to war with you each time you try to change a habit. And almost always, the brain wins, unless you know the secrets to habit change.”

The Six Habit Triggers:

Visual Triggers

Auditory Triggers

Time-of-Day Triggers

Stress Triggers

Association Triggers

Beliefs and Emotions

“A belief is one in one of three ways: internal statements, external statements, and emotional events.”

“At the core of almost every belief is an emotion that gave it life. Once a belief is accepted, habits generally follow.”

“Physiologically, habits are nothing more than a series of interconnected brain cells talking to one another, networked together by long spindly tendrils that connect the neocortex to the basal ganglia. Through our five senses, the neocortex, the conscious part of the brain, takes in information from the environment. When that stimuli happens to be a trigger for a habit, the basal ganglia, through one of its many tendrils, directs the brain to fire up a specific group of neurons (brain cells) and, once fired, we unconsciously find ourselves engaging in some habitual behavior, thinking, decision, or emotion.”

“The Saver-Investor Path to building wealth was the longest, easiest, and least lucrative path to building wealth. It took an average of 32 years for a Saver-Investor to accumulate an average of \$3,260,000 in Net Investable Assets.”

“The Dreamer-Entrepreneur Path is the hardest path, the shortest path, and the most lucrative path to building wealth. It takes the average Dreamer an average of 12 years to accumulate an average of \$7,450,000 in Net Liquid Assets. During the early years of their journey to wealth, the Dreamer-Entrepreneurs in my Study worked an average of 61 hours a week; took few, if any, vacations; worked weekends; rarely saw friends; and did not spend much time with their family. Until the dream begins to pay off, making ends meet creates enormous pressure, so the Dreamer-Entrepreneur must be able to handle great stress. And then there is the risk that the time and money you put into pursuing your dream will be wasted. In fact, in my Study, 34 percent of the self-made millionaires who pursued the Dreamer-Entrepreneur Path failed at least once, losing everything - their time and money. This put an enormous strain on their family and in some cases resulted in divorce. But the reason they were in my Study was because they never quit on their dream - they picked themselves up and tried again. The Dreamer-Entrepreneurs in my Study did not have the ability to budget and save the way other millionaires pursuing other paths to wealth did. Dreamers put everything they owned on the line, including the equity in their homes. They often took on enormous debt to help keep their dream alive. During the early years of their journey, there simply was no way to save. That came later. Once they were able to transform their dream into a successful business, many Dreamers also became fully fledged Saver-Investors. Their investments helped them grow their wealth and also became a safety net that they were able to use to help bail them out during economic downturns. Over time, many of the Dreamer-Entrepreneurs in my Study also diversified their wealth by creating multiple streams of income, often side hustle offshoots of their primary business, which helped them further build their wealth.”

Opportunity Luck: “This is good luck that is a by-product of Good Daily Habits. Think of Opportunity Luck as an apple orchard. You prepare the land, plant the apple seeds, and diligently nurture the trees as they grow. After some time the apple trees blossom and bear fruit. This fruit is the by-product of doing the things you needed to do over a long period of time. These apples represent Opportunity Luck. Successful people do the things that are necessary over the long term in order for Opportunity Luck to occur in their lives. They live the Rich Habits every single day. Rich Habits are like a magnet for Opportunity Luck.”

Detrimental Luck: “This is the evil twin of Opportunity Luck. Unsuccessful people have bad habits. Like the Rich Habits, bad habits are also seeds. They will take root and grow until they, too, bear fruit. Unfortunately, the bad fruit birthed by bad habits brings Detrimental Luck into the lives of the unsuccessful. This Detrimental Luck might be a job loss, investment losses, foreclosure, divorce, illness, or something similar. To bring success into your life you need to attract the right kind of luck. Living the Rich Habits guarantees you will attract the right kind of luck, and opportunities will appear, seemingly out of thin air. As with low-hanging fruit, all you have to do is reach out and pick it.”

“Here you see how powerful just one Keystone Habit is - jogging. By adopting just one Keystone Habit, running, it helped this woman eliminate several Contradictory Habits: eating junk food, overeating, and cigarette smoking. That’s why Keystone Habits are so important. They automatically eliminate Contradictory Habits. For this reason, many of the Rich Habits were designed to be Keystone Habits. This makes habit change much easier and much faster.”

“Successful people are self-aware of their daily habits. They automate success by forging Good Daily Habits. They also eliminate Bad Daily Habits that prevent success. This is the first and most important Rich Habit because it lays the foundation for the rest of the Rich Habits.”

“You start building your ideal life by defining all of your dreams, which, when taken together, become the blueprint of your life. Your goals are your construction team. You need to define all of the goals that will make all of your dreams become a reality. You design your goals around each dream.”

“Your monthly goals are directly related to the achievement of your daily goals.”

“Your current year goals are nothing more than a mirror, reflecting the fact that the daily action you are taking is or isn’t working.”

“We can choose to be Rich by Association or Poor by Association. Rich by Association means we surround ourselves with other success-minded people. Poor by Association means we surround ourselves with individuals who have a poverty mindset.”

“The Baby Step Strategy works because the basal ganglia is not threatened by 5 minutes of work - 5 minutes doesn’t use up that much brain fuel. As a result, it does not fight us during those first 5 minutes and allows us to light the fuse, so to speak. And once we get started, once you light that fuse, the prefrontal cortex, like a sleeping giant who has been awakened, overpowers the basal ganglia and takes over. This turns into a flow state that can last for hours at a time.”

“Unsuccessful people look for short-term solutions to their long-term problems.”

“Successful people make a habit, long before they become rich, of saving 10 percent or more of their income and prudently investing those savings. They treat savings as the #1 most important bill.”

“Some parents who recognize this transformation slowly begin handing over decision-making for our lives to us. They encourage us to take individual responsibility. They let us make mistakes and experience some of life’s harsh realities, standing by to offer advice and direction when things go wrong. Unfortunately, parents like this are in the minority.”

“We are putting our ladder on our parents’ wall and then climbing that ladder for the rest of our lives.”

“Eventually, your daily investment will get you higher up your ladder and closer to the top of your wall. You will begin to feel happy and enthusiastic as you climb your own wall.”

“Passion turns obstacles the size of mountains into gentle rolling hills.”

“Passion produces unforced focus, the most powerful type of focus.”

“Passion trumps any advantage those who lack passion might have in life. Those few who find passion in something simply blow the doors off those who lack passion. It is not even a competition. Passion is like a light switch. When it is turned on, it triggers a domino effect of other success characteristics. It is the catalyst of every uber-successful person. Passion allows you to overcome every obstacle, every mistake, and every failure. Nothing can stand in the way of a person with passion. Those imbued with passion never quit and so they never fail.”

“What we believe drives our behavior and our behavior determines who we become in life.”

“In order to be successful, we must walk in the footsteps of the wealthy.”

“The power of focus is the poor person’s escape hatch. It can lift any individual out of the direst of financial circumstances.”

“Successful people patiently persist.”

“Ten people working together for one purpose equals 240 hours a day.”

“Successful people leverage knowledge and skills. They understand that they cannot possibly know everything or be good at everything, so successful people leverage the knowledge and skills of their network of relationships. They tap into the collective knowledge and skills of everyone in their inner circle to help them with their goals and dreams.”

“How is it that successful people are able to overcome the negative voices of doubt and fear? What do they do to overcome those voices? Successful individuals play something I call *The What If Game* in response to those negative voices: ‘What if I succeed? What if I love doing this? What if I make more money than I expect? What if it’s not as hard as I thought? What if it makes me happy? What if it helps my family? What if it creates the life of my dreams? What if it makes me more valuable?’”

“When you ask for what you want or need, there’s the real possibility that you will get it. Successful people understand this, so they make a habit of asking for what they want or need from others.”

“Successful people are as much aware of the things they should not be doing as they are of the things they should be doing.”

Summary of the Rich Habits:

1. I WILL become aware of my habits. I WILL adopt Good Daily Habits and follow these Good Daily Habits every day.
2. I WILL define my dreams and then create goals around each dream. I will focus on my dream-goals every day.
3. I WILL devote at least 30 minutes each day to increasing my knowledge and improving my skills. I WILL invest in myself every day.
4. I WILL devote 30 minutes to exercise every day. I WILL eat healthy every day.
5. I WILL seek to build strong relationships with other success-minded people.
6. I WILL live every day in a state of moderation.
7. I WILL take action on my goals every day.
8. I WILL engage in positive thinking every day.
9. I WILL save and invest 10 percent or more of my income.
10. I WILL control my words and emotions every day.
11. I WILL do work that I like or love.
12. I WILL never quit on my dreams.
13. I WILL embrace only positive beliefs and eliminate all negative beliefs.
14. I WILL seek out success mentors.
15. I WILL focus on my dreams and my goals every day. I WILL not let myself get distracted from my dreams and my goals.
16. I WILL set only good goals and avoid bad goals.
17. I WILL take Calculated Risks in the pursuit of my dreams and goals.
18. I WILL exercise patience every day.
19. I WILL seek to meet or exceed the expectations of others.
20. I WILL create multiple streams of income.
21. I WILL use the power of leverage to help me achieve my goals and realize my dreams.
22. I WILL not allow fear or doubt to prevent me from taking action on my goals and dreams.
23. I WILL seek feedback from others.
24. I WILL ask for what I want or need.
25. I WILL make my own personalized to-do list and follow it every day.
26. I WILL ask questions in order to learn from others.
27. I WILL seek to add value to the lives of others.

28. I WILL forge habits that create happiness.
29. I WILL train others how to treat me.
30. I WILL find apostles to help me achieve my goals and realize my dreams.

“Think of your Rich Habits as snowflakes on a mountainside. Over time your Rich Habits, like snowflakes, will accumulate. You will not notice the accumulation from day to day, but at some point they will create an avalanche.”

“Think of an existing habit (existing neural pathway) as a train on a track, except it’s inside your brain. If you add your new habit to that same train, as if it were a new passenger, the brain won’t put up a fight because you’re not trying to take control of the train or the track. You’re just taking a ride. When an old habit does not perceive a new habit as a threat, it does not wage war against the formation of the new habit.”

Six Powerful Shortcuts to Habit Change:

1. Habit Merging
2. Law of Association
3. Changes in Your Environment
4. Starting Small
5. Scheduling Your New Habits
6. Firewalling Your Bad Habits