

EPISODE 618

[INTRODUCTION]

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FT: You're listening to So Money everyone. Welcome to the show. I'm your host, Farnoosh Torabi. Today's guest became a millionaire in just five years and all by the age of 30. Grant Sabatier is the founder of Millennial Money and he'll be sharing how he went from having just two dollars in his pocket to crossing the million dollar threshold.

Indeed, it was a fateful day at Chipotle in his early 20s Grant experience his financial wake-up call. All he wanted to do was buy a burrito, but he couldn't. He checked his bank balance and realized he had just \$2.26 to his name and he was a recent unemployed college grad living at home like so many millennials and it was that day that he decided it was time to grow up, time to make a living and take a stab at this whole adulating thing, and did he ever? You have to listen to the episode to learn the rest.

Her we go. Here is Grant Sabatier.

[INTERVIEW]

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FT: Grant Sabatier, Mr. Millennial Money. Welcome to the show.

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GS: Hey, Farnoosh. Thanks. Thanks for having me.

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FT: You're kind of making a name for yourself not just as the Millennial Money founder, but is somebody who has achieved enormous success in in your 20s. How old are you now?

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GS: I'm 33. Yeah, all of my real success happened between 25 and 30.

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FT: Let's go back to when you had \$2.26 to your name. I'm sure you've told this story a lot, but I don't think our audience may have heard it. I haven't heard it, so indulge us. Tell us when you were at chipotle and you had only two dollars and a quarter to your name and they come to Jesus that you had.

[0:02:16.6]

GS: Yeah. Actually, I didn't even make it to Chipotle that day unfortunately. It was August 24th, 2010. I'd been good living back at home with my parents, literally, in my childhood bedroom in the same bed I slept in starting when I was like 9 or 10, and I'd bounced around a bunch of jobs after college in over a three-year period and just nothing really worked. It was kind of just after the great recession and, yeah, found myself at home. My parents said, "Hey, you can crush here for three months, but you got to find your way from then."

I lasted. I had a little bit of money saved but it only lasted about a month. By August 2010, yeah, I was down to my last \$2.26. I woke up — I had been applying to just hundreds of jobs at the time. I was super dejected. I wasn't hearing back from anyone, so I kind of given up, honestly, and woke up I think it was a Thursday or a Friday. I think it was a Friday and basically I was hungry. It was 10 or 11 in the morning and I looked on my phone and basically I had \$2.26 left and couldn't go and get that burrito. It was kind of a rock bottom moment for me where I was so dejected, just applied to so many jobs, didn't know what was next. Really didn't even know what I wanted to do. Really, from that moment just made a plan just to never feel way again and started looking at money, careers, my wife, my friends' lives, my parents' lives, everyone around me's lives pretty critically and pretty for philosophically to understand, "Is there a different way to

live? Is there a way that I can perhaps fast-track this process, find a job that I love and really try to retire as early as possible.”

At that time I didn't know anything about financial independence. I didn't know anything about early retirement. I'd never heard of anyone who retired before the age of 60. It was just such a foreign concept that I set the somewhat naïve and arbitrary goal to try to make \$1 million as quickly as possible. That was as sophisticated as I got at that point.

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FT: Right. You couldn't buy that burrito. Let's not fast-forward, because I know what happened in the days and the months that followed. Did you build a support system? What was on that list of things that you wanted to do? I know you got a job eventually and you're able to double your salary there in a, that's significant, but what was actually specifically your plan of action?

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GS: Yeah. My specific plan of action was really just to question everything that I'd heard before about money and career. I had spent my last three years essentially in a cubicle locked up spending every dollar that I made and I knew that if I was going to even have a chance at making a million dollars, I was going to have to think a little bit differently and see first and foremost what's even possible.

I was a little bit of a math geek as a kid and I just took out a piece of paper and a pencil and just started working with some numbers to try to figure out your how much money would I need to actually save in order to have a million dollars? I knew kind of the basics around investing. I didn't really know much about index funds at the time, but I really started with the math. I looked at some of the basic principles. I'd read maybe one personal-finance book. I think I'd read Tobias', *The Only Investment Guide You'll Ever Need* in college at some point. I had a basic understanding that you needed to save money and invest.

The common wisdom at that time was that you needed to save maybe 5, 10, 15% of your income, and so I started with that and basically calculated enough. I could make \$50,000 and

save 10%. It's only \$5,000 a year. How long would I have to do that even expecting maybe 5% interest rate to actually be able to retire? It hit me pretty quickly. I literally remember this moment. It was a few days after the Chipotle burrito incident where I realized I was never going to be able to retire unless I was able to make a lot more money. The math just didn't add up, saving 5,000, \$10,000 a year even in great market. You're going to have to just work forever.

I knew that there was only a few variables that I could control, how much money I was making, or try to control how much money I was making, how much money I was spending and how much money I was investing in kind of that investing rate. I really had to figure out kind of the principles of that. Then I started taking stock of my skills. It's was one of those things where I was haphazardly applying to every job I could; an associated radio producer. I didn't have any skills for that. An associate editor. I didn't have any skills for that. A business analytics intern. I didn't have any skills for that.

I took stock of my skills and realized I was a decent writer, I was pretty good at public speaking and I was okay at math, but that was pretty much it. I didn't have a ton of what I'd call sort of marketable skills, and so I realized first and foremost that I needed to get some skills that were in demand. This all happened pretty fast. Around September, I was just thinking — I was literally Google searching careers and demand, jobs of the future, those sorts of things. I remember I was Googling all of these on my phone at the time and it was kind of he ironic. I had no money but I still had the latest and greatest iPhone. It was just kind of a remnant of my financial patterns before started saving. Yeah, I was just Googling and it kind of hit me. I saw these ads just on Google. This is early kind of mobile device search. There was two or three Google ads and I was like, "Wow! These ads — Everyone is using their phone to search now. What are these ads?"

I click through and I literally remember the researcher, it was like, "How do you run ads on Google," and I read all about it and figured out that there is thing called Google AdWords and that essentially Google ads are real-time. They're based on a real-time auction system and that really intrigued me. It's kind of competitive in nature, and so really kind of fell in love with the idea of Google advertising and geeked out over 60 day period. I became a Google AdWords certified in like three weeks, then became Google Analytics Certified in the next month, and pretty much taught myself digital marketing through YouTube. This is back in 2010. I was

watching early tutorials about it and taught myself it enough that within 60 days, or it was more like 190 days. It was kind of a 60 day, 90 day period, I was able to get a job at a digital marketing agency running Google AdWords campaign. Something not a lot of people did. It was in demand, and I went to the hiring manager and I said, "I don't have any experience, but here, I'm Google certified. Here's my certification. I really love this. Give me a shot," and she later told me that I was so passionate about it that she had to give me an opportunity, and that was it. Taught myself from scratch and was able to get \$50,000 job immediately.

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FT: Google University.

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GS: Yeah. You can still learn it for free. Everyone that asked me, "How can I make more money?" I literally just send them to Google AdWords, the Google University link and I just learn AdWords. This is like the future.

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FT: It was in this job that you doubled your salary. Earning more was part of the equation. Also, you invested your money. I read in the Washington Post, there was a profile of you that said and that while some of us may have been afraid to invest during the financial crisis, you went full steam ahead and that was very helpful.

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GS: Yeah. Once I got the \$50,000 job, I was so excited, because by that time while I was learning AdWords, I was also reading everything that I could about money. During that time I read *Your Money or Your Life, I Will Teach You To Be Rich*. Just a bunch of books. I soaked them all u.

Literally, every day I was learning AdWords and I was reading about. By the time that I got that \$50,000 a year job, I was like, "I'm going to save and invest as much of this as possible." I knew at the age of 24 I had time on my side, that the market was down, and so immediately when I started, I got my first paycheck. I invested 80% of it. I was just like super stoked. I lived in such a dump apartment. My girlfriend at the time, who's now my wife literally wouldn't come over to my place because it was such a dump. I was staying, it was like \$400 rent and I was able to save 80% of my income.

Then I got really hungry. I realized — I started seeing how much the agency I worked for was charging for what I was doing and then how much they were paying me and I figured out that they are making like four or five times on my salary on the clients that I was managing. I was like, "Hey, there doesn't need to be a middleman here. I'm going to out and find some of my own clients. I got really aggressive and within a few months of starting that full-time job I found my first client, which is a small law firm here in Chicago and basically I told them, I said, "Hey, I know how Google advertising works. I can help you get clients. Here's how much money you need to spend and here's how much I'll charge," and so I was able to sign a pretty small engagement, but I delivered, I over delivered on that. I ended up building them website, and then that was the one reference that I needed and had that lawyer introduce me to his other lawyer friends and very, very quickly went from basically selling a \$5,000 side project to \$100,000 side project about three or four months later. Actually, I have more than doubled my salary my first year. I actually ended up making \$400,000 within 12 months of getting that job all through freelance projects.

The thing is this is one of the things people like, "How did you even do that?" I didn't really have a life. It was 24/7 nonstop.

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FT: [inaudible 0:12:39.3].

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GS: Yeah. It was nonstop. It was like I would work with anyone. I tried to sell as many clients as I could, and then I did it to invest. Every dollar that I invested back then is worth about \$3.50 today. I knew that if — I just wanted to make money to invest. I like lived on my Vanguard app. I would just get so excited when I would just get a new paycheck and I would just like be able to invest it.

I was probably a little obsessed with it, honestly, and I think there's ways to be more balanced about it. I went from one extreme to the other, because I wanted to get as far away as possible from that emptiness feeling that I have just back home at my parents with nothing.

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FT: Of course, the success of your financial process gave life to millennialmoney.com, which is where people can now tap into learning how you did it and lots of other sort of great money advice. How did you get that URL to begin with? I feel like that would be a really hot URL.

[0:13:43.2]

GS: Yeah. This is one of my side hustles. I actually invest in domains and buy and sell domains. I have over 800 of them. I'm actually pretty infamous. I was able to call the Kim and Kanye relationship before they came out, so I actually owned kimandkanye.com, which is pretty funny. But I've just always kind of bought and sold domains since —

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FT: Have you sold it?

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GS: No. I ended up getting a cease-and-desist from Kanye West Clothing Company. That didn't work out as well for me, but I have sold some pretty high-profile domains and I actually bought Millennial Money in a domain auction a few years before I launched the site. I was pretty excited. I was a big reader of the early sort of get rich slowly and a number of blogs. I was a fan

of the genre and I thought I wanted to sort of share with the world, but I was like, “Grant, you only have so much time. Focus your energy on kind of making money and investing. I always had the dream to one day kind of write about money, and so I picked up that domain in a domain auction. Actually it’s pretty funny because I’ve been offered pretty large sums of money for it over the past couple of years and just really have no interest in selling it at all.

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FT: Well, am million dollars in your 20s. What's next for you? I know you're in the process of writing a book, which is going to be coming out next year. Personally, for you, do you have aspirations to retire early? Do you want to make eight figures? What are your financial goals at this point?

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GS: Yeah. I actually have enough money, so I effectively could walk away tomorrow and never work again based on my calculations, and those are based around me spending you between 50 and \$75,000 a year for the rest of my life. I couldn’t live somewhere like New York like you do and make that work, but it could certainly work in Chicago.

It's actually ironic, because I'm now pursuing more of the projects that I'm really passionate about, and Millennial Money is a great example. I built it just because I wanted to write on the website, but now it's making about between 15 and \$20,000 a month just in advertising and affiliate revenue. That’s something that money is just become a byproduct of something I'm passionate about. I'm just so excited to be sharing this story with the world, to be speaking. I've always wanted to be a writer. It was my dream to write a book, and so getting the book deal with Penguin and working on this book which is essentially about how anyone can fast-track their retirement and financial independence. I’m super deep into that and excited about the opportunities that it will open up.

I’m doing a lot of traveling. I just got back from the south of France. I probably lived two or three lifetimes in that five years, between 25 and 30, and I’m trying to take it a little bit easier now, honestly, because I’m still dealing with a little bit of burnout from that period. That was kind of

the sacrifice that I made and now I'm excited to pursue more creative projects. I'm working with a few electronic music artists. Helping them develop. I really love music. Yeah, just pretty excited about kind of all the doors that, really, Millennial Money is opening up and just some of the seeds that I planted early on beyond just the business ventures.

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FT: Millennials and money is a big category for a good reason. What is your counterintuitive advice that you feel is not being projected that you want to get this message out that you feel that millennials need to hear when it comes to managing their money wisely?

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GS: Yeah. I think this is kind of money advice and life advice. A lot of people, there's kind of that Gary Vaynerchuk narrative that's so pervasive now of just hustle, hustle, hustle, hustle, hustle, hustle, hustle. I'm all for the hustle. I was a huge component of it, but I think we live in an incredibly sort of burnout culture and I sort of say that busyness is an epidemic. We all spend so much time just running around, trying to do the next thing and that's one way to get the most out of life, but I like to tell people that I always try to chill as hard as I hustle. Life's really kind of a counterbalance. It's a ying and yang. There's two sides to the coin and if you're always pushing on all cylinders, not only are you going to burnout but you might get sick or you might just forget to stop and smell the roses occasionally.

I think that just chilling as hard as you hustle is something that I'm trying to live by more, but I think it factors into investing as well. I think that you can't let kind of the best be the enemy of the good, and a lot of people, when it comes to money, they're so afraid of making the wrong decision that they either don't do anything or they get really emotional and do something stupid.

Having confidence that you put sort of simple money habits in place that you're saving before you spend, that you're prioritizing and finding a balance between spending and saving is really important and then kind of letting it go and not beating yourself up about it, because money itself, chasing it as well as managing it can become somewhat of an addiction. I think we live in a very obsessive culture. We're told to do things faster, faster, faster. If you're doing things right

with money time will take care of the rest and it's really about building those foundational principles. Then just saving as much as you can and having confidence in your strategy.

I think a lot of people — This is kind of the irony about my story. There's a lot of luck in what I did. Sure, I benefited from a growth market. I was able to make a lot of money pretty quickly, but that's kind of the exception to the rule. What I always try to share is that you don't have to make \$1 million in five years. The key is to find the balance that works for you and just, as I always say, kind of every 1% that you can increase your savings rate, you can retire up to two years early. If you increase your savings rate 1% once a quarter or twice a year, you are already fast tracking your retirement. Take it at a pace that makes sense for you. You don't have to always go two hundred miles per hour. That would be kind of my investing in my life advice right there.

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FT: That's your book in a nutshell. Still go by the book. I think too, Grant, similar to what you experienced, being "successful" and, I supposed was "fulfilled" in your 20s and forever is owning something, right? Going after whatever it is that you're interested in and being proactive about it, right? This concept of, "My company is going to take care of," or "My employer is going to take care of me," or "Saving," like you said, "just 5 or 10% of my salary should be enough." That isn't mediocre at best and that, really, to take control and take yourself and your finances to the right and best level, you have to have more skin in the game and have ownership over your ideas. Even if it's just a side hustle to start, it's better than, I think, being beholden to a paycheck that you have no control over.

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GS: Yeah. The more control you have over your income streams, the less stressed you're going to feel. When you're just working a wage job and you've got a boss and you don't really know how you're being judged or maybe the company could go under or your dependent upon the founder or the company, you're putting a lot of stock in someone else. Then when you're able to reclaim that and make money on your own terms, you just feel a lot more empowered, a lot more free.

I think we all know that the jobs in the future really haven't been created yet, so how can you build your skills and really just be curious and continue to develop in a way that you'll be able to control or have more control in kind of your own financial destiny. I think that that's really important as well.

Just kind of giving a quick sort of teaser into the book, essentially it's about time. At the end of the day we only have — Time is our most valuable resource and it's ironic that younger people have more time. It actually does — It's been sort of psychologically proven that time does move slower when you're younger. You get more bored. There's less to do. You have less responsibilities, so when you're young can you take advantage of time in a way that gives you more time later in life, because at the end of the day whenever you're making money, you're trading your life for it. You're trading your time for it, so how can you build income streams or just design your life in a way that your money is making money and doesn't rely as much on your actual time?

At the end of the day it's just really trade off about just kind of — A lot of people think sacrifice too much for money. To be honest, this is something — I show this in the book, but I wouldn't call myself really kind of a mindful person until I made quite a bit of money.

I've had a really unhealthy relationship with it. I was pretty addicted to it during a five-year process, but an interesting thing that happened is once I had enough and I knew that I could walk away and I didn't have to worry about money, I felt like I could feel at a deeper level. 90% of my brain that was dedicated to making money, it's like all of that is open now. I have stronger relationships with my friends. I'm a lot more curious. I'm a lot more calm and I'm just able to — I think I'm a lot more mindful now just not having to worry about money, and I'm a lot happier and it's not in the sense that I can buy anything that I want. It's just that I know that that's taken care of and I'm taking care of, and so I can really start to live life.

It just feels a lot fuller to me and that something that, to be honest with you, I'm not a new agey person. I never expected that to happen, but even teaching people about money now, it's really kind of become my mission just because I want more people to feel this way. I hate seeing people feel trapped in the 9-to-5 or just you feel like there's no way out. If I can just write about

money or teach about money and just kind of inspire or help even a few people kind of live a different — Follow a different path or live a different way — Every email I get from readers in Millennial Money is sort of like more valuable than any dollar that I've made, and that's something that I didn't expect, I didn't anticipate. That's really what's most exciting about this process is just being able to help people and realize that there's many paths to wealth. There's just not one, and I think culture tends to sort of share one path when there's a lot of different ways and you can live life on your own terms.

[0:25:06.6]

FT: Great message. Grant, thank you so much. I look forward to your book coming out in the spring. Hopefully we can have you back then and catch you on the other side of things and see how you like being an author, published author. I think they're going to like it.

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GS: On, man! Writing this book is so intense.

[0:25:22.5]

FT: I know your editor and she's the best editor out there and she is intense, but that's what you want. You want somebody who's going to kick your butt.

[0:25:30.5]

GS: Hey, Farnoosh. This is really a lot of pleasure. I admire your work and I'm excited to engage with you in the future. Yeah, really appreciate you having me on the podcast. It's a lot of fun.

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FT: Our pleasure. Thanks, Grant.

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GS: Thank you.

[END]