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When does \$4,000 equal \$2.5 million?

That may seem like a strange question but it's an important one to your business. Does \$4,000 equal \$2,500,000? At first blush you'd have to say, "no!" But perspective is an interesting thing. Let's take a closer look ...

One way we can value our business is by comparing the residual income our business does or will generate to the amount of equity you would have to invest in a CD (certificate of deposit) at the prevailing rate to earn the same income.

RESIDUAL versus INTEREST

So, let's compare residual income with interest income!

Let's say you've set a goal of earning \$2,000 a month with your Ambit Energy business. Perhaps this replaces an income or perhaps it supplements a retirement plan. Maybe it's what you need to help make ends meet. How much do you suppose you'd need invested in a CD to earn \$2,000 a month?

The answer may shock you.

To earn \$2,000 a month in a CD earning 2% annually (the average right now is less than 1.75%) with your money locked up (as in, you can't touch it) for five years ... you'd need \$1,200,000.

That's one point two **million** dollars.

So, let me ask you this:

Would it be easier to **save** \$1.2 million dollars in the next 5 years or to **generate** a \$2,000 a month

residual income with your Ambit Energy business?

I think the answer to most of us is obvious. Generating \$2,000 a month in residual income over the next five years should be relatively easy given a few factors:

1. you don't quit your Ambit business
2. you invest an hour or two a week in persistent, consistent effort
3. you are plugged into the EC Factory system and
4. you're showing the plan with help from your upline

Now, I realize that \$2,000 a month is only \$24,000 a year. That's not much to live on these days. In fact, it's darn near impossible. But did you know that's **62% more** than the average social security retiree will receive?

As of March 2012, the Social Security Administration [reports](#) that the average retired worker will receive just \$1,231.73 a month. *That's depressing.*

So, ask yourself: Can you live on \$1,231.73 a month?

Actually, if you're under 50, ask yourself if you'll see *any* money from Social Security at the rate things are going.

Are you like the 49% of Americans surveyed by [CNNMoney](#) who recently said that they aren't contributing to ANY retirement plan? That means, they're going to be largely dependent on Social Security. I don't know about you, but my family of four can't live on \$1,200 a month.

Let's look at the following two tables:

		<i>Equity Required to Generate Equivalent Interest Income</i>				
Monthly Residual Income	Annual Residual Income	Interest Rate				
		1%	2%	3%	4%	5%
\$ 500	\$ 6,000	\$ 600,000	\$ 300,000	\$ 200,000	\$ 150,000	\$ 120,000
\$ 1,000	\$ 12,000	\$ 1,200,000	\$ 600,000	\$ 400,000	\$ 300,000	\$ 240,000
\$ 2,000	\$ 24,000	\$ 2,400,000	\$ 1,200,000	\$ 800,000	\$ 600,000	\$ 480,000
\$ 4,000	\$ 48,000	\$ 4,800,000	\$ 2,400,000	\$ 1,600,000	\$1,200,000	\$ 960,000
\$ 8,000	\$ 96,000	\$ 9,600,000	\$ 4,800,000	\$ 3,200,000	\$2,400,000	\$1,920,000
\$ 12,000	\$ 144,000	\$ 14,400,000	\$ 7,200,000	\$ 4,800,000	\$3,600,000	\$2,880,000
\$ 16,000	\$ 192,000	\$ 19,200,000	\$ 9,600,000	\$ 6,400,000	\$4,800,000	\$3,840,000
\$ 32,000	\$ 384,000	\$ 38,400,000	\$19,200,000	\$12,800,000	\$9,600,000	\$7,680,000

<u>Term</u>	<u>Highest APY</u>	<u>Average APY</u>
6 months	1.000%	0.622%
12 months	1.100%	0.878%
60 months	2.350%	1.742%
Assumes \$25,000 deposit		
Rates as of 5/14/12		

The median household income in the United States in 2010 (adjusted for inflation) was \$49,445 according to the [Census Bureau](#). By the way, that's a decline of over 2% from the previous year. Real incomes are shrinking in this economy. But let's say that you could get by on that. You would need \$2.47 million in equity invested at 2% annually to earn \$4,120 a month.

That should be easy, right? Put away \$2.5 million by the day you choose to retire?

What's your plan for that?

This is where \$4,000 in residual income equals \$2.5 million in equity saved and invested to generate the *same* amount of income from interest.

Want more?

Perhaps you're someone who wants to really enjoy your retirement ... travel, live well, give to charity and church, help your kids and grand kids with college expenses or a new home. Let's say your goal is \$200,000 a year. That's just over \$16,000 a month. To generate that type of income at 2% per year would require \$10,000,000 in the bank.

T e n M i l l i o n D o l l a r s .

Let that sink in for a minute.

What WILL you do between now and retirement to **earn and save** \$10 million *above and beyond* the money you need to live on for food, housing, education, taxes, transportation, travel, vacations and the necessities of life?

What CAN you do in the next 3 to 6 years to earn \$16,000 a month in **residual** income?

If you don't know ... call me at 845.444.1050 and I'll show you a magnificent opportunity!

To your success!

A handwritten signature in black ink, appearing to read "Todd Pegelow". The signature is stylized with a large, sweeping initial "T" and "P".

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