EPISODE 235

[INTRODUCTION]

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FT: Hey everyone, welcome back to So Money. I'm your host Farnoosh Torabi. How'd you like the way I said that? "So Money!" It's a So Money week and we've got millennials all week capturing all the earning, saving, investing, paying off debt that Millennials are doing. Yes, millennials, I dare say it. They're not just a generation that is struggling, in fact there are many, many enlightening stories and that is what the theme of this week is. And today showcasing our fourth Millennial superstar, Sophia Bera.

Sophia is in her early 30's, she's 31, and she's already started her own company called "Gen Y Planning", which delivers comprehensive financial planning to those in their 20's or 30's across the country. So if you're on this show listening and thinking, "I'm 25, or I'm 32 and I would like to work with a financial planner who gets me, who understands that I don't have a lot of money right now, but I hope to someday and I still have a lot of financial questions, and I deserve financial attention." She might be the one to help you navigate all of your questions and give you great advice, regardless of the fact that you're not "wealthy".

You know most financial planners require an asset minimum of $1 million and it makes it an unattainable resource for most people, particularly millennials seeking advice with how to start everything from buying a home to starting a family, saving for retirement, creating an estate plan, building up their finances. With Gen Y Planning Sophia, who is a Certified Financial Professional, she is determined to shake up the financial planning industry and work with clients today so that they can reach that seven figures, million dollars in the future.

But interestingly Sophia actually never planned to be in finance. She actually was a theatre performance and women's studies major in college back at Minnesota State University, and while in college she set the impressive goal for herself of buying a home after graduation. And she became obsessed. She spent her time between classes at Barns & Noble reading everything she could about money, personal finance, real estate, building wealth. And so at the ripe age of 21 when she graduated, guess what? She bought a house!

Seeing her success, friends began to ask Sophia for, naturally, advice. Which led her to become a CFP and eventually began Gen Y Planning. Sophia is, if you couldn't tell already, she's really impressive. She's a darling person to speak with. I learned a lot from this conversation and I'm thrilled to share her story. We discuss that time she bought that home at 21, and why it's not exactly the same advice she'd give today. How not to get distracted by the overall economy, she says, but how to be more concerned with your personal economy. And three smart, important financial steps we should all take before reaching the age of 30. And if you're 31 or 40, it's not too late. You can still follow these steps. But it's really helpful to get these done and out of the way before 30.

Here we go, unleashing Sophia Bera.

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[INTERVIEW]

FT: Sophia Bera, my So Money Millennial and financial planner for Millennials. Welcome to So Money. Very excited to share your business and your philosophies with our audience.

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SB: Yay! I'm so excited to be here. Thank you so much Farnoosh!

[00:03:52]

FT: Absolutely. You know, I've known you now for a while and I know that I've wanted to have you on this show and I thought, "Perfect, I'll have you on Millennial Week," because a) you're an outstanding millennial in and of itself. You have accomplished so much by age 31 financially and in other respects. But a lot of my audience is interested in financial planning as far as working with a planner. They may not feel they are ready to work with a planner, their sense of the market is that you have to have a lot of wealth or investible assets in order to be attractive to work with a planner. And certainly there are wealth planners out there that want a certain calibre of clients, but you're here to say, "There's hope for all of us!" [Laughs]

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SB: Absolutely. Yeah!

[00:04:40]

FT: Particularly the millennial cohort that is very ambitious and earning money and is willing to work hard and wants to work hard for their money. So let's start with a little background on you and how you got involved in financial planning, specifically for millennials. I understand that you weren't even interested in pursuing finance in the beginning.

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SB: Yeah I was a theatre major in my undergrad, so I thought that I would be doing theatre and tours and all of that, and I was determined not to be a starving artist. So I figured if I was only gonna make maybe $30,000 a year I better learn what I should do with it, right? So I would sit in the personal finance section of Barnes & Noble and read every money book I could get my hands on. And that's where I came across your book, your first book that came out, which was great. Which - I've been following you for a long time.

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FT: "You're So Money".

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SB: Which I love! And...

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FT: [Chuckles] Thanks.

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SB: ...at the time there wasn't really any financial books that were geared towards a younger demographic. Everybody was talking about retirement planning and buying houses and what not, and so I started learning everything I could about business and money and I decided I was gonna buy a house when I graduated from college. So at 21 I bought a house when I graduated from college and all my friends started coming to me with their money questions. And I thought, "Oh my gosh, there's this whole field out there called financial planning. I could become a certified financial planner, get my CFP, and start helping people with their money."

And in my second CFP class I actually met my future boss. He ended up, it was a father-son planning team and they were looking at hiring somebody in their back office and I got my foot in the door and started learning the ins and outs of financial planning, and it was really great and it was a great way to gain a lot of experience and learn how to use different financial planning tools. But ultimately, my friends kept saying, "So can I be one of your clients?" And I had to tell them "no" cause they didn't have half a million or a million dollars in assets.

So that kind of led me on this other journey to start looking into what my friends were doing online that were financial bloggers and how they were helping people their own age and I thought, "Well that's really interesting." And I ended up working at a startup for a year, learned a ton, got to work with a ton of clients in a really short amount of time, which was great. But ultimately I really wanted to do my own thing, and I really wanted to focus on millennials.

So I decided to launch Gen Y Planning about two years ago, so in May of 2013, so that I could specifically help people in their 20's or 30's with their money. And so now I work with a variety of clients across the country, all of them are either millennials or young Gen X'ers, and it's really fun cause I work on a monthly subscription instead of just solely on assets under management. I don't charge any commissions, I'm totally fee-only, and so it doesn't matter whether you have assets or you don't have assets, I'm willing to work with you. So that's really different than a lot of financial planners.

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FT: Yeah, really different structure. What's the financial commitment, on average, for your clients?

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SB: So I have two different programs: I have my financial accountability program, and that's my flagship program and I charge an up-front planning fee, which is usually $1,500 up-front to $2,000. And then I charge and on-going monthly subscription that's $149-$199 a month. Just depending on the complexity, or if you're an individual or couple, and a couple other things.

But what I figured was a lot of people were spending around $150 bucks a month for their gym membership, their cellphone bill, and that was something that people could manage to pay their financial planner if we broke it down on a monthly basis. So that's one program. But then my first year I just had that program available, but I had a lot of prospective clients that were coming to me saying, "Sophia, I really wanna work with you, but I really am not quite ready to work together on an on-going basis, but I'd love to get a little bit of financial advice now, take that advice and implement it on my own, and then when I'm ready to work with you on-going, I'll come back."

So I started another program called my "Quick Start Session" and it's an hour and half long Skype call. We dive deep in two or three financial planning topics, and then I shoot you an email with recommendations after that. And it's, for that package it's a one-time fee of $499.

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FT: Not bad!

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SB: Yeah and it can be on anything you want. So I have a lot of clients that, for example, just finished law school or grad school and maybe they have a lot of student loan debt and they're wondering, "Hey Sophia, can you help me navigate through this, and what do I do, you know I just got a new job. Can you help me with my company benefits, choose my company benefits?" Or, "Can you help me sign up for my 401(k)?" Or, "Can you help me start a Roth IRA?"

And so those are a lot of the questions that I'm answering for young people and a lot of times those are things that people are kind of paralyzed on, right? They get the new job and then they get this 50 page company benefits package and they don't know what do to with it.

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FT: So let's say you are a millennial on this podcast listening, you feel as though you're starting from scratch financially, Sophia what are the three things that every one, by the time they turn 30, should have figured out, done, invested in, saved up - whatever you think is important - by age 30 with their money?

[00:10:14]

SB: Great question. So the three things that I like to focus on are really what I think, this is what I think establishes financial - building financial security. And so the first thing is to establish some sort of emergency savings. And then I usually say, start with $1,000 and then get out of any high interest rate credit card debt - so that's the second thing. Then come back to building up your emergency savings to about three months of your net pay. So if you make $3,000 a month, let's say you get two paycheques that are $1,500 each, I would save up about nine or $10,000 in emergency savings.

And then the next thing is, start getting on track for retirement. So make sure you're at least getting your company match if your employer offers it. So let's say they'll match 3% on your 401(k), if you put in 3%, at least do that. But set up something where you're automatically increasing your contributions every year, or make a calendar alert for every six months just to increase your monthly - or sorry, your contributions to your 401(k) by 1%. Because if you do that, and you start doing that when you're 25, and you increase it - you know you start with 3% but you increase it by 1% every six months, pretty soon by the time you hit 30, you're at 13%.

[00:11:33]

FT: Right. So save more tomorrow, and it's very effective.

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SB: Yeah. And then I also, I'm a huge fan of the Roth IRA. So if you don't have a company match through work, or if you're getting your company match and instead of putting more money to your 401(k), you wanna start a Roth IRA. Both are excellent choices. You can, the maximum you can put into your Roth IRA is $5,500 per year and if you can get in the habit of starting to max that out every year, do it now because it's a use it or lose it thing. So you can't hit 35 and then go back and put in $50,000 or contributions.

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FT: And by then you might be making too much, you will have phased out.

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SB: Exactly, exactly. And so it's great to take advantage, especially while you're young, especially while you're in a lower tax bracket. And I like to have some money going to our 401(k) plans or our pre-tax, and then some money going into the Roths, since we don't know what tax rates will be in the future, it just gives you more flexibility.

[00:12:29]

FT: Exactly. Diversify your tax exposure, is a great way to approach it. So that's great, so you were saying basically, tackle the credit card - high interest rate debt - make sure you have a savings cushion. Interesting you said like $8,000-$9,000 as opposed to like six months or twelve months. You're more focused on kind of the figure, as opposed to the duration.

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SB: Yeah I think that three months, to me three months of net pay for emergencies is usually pretty good for young people and young couples because if one of those people was to lose their job, you would still have the other person's job. And so that three months of savings would actually last you more like six months. And then the other thing is a lot of people in their 20's or 30's are very marketable, right? So it doesn't take them as long to find a job.

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FT: That's a good point! Yeah, absolutely right. Imagine being 60 with a lot of work experience making a very high salary, losing your job. There are fewer positions, probably, that could support you in the way that your old job was.

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SB: Exactly. And while you're young, you know, my clients especially, they know how to - they know what skills they have that are marketable, they know what they're worth, and they're willing to work hard and to hustle and so often times we start working together and six months later they switch jobs because there's this new great career opportunity.

[00:13:55]

FT: Right.

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SB: So I think that if you have highly marketable skills, if you're willing to hustle, I think three months of emergency savings is a nice cushion to have. And then beyond that, I would wanna make sure we're doing those other things, like the Roth IRA and things like that, as opposed to sitting on $50,000 in savings.

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FT: Interesting Sophia that you emerged into this space as a homeowner. You bought a home when you were 21, which is I mean even back then that was pretty outstanding. I don't think a lot of 21 year olds are buying homes. Would you recommend that today to somebody who is a millennial who is interested in home buying? I mean we just know, I think, looking at the overall market that that generation is not really interested in homeownership, either because they can't afford it or because it just doesn't really speak to their ideals as much as it did generations past.

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SB: So I think one of the things that's really important is to look at your personal economy instead of getting distracted by the actual economy. So too many people say, "Oh, is now a great time to buy a home?" Or, "Interest rates are really low, should I buy a house right now?" Instead of saying, "Do I have a good downpayment saved? Am I gonna be living here for the next five years? How secure is my current job?" And really looking at what's going on in their personal situation.

And often times, once we start diving into those things, buying a home for millennials may not be the best decision. For me, I bought at a time when lending was really easy. I didn't have to come up with a large downpayment. But at the same time, I had I not had roommates, I would've been kind of over-extended on my mortgage. And so I think that I shouldn't have bought when I did. It ended up working out because I was able to get some roommates to help me with the mortgage, and so it ended up being about the same cost as renting. But then I didn't realize how many renovations and repairs and maintenance costs I would put into the home.

And I think that's a really hard thing for people to gauge, and a lot of times they save up this big downpayment, they use all of their cash to buy a house, and then what's the first thing that you do? You have to pay for moving expenses, and then people wanna paint, and then people wanna refurnish the place. And then all of a sudden it's, "Oh we just wanna do a small kitchen renovation," and then while they're doing that then the roof goes.

And so it's those types of scenarios that I think not enough people think through before they buy a home. And instead they just feel like, "Oh I'm wasting all of this money renting," and I actually don't think it's a waste of money to rent in most cities.

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FT: That's an excellent point. I mean there is a lot external pressure whether its, "You gotta buy the home, you have to get married in a certain way, you have to stick with your job because it has benefits." My goodness! If we just had a show on all of the kind of stereotypical expectations that there are of just Americans in general as far as how they should manage their lives and their money, my goodness. I mean I think we'd laugh a lot and we'd probably also, it would be very sobering because it's why a lot of people do en of getting themselves in trouble, it's because they listen too much to everybody else and not really to themselves and take a look at their personal economy, which I think is brilliant advice. Don't worry about the overall economy as much as your personal economy.

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SB: And I think too, for our parents and our grandparents, it was the American Dream to buy a home. But I look at how many homes did my grandparents own, and how many homes did my parents own, or have my parents owned so far? And they've each owned two. [Both chuckle] So I also think that like they wanted to do those things because it was a very long term decision for them, whereas a lot of my clients have switched jobs twice since we started working together maybe two years ago and so we might own many homes over our lifetime. And because of that, I think we need to be a little bit more cautious on when we do buy. I think that more people are gonna go from renting to buying, back to renting again, and then back to buying again, right? Depending on...

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FT: Yeah I have! Yeah for sure. I mean I love real estate, I love to find, I love looking at the real estate section in the New York Times, it's just something that I really appreciate and enjoy. But I'm not gonna be a fool and buy a home when I know that the market is at it's peak, or if the renters market is really attractive and that seems like a better move for our family. I'm not gonna just do something based on some principle that renting a home is money down the toilet.

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SB: And I think that's so smart Farnoosh, for you to be able to look at that and say, "Hey I know that it's a great time to rent, so we're gonna rent for a few years." Or, "It's a great time to buy, we have the cash saved up, let's look at purchasing." Most people don't do that. Most people, once they buy, they never wanna rent again. And I actually have clients that I've tried to talk a lot of clients out of buying, or I've tried to convince more clients to rent because often times if you're moving for a new job, let's see if you like the job first, right? If you're moving across country for that position - and what often happens is, you know, the job's a little bit different than they expected or it has different demands or what not.

And so I think that it's, with so many changes going on, if you are moving across country, a move is big enough. And then moving across country, and then starting a new job - rent for a while, see if you like it, get to know the new area. Figure out, "Hey we thought we'd wanna live in this area, but our friends live in this area and that's really nice too." And so I think that really taking some time to rent for a while is a great way to discover the area that you wanna live in, save up for a bigger downpayment, decide if you wanna be in that city or that place long term, or, "Hey we might just be here for two years and then we really wanna move back to where our family is, or we wanna move back to, you know, we wanna move back to where my spouse's family is cause we never lived by them."

And so I think really kind of looking at what's going on in your current situation and is buying the best move for you or not, is something that takes a lot more thought than just, "Okay, we owned a home before, we're moving to a new place, we're selling that home, we're buying a new one."

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FT: Right, right.

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SB: And also, one other thing I wanna point out is that there are also some opportunities when you do sell your home. So I have clients that are selling their home right now and we've decided to use a lot of the money that they're making from the sale of their home to pay off debt. And so that can be another great opportunity as well if you do have equity in your home, to be able to take that and kind of jumpstart some other financial priorities, cause they do have a move cross-country for a new position.

And they are able to use a lot of the cash that they have from the sale of their one home to pay down the debt that they had from a previous move actually. And they're able to really kind of start in a new state with no credit card debt and just really in a much better financial position. So sometimes moving for a new position or what not and then selling that asset that you have, can really shift money to be able to pay off debt, build up savings, and work on those - towards those other financial priorities.

[00:21:37]

FT: You talked about debt here, and let's - I don't like to really harp on debt on this show because it's so depressing. But it's a reality of a lot of our financial lives and particularly millennials with student loans. What would you say to say a 25 year old saddled with over six figures in law school debt? Granted they may have a job that pays them well, but still that's a huge amount going out of their budget every month. How do they make ends meet in a way that not only allows them to pay off the debt, but really have a lifestyle around that?

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SB: That's such a good question and it's something that I see quite a bit now because the cost of higher education, especially law degrees and MBA's is really expensive. So I would tell them a couple things: first, really learn the ins and outs of your student loans. Do you have private or public student loans? If you have private loans, what's the interest rate on your student loans? I usually recommend paying those off faster. Private loans aren't eligible for any of the Federal Student Loan Programs and so figuring out a plan to pay off your private student loans first is usually where I start. While simultaneously looking into the Federal Student Loan Programs that are income-based programs.

So right now there's pay as you earn, there's income-based repayment, income contingent repayment. If you're a lawyer at a non-profit you might qualify for PSLF, which is Public Service Loan Forgiveness. So if you aren't making very much money as a lawyer, you might wanna see if the place that you're working at qualifies for one of these public service loan forgiveness programs. And you can couple that with income-based repayment or with pay as you earn as well. So that's something else to know.

And so I would do one of those income-based programs so that you can really prioritize getting out of the private student loans first because those don't have the same loan forgiveness programs or forbearance options or deferment options that your Federal loans do. So if you lose your job, you're still gonna owe on your private student loans, whereas you can let the Federal government know about your job loss and put those on hold for a while.

And then also, I recommend really doing something for retirement. So if you're one of those people that has six figures in loan debt, but also a six figure salary, I still recommend really thinking seriously about putting as much as you can towards that 401(k) so that you can lower your tax bill. And so I think it's really important to get some money set aside there and you are a higher income earner to make sure, you know, that helps lower your tax bill and getting those dollars away for retirement.

And in addition to that, a lot of times lawyers have bonuses that they're getting, and I actually had a client who is 35, young lawyer, and she paid off all of her private student loans, which was $100,000, in five years by using her bonuses to go directly towards her private student loan payments.

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FT: That's brilliant. I agree. I think any lump sum that you earn, whether it's through your work bonus, tax refund, someone gave you money, because they love you, on your birthday. You know, I just made $1,100. Do you know how?

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SB: How?

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FT: I got a letter in the mail from a lawyer, some legal team, and I was at first kind of worried cause I was like, "Oh my gosh, why is this legal team contacting me?" And they were like, "Farnoosh, you actually have some money through the State of New York that has been unclaimed. We don't know how much it is, but we would like to work on your behalf to retrieve it for you and take a small commission of like, I dunno 10 or 15%."

But I did a little Googling and I've discovered that I could easily go and fetch this money myself. I didn't have to go and hire a legal team and give them commission. It took me six minutes [Laughs] not even, to go onto the I think it was the New York State Budgetary Office or something. I Googled basically "unclaimed funds, New York State", which was all the information that - the lawyers were not very smart cause they just basically gave me all the information in the letter of like where the money is.

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SB: Right.

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FT: And so I just went online, click, click, click. Sign up, I said, "Okay send me the cheque." They weren't able to reveal how much, and I said, "Well you know, surprise me." And it came in the mail, I had totally forgotten about it, it was weeks later and I had an $1,100 cheque that I suppose one of my previous employers form like - this was probably like at this point six years ago, it never got to me for some reason. I think I'd moved and it may have gotten bounced back the cheque. So there you go, $1,100 that I didn't even know. And I used it to pay for our vacation last week.

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SB: Nice! Where'd you go?

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FT: We were on Long Island, East Long Island. So it was nice. It paid for a lot that week, so it was nice to have that surprise gift.

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SB: So much fun!

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FT: So much fun. Well Sophia, all great. We haven't even gotten to your So Money questions and I, to respect time, I wanna just maybe get to a few that I think would be most interesting to our listeners. I'm gonna skip the philosophy question, I would like to know, what was your exposure to money growing up? You're 31 years old, you bought a house when you were 21, you were a theatre major turned finance expert, what the heck was happening in your house when you were growing up learning about money, if you even learned about it at a young age?

[00:27:28]

SB: Yeah so it's so funny. There are a few really fun money memories I have. I do remember my - so for bigger purchases, my parents would match me dollar for dollar. So if I wanted something that was like $100, I had to save up $50 and then they would put $50 in. And that really got me in the habit of like wanting to save up for things. And I think that that was like a great incentive. Although, I remember when my cousin, when my mom was writing a birthday card to my cousin, and she - he was like 14 - and she put $20 in a card and sent it off. And I was like five at the time, and could not believe that my cousin was getting $20 because I wanted $20. And so my mom was like, "Well you get toys on your birthday, that's why you don't get money, and we weren't sure what dress he would want so we're sending $20." And I was like, "Well, I want $20 for my birthday." Cause I was very sure of myself at a very young age.

So anyway, for my birthday I got $20 and I got to go to Target with my parents and pick out whatever toy I wanted. And so I ended up getting a Barbie Doll and I remember it end up costing like almost all of my $20. Like they only gave me a few dollars back and I was really like, "Huh, that's weird. Like this is almost all gone." And then I got home and I like took it out of the package and I played with it for 10 minutes and I started bawling. And my dad was like, "Sophia what's wrong?" And I was like, "I spent all my money on my Barbie Doll!"

[00:29:08]

FT: "I don't even like it. She doesn't do anything!"

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SB: Yeah, like I was so - like I had like the worst buyers remorse and so like from then on I'd always been a pretty good saver because I just realized that things really didn't give me a lot of value.

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FT: At least things that you paid for! [Laughs]

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SB: Yeah exactly. But my parents also took me travelling form a very young age. So I was an only child and my parents took me on, usually an annual family vacation out of the country. And so I got a chance to see really cool parts of the world and it's something that I really value to this day, is spending money on travel and experiences.

[00:29:46]

FT: Yeah you've been travelling all over. You're calling right now from Canada.

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SB: I am!

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FT: But I ran into you in Fort Worth at Podcast Movement, next year headed to where?

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SB: So I'm going to Salt Lake City for a workshop, and then after that I'm headed to Austin for two weeks, and then I have my first Keynote Speaking gig in San Diego, and then I'll be back in Charlotte and I'll get to see you again and I'm going to the XYPN Conference. So the XY Planning Network is hosting their first conference, and then FinCon is right after.

[00:30:16]

FT: Wow.

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SB: So I'm speaking at those too, which will be a lot of fun.

[00:30:19]

FT: Yeah we'll be able to reconnect. Hey, I don't know any financial planners that live out of a suitcase. I think that's pretty awesome!

[00:30:27]

SB: [Laughs] I know, my friend Katie always jokes that she's gonna start me a website called Homelessfinancialplanner.com.

[00:30:33]

FT: [Laughs] Oh my gosh.

[00:30:35]

SB: [Laughs]

[00:30:37]

FT: That actually has some pretty good SEO. I think that could be very, very popular.

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SB: I was like maybe "Nomadic", it sounds like it's chosen more than just like, "I don't have"...

[00:30:47]

FT: Homeless sells better.

[00:30:48]

SB: [Laughs] Oh maybe you're right.

[00:30:50]

FT: Speaking from the online video journalist here. I can tell you I've worked at Yahoo! for three years, I know what the SEO...

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SB: There you go, I should go buy the domain.

[00:31:01]

FT: ...sweet spot is. Homeless is a very hot - it'll definitely get clicked on. Just put it that way.

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SB: [Laughs] Good to know.

[00:31:06]

FT: Sophia, what would you say is your worst financial moment. If you had a failure to date - I'm guess from you it's not gonna be anything catastrophic. But if there was something that you learned the hard way and the you wouldn't mind sharing with us so that we don't make the same mistake [Laughs].

[00:31:23]

SB: Yeah.

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FT: What would it be?

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SB: No it probably was buying a house before I was ready. So I would say that that was a financial mistake that I made. It ended up working out, I ended up renting it to friends for a while and then living there and then renting it out and whatnot, but I do think that I bought at the wrong time. There were other financial priorities I should've been putting my money towards.

And that was something that I just, you know, I bought at kind of the wrong time. It was almost the hight of the market, August of 2005.

And so I really learned a lot from that experience and I think that it makes me feel much better about renting now too. So I think that that's one of those mistakes that I definitely learned from and that I hope other millennials learn from, that it's okay to rent for a while and just buy a house when you're reading, when everything's going right in your personal economy.

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FT: What's a habit that you practice regularly, to help with your personal finances?

[00:32:24]

SB: Oo, that's a good one. So I really, let's see here.. I'm trying to think of - you know, I really try to max out my Roth IRA ever year. I just make that a priority. And so that's something that, whether it's a combination of doing a little bit each month and then throwing some extra income towards that at the end of the year to hit the max, that's really something that I try to do just to get those dollars in there, cause I know it's like a 'use it or lose it' thing.

And then the other thing that I would say is really investing in yourself. And that can be in small ways. So you know, I started practicing Yoga a year and half ago, and I think investing in your health is one of the best things you can do for your finances. And so I really think it's important to put money into investing in your health and yourself. I read a lot of books, financial books, I love my Kindle. I recently left it on a plane, so I have to get a new one [Chuckles].

[00:33:31]

FT: Oo.

[00:33:32]

SB: Ah so that's a bummer. But you know just taking I think little ways that you can invest in yourself, whether it's learning a new skill, reading more about a topic that you're interested in and always reading business books and biographies and self-help and all of that. And then investing in your health and making health and fitness a priority so that you don't have major health problems later on.

[00:33:56]

FT: Here, here! Alright Sophia, let's do some So Money Fill in the Blanks. [Chuckles]

[00:34:01]

SB: Yes!

[00:34:02]

FT: If I won the lottery tomorrow, $100 million, the first thing I would do is ____.

[00:34:08]

SB: Take all my friends on vacation.

[00:34:11]

FT: Excellent. I would be among them?

[00:34:13]

SB: [Chuckles] Yes! You're more than welcome to come!

[00:34:15]

FT: [Both laughs] The one thing that I spend on that makes my life easier or better is ____.

[00:34:21]

SB: Oo, coffee shops! I love working out of coffee shops, so it's so much fun for me to spend the afternoon at a little coffee shop drinking hot tea or a latte, or some sugary coffee drink that I probably shouldn't be drinking, but it's delicious.

[00:34:38]

FT: And supporting small businesses everywhere.

[00:34:40]

SB: Yeah exactly.

[00:34:41]

FT: Assuming you're not a Starbucks. But it's okay if you are, I'm not gonna judge you.

[00:34:45]

SB: [Laughs] Well we were in Fort Worth because we didn't have a lot of options, right?

[00:34:49]

FT: I know, we had the hotel Starbucks.

My biggest guilty pleasure that I spend a lot of money on is ____.

[00:34:55]

SB: Food! Man I'm such a foodie. I love eating at new restaurants, I love trying out new food. I ate my way through Barcelona. Yes, I love spending money on food and going out to little wine bars with friends and what not. So that's definitely way up there. We've travelled, but I usually get to write a lot of my travel off, which is nice cause I mean.

[00:35:20]

FT: Nice! Oh my gosh.

[00:35:23]

SB: We usually go and do a conference.

FT: It's all coming together now. I'm realizing the benefits.

Let me go back, I skipped one. One thing I wish I had known about money growing up is ____.

That I should've let my parents just pay for things!

[00:35:39]

SB: [Both laugh] That one thing that I wish I would've known was about like how to protect it. Like I didn't learn anything about insurance or anything like that till I started taking my financial planning classes. Like I understood that you paid down debt and you built up savings, but I didn't know that there was anything else to it.

[00:36:05]

FT: Alright now, when I donate money, I like to give to ___ because ____.

[00:36:11]

SB: Oo, oh there's a couple different things that I like to give to. I like to give to public radio cause that's where I get a lot of my news from. I really like to give to organizations that focus on financial education. So there's this great group in Minnesota called BestPrep, and I do some volunteer work for them where I go into classrooms and speak on financial education and give presentations and they're just awesome. And so I try to make a financial donation to them every year. And I try to actually link it to the number of new clients I get. So for every new client I get I try to donate $50 to BestPrep.

[00:36:50]

FT: Excellent. I love that you contribute to public radio. That's really endearing and I don't hear that often enough.

[00:36:57]

SB: It's like I grew up like listening to it in the car with my dad and I thought it was so annoying, and now it's like you get into my car and it's like this really annoying talk radio and that's how I get my news, you know? And now I'm like, "Oh I love this! Now it's not annoying."

[00:37:10]

FT: I know. Right on. And I'm Sophia Bera, I'm So Money because ____.

[00:37:16]

SB: Oo. Oh that's so good. I'm So Money because I use my money to match my values to live a great life.

[00:37:27]

FT: Perfect! What a perfect interview. I'm gonna put a nice little bow on this and send this out. Really Sophia, it was wonderful to speak with you. I had a big smile on my face the whole time, and I know listeners really appreciated your candid advice. And it's so needed, so needed what you are doing. I'm gonna share all your links with our audience and I wish you continued success and safe travels.

[00:37:50]

SB: Thank you so much. And if anybody is interested in having a free half hour call with me, they can go to my website, GenYPlanning.com/schedule, and get on my calendar and do a free half hour money call if they're interested in becoming a client.

[00:38:07]

FT: Wow that's really generous!

[00:38:09]

SB: Yeah I think that it's something that I really try to connect with people one-on-one and least to give them one great financial tip that they can use, whether they decide to work together or not.

[00:38:19]

FT: Perfect. Well everyone run! And I will have that link on our site as well, at So Money Podcast. Thanks again Sophia!

[00:38:26]

SB: Thank you Farnoosh. Have a great day.

[END]