

## Introduction to Residual Monthly Income

Written by Chairman

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If you were to get fired from your job today, how much income would you continue to collect each month? If, like most people, your only source of income is your J-O-B, then the answer is: not much. So if you want to know the answer to the question of how do rich people get rich and stay rich? Well the answer is **Residual Monthly Income**.

One of the key ingredients to successful wealth building, **Residual monthly income**, which is also known as

### **Passive Income**

, should be the main goal of all of your wealthbuilding efforts. In a nutshell, residual monthly income is income that continues to flow to you every month, after an initial effort and regardless of whether you continue to put in the same effort or not.

A classic example of this would be the purchase of a house or property that you then rent out. After your initial effort (the purchase of the house, any repairs on your part, and the subsequent renting of it out), month after month you would collect rent from your tenant. You could go on vacation and the rent would continue to be mailed in. Provided, of course, that you made the necessary arrangements.

Another example would be a business. You go through the effort to start up a business. You hire employees and eventually the employees run the daily operations of the business. If you were to sleep in, or take a day off or go on vacation, the money would still come in.

So, how does one create residual monthly income? The secret, in a nutshell, is to create a "**system of money delivery**

". This delivery system has two requirements. The first is that it must deliver a valuable product or service that people will

### **want to pay for**

. In other words, your online driving school for pets probably doesn't create the value we are talking about.

The second requirement is that it must not require your presence to function. In other words, it needs to be automated or run utilizing [Other People's Efforts](#) . Examples might be a business, a kiosk, vending machine or Internet store.

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