

Top 20 Cashflow Game Tips...from Rich Dad's INSIDERS

TIP # 1:

Use a "Bank Ledger" - instead of cash

A simple sheet with columns for "Transaction," "Balance" and "Comments" allows for MUCH faster play. (No shuffling or counting of bills, manual banking, etc.) You simply start with your beginning balance and write each transaction down with a comment as it occurs, then keep a running balance.

This tool also has the super benefit of giving you a detailed record of the game to reflect on and discuss later. You can see where you made your mistakes - or great moves - and correct or repeat them in future games!

- Dave G

TIP # 2:

Focus on Building Assets

My tip: focus on building assets that have the possibility for capital appreciation as well as cash flow. In the game this is normally real estate, however it can also come from businesses. This will also help the player develop a real-world attitude that he or she can have the best of both worlds.

- James C

TIP # 3:

Never - Ever - Quit

I believe that there are many things to understand to succeed at the game. But, for me, the most important is: NEVER, EVER, EVER, EVER QUIT -- ON YOURSELF! No matter how you feel, NEVER QUIT!

- Kathleen M

TIP # 4:

Be Prepared for 'Down-Sizing'

I have found it very helpful to set aside at least one to two months worth of your total expenses as a cushion so that you are prepared - just in case you come across that much-loathed 'Downsized!' card I do this as a matter of practice...but keep in mind that every situation is different.

My best game and life practice is to keep a little cushion while you strategically build your war chest to get out of the Rat Race.

- John H

TIP # 5:

Celebrate the Joy of Success

The biggest 'tip' I have learned so far is that your way to wealth is the joy, not the wealth you achieve. This became very clear to me after playing the CASHFLOW E-Game dozens of times and realizing that I would actually SKIP the Dreams on the Fast Track! I was more interested in winning the game than 'golfing around the world'...

This must be what it is like when money is absolutely no object. After the first couple years of "playing," your need to give back must be tremendous! Thank you for all of your LIFE LESSONS!

- Jeff B

TIP # 6:

Focus on Your Goals

The most unpredictable aspect of the game has always been the dice. This was a source of frustration at the beginning and then, after I realized my 'tip,' it became a source of interest.

I found that while playing the game, I would focus on the 'negative' spaces: "Baby" or "Downsized" - and hope not to land there.

It occurred to me one day that I was focusing specifically on what I didn't want, and - oddly enough - landing on those spaces most often... AND when I could 'afford' it the least!

I began to repeat the numbers I WANTED to have come up, and just as oddly, those numbers seemed to come up more than mere chance would support.

The lesson is simple: focus on your goals, not on what may go wrong. My experience is there will be a better-than-even chance the goals will occur before the 'what-ifs.'

- Hugh C

TIP # 7:

Bad Debt - Get Rid of It!

The thing that has expedited my exit from the Rat Race: Paying off 'bad debt.'

- Bridget S

TIP # 8:

Don't Always Try to Win

I think one of the best tips is this: Don't always try to win. For example, during one game, I decided to take on a "big deal" even though I was not in a financial situation to do it. I ended up going bankrupt.

That was a lesson that would've been a lot more painful in real life. When I read the Forums, it seems like everyone is saying "I got out of the Rate Race in 20 minutes - the game is too easy." To me, that is not the point of the game. There's much more to it than that!

- Errin M

TIP # 9:

Increase Challenges by Modifying Rules

Creating your own rules (or modifying the game rules) can make Cashflow 101 more challenging. For instance, play a game where you and your teammates:

- Pass on purchasing \$1 & \$5 stock deals
- Remove \$0 down real estate transactions
- Remove all the doodad cards that are \$100 or less

- Dylan B

TIP # 10:

Family Ties

Don't bother lending money to your sister-in-law - I don't think there's a card where she EVER pays you back!

- Theryn M

TIP # 11:

Leverage Yourself

The lower the price of the stock, the more money you should borrow.

When you eventually sell your shares, your rate of return will more than make up for any bank payments you have to make.

When borrowing money, always make sure you borrow enough money to make your monthly payments. Otherwise, you may find yourself bankrupt.

- Roosevelt C

TIP # 12:

Stepping Back... to Go Forward

Sometimes, when I get a string of bozo games with skimpy deals or poor opportunities - and while my opponents zip along with great deals and fly out of the rat race - I find myself bummed-out, cranky, and losing badly. I don't like to think of myself as the jealous type...but there it is, staring at me. I try to tell myself to "get over it," but as long as my frame of mind stays this way, the game (magically...somehow) keeps giving me the same treatment. Hence, I stay grumpy with it. I find I am mentally distracted with my own competitive nature and with scoring, comparing, and grading. It doesn't seem like that should be the point of the game...and I know that.

My tip is that if anyone else has this problem, I would suggest they consider what I do: go to the Single Player Game for a while where the scores don't bite so hard. When I get out of my slump there, I usually do better on-line. Plus, I can take more time to think about things and let the process sink in a little deeper, without the need to "move along" for the other players.

- Kathy R

TIP # 13:

Strategic Use of 'Charity'

I see too many players use Charity in the Fast Track to race around the board by rolling 3 dice each time. I've found that I pick up the better deals by going slowly. I use the Charity opportunity to roll just 1 die. I also keep an eye on the next few spaces in front of me, just as my car comes to a stop, before the opportunity for that space covers the screen. If I see a dreaded Purple square is within a few squares...THEN I ROLL THE APPROPRIATE NUMBER OF DICE TO GET ME PAST IT. Once past the purple square I return to my 1 die "turtle" rolls.

- Michael J

TIP # 14:

Put Your Ego on the Shelf

The E-Game has showed me some things about myself I never would have guessed! Like the fact that my ego gets me in more trouble than anything else.

My tip for playing the game is that the deals you turn down count just as much as the deals you make. Don't let your ego get you in over your head.

I have applied this in real life, too - in how I look at and buy real estate deals. By playing CASHFLOW and learning to read financials I know I can't lose with a house that I pay \$10,000 for and rent for \$250 a month. I've learned to stop caring what neighborhood it is in and trust that if the numbers are right my ego (or in my case, the need for acceptance of my decisions) shouldn't have anything to do with it. If the money is green and that is all that matters.

- Tami R

TIP # 15:

Love Those \$1 Stocks!

I've found great success in borrowing heavily to purchase the \$1 stocks (OK4U and MYT4U). When those cards come to me I spend all my available cash - and then I'll borrow as much as I can. (Usually to the point where I have only about \$500-\$1000 monthly cash flow left and put it all on those stocks - buying 10,000 - 20,000 shares and holding.) It may take a while for your number to come up, but when those stocks hit \$30-\$50 per share, you're in position to make enough big deals to get even the most heavily-burdened "doctor" onto the Fast Track.

- Greg D

TIP # 16:

"Calculating" Cash Keeps the Game Moving

When playing CASHFLOW 101, I've found it easier to use a calculator and a sheet of lined paper to keep track of cash, rather than using the actual cash. The 'banker' then just monitors everyone's cash journal, rather than actually handling the money. I even found a matched set of 6 purple calculators to add to my game set!

The only downside is that sometimes handling the cash has more impact - especially with new players.

- Rich S

TIP # 17:

Tips That Translate to the Game of Life

My Top 5 Tips for Rich Dad's INSIDERS' Top 20 Game Tips...

I have found the following to be good tips in playing the game - and good tips in the game of life, as well.

1. Purchasing stock or mutual fund is a good deal if at or below mid-point.
2. Donating to charity is always a good move.
3. Purchasing CDs or preferred stock is not a good move.
4. Purchasing property with negative cash flow is not a good move.
5. Joining an MLM is good move.

- Ralph D

TIP # 18:

Play to the Strengths of Your Profession

I own all the games, but really play only the E-game.

In my experience in that game, it is easier to win with the professions that make less money, mainly due to higher "overhead."

I've managed to get where I can win with any of the professions, by paying attention to their strengths.

The lower paid professions:

Really pay close attention to the deals...early on I stayed away from anything that required bank loans, but if you are at least ALMOST breaking even overall - and there is a lot of upside if you go to sell the property - then go for it!

For the higher paid professions:

I tend to sit back and wait before I make my first deal.

I'm much more likely to wait until I have at least \$10,000 and go for a big deal, but make no mistake, I look at the small deals, too. But unless the upside is HUGE, like stocks I can buy for \$1 dollar that I might sell for \$40, then I'll let it ride.

- Mike M

TIP # 19:

ROI is Important

Invest in small deals with ROI greater than 50%.

Continue to save for big deals.

- John H

TIP # 20:

Lessons Learned

Always think about what you can learn from the game you just played.

You may not always have time to reflect on the game as it is played (and sometimes it is more interesting NOT to play, but to just observe!) But you should always take time later to think about the game and what it taught you. This is part of the educational process and so it should be savored.

You can learn a lot about how investing works, how well your investment strategies pay off, and what it takes to exit the real Rat Race. Consider it a financial simulator, and much as for pilots who use flight simulators, it can save you from "crashing and burning!"

- Dave G

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