



3 Ways You Can Live Cheaply Like Warren Buffett

Description

Legendary investor Warren Buffett is the sixth-richest person globally, as reported by manofmany.com in April 2021. You might think the American business magnate lives a lavish lifestyle like most of the rich and famous. On the contrary, Mr. Buffett has simple tastes and lives frugally.

The **Berkshire Hathaway** CEO earns tons of money through investing but would not squander them or throw caution to the wind. Canadians can build their savings, pay off debts, and [make the most of their money](#) by adopting the ways of the GOAT of investing. The following are four ways to live for cheap like this well-known billionaire.

1. Spend less than you can afford

Living beyond your means is the often-repeated advice if you were to avoid financial dislocation. Buffett bought a house in Omaha, Nebraska, in 1958 for US\$31,500 but continues to live in the same property in 2021. He did not upgrade to a mansion. His advice is to buy less home than you can afford. Buffett would rather put more money toward savings, retirement, and vacations than pay for expensive mortgages.

2. Shun splurges

Buffett isn't ostentatious like other billionaires. He doesn't wear designer suits, drive luxury cars, or chase after the latest smartphone models. Your finances should be better if you don't buy things whose values depreciate quickly. The Oracle of Omaha hosts parties or treats friends occasionally but not extravagantly.

3. Think outside the box to save money

The thrifty gentleman thinks outside the box to save money. It's the reason he prefers the fast-food route for breakfast and no-contract phone plans. The business mogul also has hobbies but they are

affordable ones, like playing bridge. Buffett clip coupons so he will spend less or take advantage of discounts.

Top reopening play

Buffett's Berkshire sold its entire holdings in **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) or RBI. He didn't think the business of the quick-service restaurant chain will survive the shutdowns due to the pandemic. He held the Canadian stock for the longest time until COVID-19 altered his long-term position.

However, the restaurant stock proved to be resilient. Moreover, it should be one of the [excellent picks for a reopening play](#). In Q1 2021 (quarter ended March 31, 2021), the \$25.41 billion company reported a 13.2% increase in net income versus Q1 2020. The franchisor of Burger King, Tim Hortons, and Popeyes Louisiana Kitchen is back on the growth path, according to RBI CEO José E. Cil.

The current share price of \$82.78 (+5.76% year-to-date) is 17.4% higher than a year ago. Besides the growth potential in the recovery phase, the dividend offer is a decent 3.17%. Buffett let go of RBI, but it remains a top-quality income stock.

Be an atypical billionaire

Warren Buffett is a super-wealthy dude. However, his ways are different from the typical billionaire. Long-term investing fascinates him, but massive wealth will not tempt him to engage in useless spending. Be like him and save money wherever possible.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)

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