TIMOTHY FERRISS

The 4-Hour Workweek

MONTHLY EXPENSE CALCULATOR

1. Where am I now? Input all of your current monthly expenses. If something doesn't fit in the below categories, add it into the "miscellaneous" total. This is a good snapshot of your outgoing cash-flow.

2. Where should I be? Subtract all non-essentials that are no longer used or used infrequently. Eliminate all things that consume income or attention without enriching your life (subscriptions to magazines you don't read, memberships to services you don't use, seldom-driven but often-serviced cars, etc.). This new end total, multiplied by 1.3 to provide a 30% buffer, is the clean slate that we take to the next step—adding in all the elements and luxuries that define your ideal lifestyle.

MONTHLY TOTALS	
Rent/Mortgage [1]	$450.00
Property Taxes	$0.00
Education/Tuition	$285.00
Credit Card Minimum Payments [2]	$200.00
Car Payments	$0.00
Other Loan Payments	$0.00
Car Insurance [1]	$110.00
Home Insurance	$0.00
Life Insurance	$0.00
Health/Dental Insurance	$115.00
Telephone	$55.00
Cable/TV	$75.00
Heating/Electricity	$40.00
Water	$30.00
Gasoline	$320.00
Public Transportation	$0.00
Groceries	$300.00
Eating Out	$50.00
Subscriptions (Online and Offline)	$10.00
Memberships	$200.00
Miscellaneous	$100.00
TOTAL SPENT FOR MONTH	$2,340.00
DREAMLINE BUFFER	$3,042.00

Fill out your Dreamline:

[1] Once you begin taking mini-retirements, many of these expenses can be replaced by cheaper expenses overseas, whether for one month or 24 months. I [Tim Ferriss] saved more than $32,000 by traveling through 20 countries for 15 months as compared to just sitting at home in northern California. Extended travel or relocation to dream locations is actually a popular Lifestyle Design tactic for increasing savings.

[2] Whenever possible, look at credit card statements and put the expenses in other categories, as "credit cards" is too vague to be useful. This calculator should be used to determine exactly where you're spending income.