

ESCAPE



ESCAPE

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ESCAPE

You've reached the point in your life where you're silently screaming, "SOMETHING NEEDS TO CHANGE."

You're broke.

You're in debt.

You're bored at work.

Your retirement and savings accounts are nearly empty, but your bills are sky-high.

You want to travel, but you think you can't afford to ... and anyway, your boss only gives you two weeks off.



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You want to **quit your job**, but you're afraid you'll never get another one.

You want to **launch your own business**, but you're afraid you'll fail.

You want to **travel the world**, but you're not sure if it's safe. Besides, you don't speak any foreign languages.

And anyway, what about health insurance? And retirement savings? And your family? And ... and ... ??



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The prospect of overhauling your entire life seems way too overwhelming.

So you wake up at 7 a.m. to a blaring alarm, shower, fight traffic, then sit at a desk underneath terrible florescent lighting. You're stressed about deadlines—and about bills—hoping and praying that your boss won't yell at you, or worse, fire you.

You're afraid of losing *this*?

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Here's what your life could look like:

You wake up at anytime of your choosing. You look out the window and remember that you've awoken in whatever spot of the globe you love most: Aruba, Bali, Maui, Paris, Rome, San Francisco, Buenos Aires, Chiang Mai, Costa Rica.

You stretch or exercise (if you want), cook a leisurely breakfast, play with your kids. You scroll through Instagram, read the newspaper, and when you're ready, you proceed with the day's activities: writing, drawing, volunteering, surfing, hiking, coding, working on a fascinating project that gives you fulfillment and aligns with your highest calling.

You inwardly smile, knowing you're debt-free, you have plenty of savings, and your "retirement" (or savings-for-age-60+) is far ahead of schedule.

You take breaks when you want. You stop when you feel like stopping. You fall asleep contented and enjoy a deep, full night's rest.



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This is living to the fullest.

And this is the mission of the Afford Anything rebellion.

If you take the same actions as everyone else, you'll get the same results.

That's why it's essential to rebel.

Most people are broke. Most people hate (or tolerate) their jobs. Most people hear a little voice deep in their soul whispering, "is this all there is?," but they ignore that voice.

They drown it out with distractions; with TV and booze and busy-ness. And decades later, they experience the most painful sentiment of all: regret.

People regret the chances they don't take. The "what if's." The unanswered questions.

Afford Anything's mission is to help you lead a life without regrets. A life of joy, adventure and love. A life you deserve.

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How do you get from the status quo to your maximum life? Start by breaking the shackles of fear and **limiting beliefs**.

Fear disguises itself as assumptions.

- ✓ *"Employers won't like the gap on my resume."* (In other words, "I'm living my life based around somebody else.")
- ✓ *"I won't find health insurance."* (Have you tried? Are you aware that 15.6 million Americans hold individual insurance market policies, rather than getting it through a group plan? If 15.6 million people can do it, so can you.)
- ✓ *"Maybe travel, entrepreneurship, debt-freedom and financial independence are realistic for other people ... but not for me."* (What makes you so uniquely unqualified? Why do you assume that millions of others can achieve things that you cannot? That's fear talking.)



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There's a popular saying that I've always loved: courage isn't the absence of fear. It's taking action in spite of fear.

Recently, I flew home from a conference. After the airplane took off, I noticed that the woman seated next to me was shaking. One hand gripped the seat in front of her. The other hand clung to the armrest with white knuckles.

"Are you okay?" I asked her. She told me that she was terrified of flying.

We spoke at length throughout that flight. She liked the conversation; it distracted her from her terror.

At one point, we went through some minor air turbulence. She began quietly crying. She was petrified.

"Why are you flying?" I asked her. I assumed she was required to fly for work, or perhaps she was flying because of a family emergency.

Her answer shocked me.

"I love to travel," she said. "I hate flying, but I love what comes next."

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That airplane passenger shows courage. True courage.

She refuses to let her fears hold her down. She refuses to look back on her life and say “what if?”

Yes, she’s terrified of airplanes. But that’s not going to stop her. She takes action *in spite* of her fear, and that makes her – in my estimation – the bravest of us all.

Leading the life of your dreams will require courage. There will be many points along the way when you’re afraid of what might happen next. Afraid you may crash and burn. Afraid that people won’t understand. Afraid of the unknown.

Everyone feels fear. And for some, this is where their stories end.

But not for you. You’re braver than you know. You can move forward, in spite of those doubts. You have courage.

You had the courage to seek out information and new ways of thinking. You had the courage to download this book. And you have the courage to move ahead.



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Not everyone is so courageous ... or so forward-thinking.

Some of the people around you may spend their time, money and energy keeping up with the Joneses.

They're content to work at a job that they tolerate, because hey, "it's just a means to an end." They're content to sacrifice their dreams, because hey, "it's not realistic." They're content to rush through two-week vacations because that's what everyone else does.

They buy nice clothes, big-screen TVs, sports tickets, designer handbags and shoes, salon-quality hairstyles, manicures and pedicures. On credit.

Every dollar you spend on a big-screen TV is a dollar you can no longer spend pursuing your wildest dreams.

Every day you spend at a job you merely tolerate is a day you're not responding to your life's true calling.

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The people in your life will spend tens of thousands on restaurant meals, sleek cars and new clothes.

The moment you spend a fraction of that amount of money on an epic adventure—like scuba-diving in Indonesia—they'll claim they'd "love to do that, but can't afford it."

WTF?!?!

Overcoming fear requires that you stop settling. It requires you to overthrow the shackles of "everyone else is doing it." It requires you to quit spending time and money in the way that society pressures and influences you to do so.

It requires, in essence, a little bit of rebellion.



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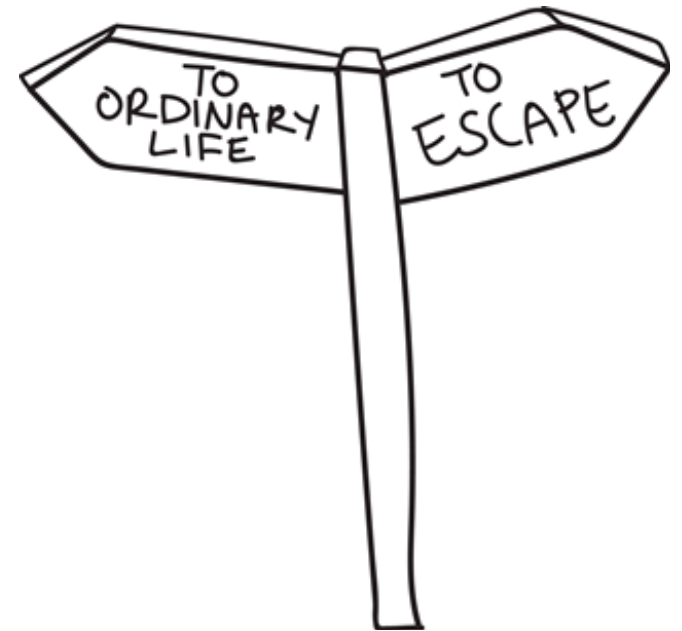
Nobody questions how you can afford a Honda Civic. Nobody will call you “rich” if you purchase a \$15,000 vehicle.

But if you spend that same \$15,000 traveling through Thailand or Brazil or Italy for a few months, people will immediately ask how you afforded it ... and assume that’s out-of-reach for themselves.

The minute you announce that you’re retiring early, they’ll gape and exclaim that nobody can realistically achieve this. They’ll tell you that you’re crazy. They’ll disguise their naysaying as concern. “I’m worried about you,” they say, when they actually mean, “I’m too fearful to follow in your footsteps.”

And yet you can. Because you don’t spend money *in the same way* that most people do. You’re different. You’re a rebel.

If you follow an ordinary path, you’ll get ordinary results. That’s fine for people who are satisfied with mediocrity. But you want something better. You want something extraordinary. You want ... escape.



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Here's how Conformists vs. Rebels experience life:

Conformists	Rebels
Work at jobs they either hate or tolerate.	Work on projects they love and that give them fulfillment.
Live paycheck-to-paycheck and always feel broke.	Enjoy the freedom that comes from never feeling stressed about money.
Assume "retirement" starts at 65.	Know "retirement" starts whenever they want.
Use debt to buy junk.	Avoid debt, unless carefully and wisely purchasing real estate.
Get 2 to 6 weeks of vacation time per year.	Get 2 to 6 weeks of vacation time per quarter.
Feel exhausted at the end of the day.	Feel alive throughout the day.
Make excuses.	Take action.
Complain.	Start.

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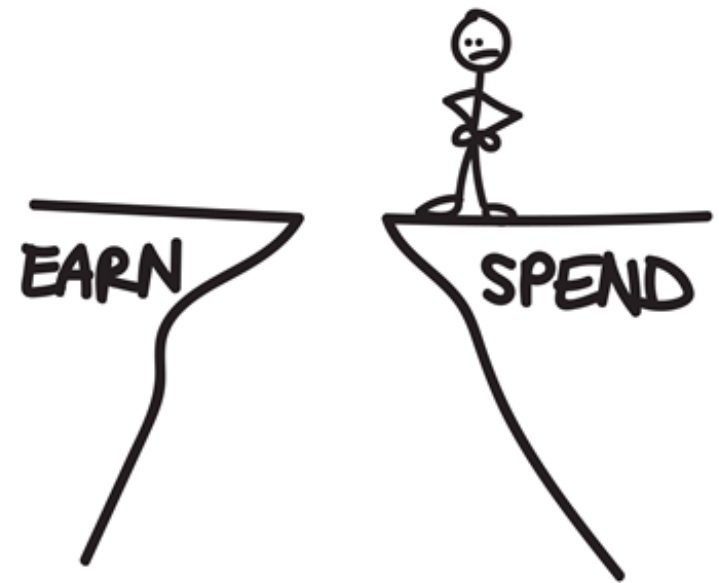
You've embraced your inner rebel. What now?

The next step is critical: Mind the gap.

In between "what you earn" and "what you spend," there is a gap. Your job is to make this gap as wide as possible.

This single sentence – mind the gap – summarizes the essence of money-management wisdom.

When you strip away the complexities of Roth IRA's and index funds and options trading, and you focus on the heart of money management, only one thing matters: that gap.



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At the risk of sounding like Captain Obvious, there are only two ways to increase this gap:

- ✓ Earn More
- ✓ Spend Less

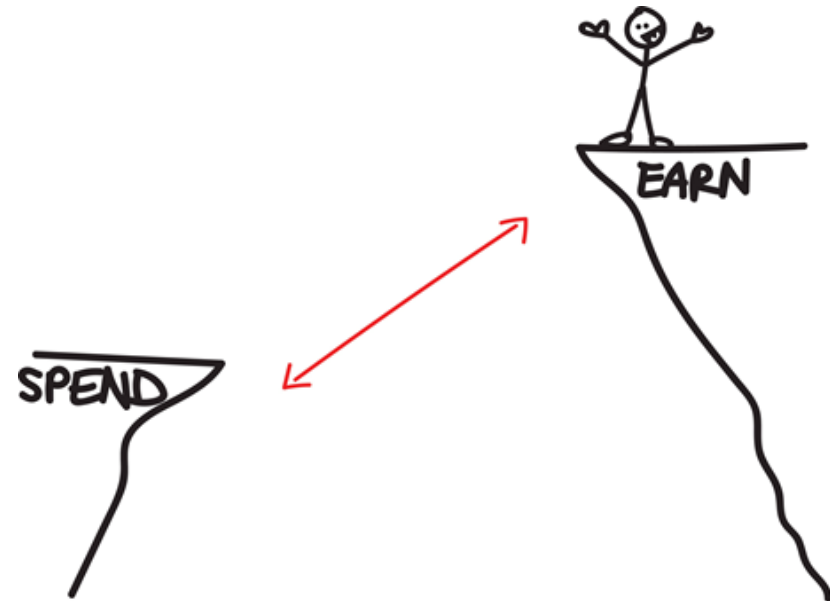
Both are essential. Spending less is the low-hanging fruit. You can cancel your cable *today*. It's a quick win.

(We'll talk more about savings later in this manifesto. In fact, I'll share a strategy that's helped hundreds of people turbocharge their savings.)

Spending less is critical. But don't get stuck on this step.

The more money you make, the easier it is to save—and the more substantial those savings become. Abundance triumphs over scarcity.

That's why it's crucial to develop an abundance mindset.



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If you view money as **scarce**, you'll occupy your mind with a desire to clutch onto every penny.

You'll skimp on important areas like health and travel. You'll start fights about money with your friends and family. You'll pinch pennies and over-focus on the small stuff.

If you view money as **abundant**, on the other hand, you'll look for opportunities everywhere.

You'll start noticing undervalued investments: an index fund or stock that's dipped below its fair value; a neighborhood with great rental properties; a business opportunity that your talents could easily fill.

Just as importantly, you'll begin valuing your time – which is the most limited asset in your possession. Once it's gone, it's gone. There's no way to make more.

That's why the best use of money is to spend it buying back your time.

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You can't Scrooge your way to freedom. Frugality is *necessary, but not sufficient*.

Earning more will fast-track your path to freedom in ways that mere penny-pinching never could.

And to earn more, you'll need two things: heart and hustle.

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Let's say you earn \$30,000 per year. You're a rockstar at frugality. You live in grandma's basement. You eat Ramen noodles and wear hand-me-down underwear. You save 50 percent of your pre-tax income—\$15,000.

That's awesome. That's enough money to spend a few months backpacking around South America or Southeast Asia. But it's not a jaw-dropping sum.

You can *almost* max out your 401(k) with that money. Almost, but not quite.

- ✓ You can't "Full Max" your retirement accounts (which means hitting the maximum legal limit in every account you qualify to participate in).
- ✓ You can't save for a house—unless you're willing to rob your retirement contributions for funds.
- ✓ You won't own cash-flowing passive income investments like rental properties (unless you're willing to look into those risky, no-money-down options, in which case you'll be swimming in debt.)

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But what if you earn \$160,000 per year?

Your options explode. You can move into a nice apartment, drive a car, and buy organic produce at the grocery store—and still save 50 percent of your pre-tax income, or **\$80,000 per year**, with virtually zero hassle or inconvenience.

(You'd live on \$32,000 – totally reasonable for a frugal couple or single person—pay around \$48,000 in taxes, at an effective 30 percent rate, and save \$80,000.)

At this rate, you could:

- ✓ “Full Max” every retirement account
- ✓ Buy an income-producing rental property
- ✓ Travel the world
- ✓ Buy your dream home
- ✓ Send yourself to grad school or pay for your child's college



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Just as importantly, the simple things become less stressful. You can:

- ✓ Send gifts to your nephews and nieces
- ✓ Pick up the dinner tab for your friends
- ✓ Attend family and friends weddings without stressing about travel costs
- ✓ Write a \$500 check to a charity *on a whim*, without planning for it in advance
- ✓ Start your own nonprofit or community group

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Now, imagine that you're part of a dual-income couple.

Two people can live almost as cheaply as one. You'll share one mortgage or rent payment, one electric bill, one water bill. You'll consolidate insurance accounts, cook in bulk, and perhaps even share a car.

Imagine that both of you are high-earners. Let's say you make \$200,000 combined.

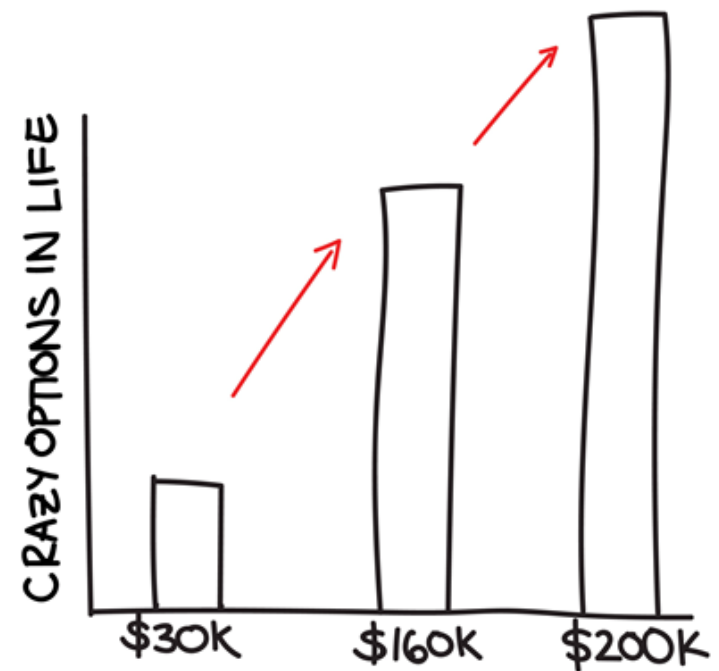
You live on \$40,000 per year. (That's \$1,330 per month for your rent or mortgage, and \$2,000 per month for everything else.)

You pay \$60,000 in taxes, at a 30 percent effective rate. **You save \$100,000 per year.**

That's \$8,333 per month in pure savings.

Once you start saving that much, **freedom is just around the corner.**

But you need to boost your income in order to get there.



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At this point, many of you are probably thinking:

“Who will hire me for six-figures?”

“What employer would ever pay me that much?”

If you’re already earning six figures, congratulations. You’ve answered that question. You’re ahead of the game; you’re ready to focus on **minding the gap**.

If you’re not well-paid yet, it’s time to start hustling.

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Earning more doesn't necessarily mean finding a boss to bequeath you a strong salary.

It means creating **multiple streams of income** – an extra \$5,000 here, another \$10,000 there – that cobble together into a solid stream of cash.

In today's economy, the only true “job” security comes from having several streams of income.

Let's imagine:

- ✓ Joe earns \$100,000 by working from 9-to-5 for one employer.
- ✓ Kris earns \$100,000 from a combined total of 5 sources. Her “day job” pays \$60,000; she also has four other income streams that pay \$10,000 each.

Both Joe and Kris lose their 9-to-5 day jobs.

- ✓ Joe's income is now \$0.
- ✓ Kris' income is now \$40,000.

Who do you think fares better?

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It's risky to bet everything on a single company.

In the investing world, you'd never put all your eggs in one basket, right? You wouldn't fill your portfolio with only Apple stock (or Enron stock)?

Then WHY would you rely on ONE employer for 100% of your income?

It's time for you to create several streams of income.

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Boosting your income starts with respecting another limited asset: your energy.

Your mental bandwidth is limited, and if you devote your precious brainpower to clipping coupons and chasing buy-one-get-one-free deals, you won't widen the gap—not in any meaningful way.

Sure, you'll pat yourself on the back. You'll feel better about yourself. You can even brag to your friends: "Check out this free bottle of ketchup! I stacked a manufacturer's coupon with a store coupon and then mailed-in a rebate ..."

Stop.

Please stop.

You're chasing immediate gratification. You want the buzz of scoring free ketchup. But you're not moving the needle. You're not *minding the gap*.

Clipping coupons is not financial savvy; it's a distraction.



≠ FREEDOM

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Stop making incremental gains. It's time to focus on big moves that lead to outsize results.

You are talented, and the best use of your time comes from creating something valuable that you can share with the world—whether that's tutoring students, creating software, rehabilitating old houses, writing articles or designing websites.

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Hustles come in two forms:

#1: Trading-Time-for-Money:

These are the hustles in which you directly trade your time for money.

You could tutor English, math or science lessons for high-school or college students at \$20 - \$35 per hour. You could write freelance articles for anywhere from 0.05 cents to \$2+ per word. If you have a specialized professional skill, you could work as a consultant or coach for anywhere from \$50 to \$250+ per hour.

Do you have children? Look for a parent who's willing to let you babysit at your own home, while you're simultaneously watching your own kids.

Or find a hustle that you can work on after your kids go to bed, like graphic design, writing and editing, illustrations, coding, data entry, or any other myriad of skills that can happen during off-peak hours.



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My first hustle happened more than a decade ago, when I pitched a story to a local food magazine.

They liked my idea, and hired me to write the article for 50 cents per word. It was a 300-word article, so I earned \$150 for an article that took me about an hour to research and write.

But the real benefit of that first article wasn't the \$150 itself. It was the doorways that this opened.

That first gig led to another, then another, then another. Before I knew it, my earnings from my hustle grew into the thousands, then the tens-of-thousands.

But trading-time-for-money is only the first step in the hustlin' world. The next step is to "level up" into the next tier of hustling:

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#2: Investment Hustles:

These involve creating scalable streams of passive income.

This leverages your time. It breaks the time-for-money trade.

It means earning money in your sleep.

You can create this through owning real estate, creating websites, collecting royalties, holding dividend-yielding equities, and a myriad of other cash-flow investments.

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Here are a few examples:

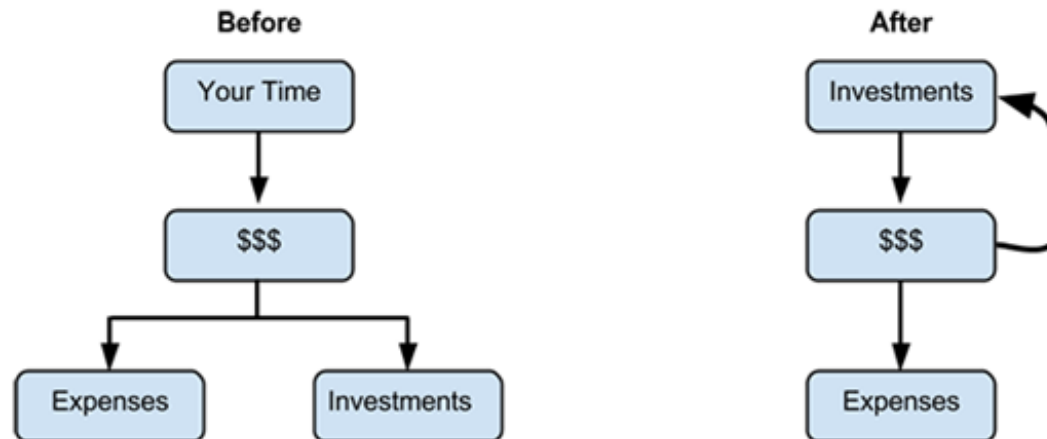
- ✓ You purchase a duplex for \$100,000 with a 20 percent downpayment. You spend 4 months hustling hard to get everything ready. You renovate the space. You build your team of contractors and property managers. You create a legal structure. After this, you rent each unit for \$800 per month. Your initial investment of \$20,000 is now bringing you \$1,600 in gross income every month —or another \$19,200 each year. After expenses, you pocket half. Best of all, your team handles everything. You can re-focus your time on other pursuits.
- ✓ You build a website about the best theater productions in Cincinnati. You spend six months working hard every evening and weekend. After this initial start-up, it begins making money through advertising and commissions. You hire a manager who can run the day-to-day operations: fielding emails, coordinating with freelance writers, keeping the systems running. You kick back and enjoy the profits.
- ✓ You create a small piece of software that solves a specific problem. It doesn't have a large market, but the niche of people who need it are raving fans. You sell this software through your website, use a portion of the revenues to pay your customer support team, and enjoy the rest of the proceeds.

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Time-for-money hustles are a quick win. They'll put cash in your pocket this week.

Investment-oriented hustles create a self-sustaining flow of money, but they might take months – or years – to create.

Which is better? I say, enjoy both. Use time-for-money hustles to give you that momentary cash infusion that you need in order to ascend to the next level. Then use investment hustles to build businesses with systems, hire a team, and create self-sustaining cash flow streams.



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Money management boils down to three things: earning, saving, and investing.

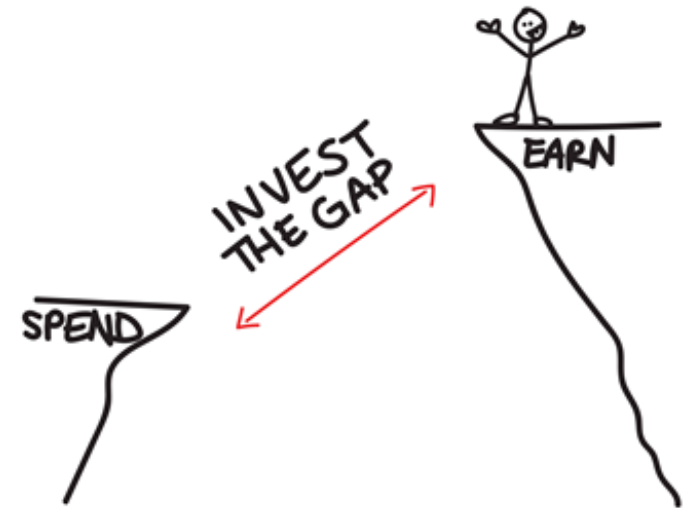
Your 'savings' is the gap between what you earn and what you spend.

Make that gap as wide as possible.

Then *invest the gap*.

Pour those savings into assets such as index funds and real estate. These investments will create *more earnings*, which further widens the gap and allows you to invest even more money.

And a self-perpetuating cycle is born.



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Earlier in this ebook, I promised we'd return to the conversation about "how to boost your savings."

The easiest path? Earn more. Then shovel *every cent* of that extra income into savings.

But boosting your income takes time. It could take a few months. And you might not want to wait that long.

Here's a path to saving more that you can start *today*: take the **One Percent Challenge**.

Pledge to boost your savings rate by **one percent more** this month. If you currently save 5 percent of your income, save 6 percent this month. If you normally save 10 percent, save 11.

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If you're currently saving \$0, start by saving just one percent.

If you don't know your savings rate, don't worry. Just set aside an *extra* one percent.

How much is one percent? Picture your monthly income and move the decimal point two spaces left.

If You Earn	One Percent
\$2,000/mo	\$20
\$4,000/mo	\$40
\$6,000/mo	\$60
\$8,000/mo	\$80
\$10,000/mo	\$100

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Lather, rinse, repeat.

Next month, boost your savings by one more percent. And the following month, do it again.

By the end of the year, you'll boost your savings rate by **an extra 12 percent**.

And if you're *also* hustling on the side – or if you get a raise or promotion – that's icing on the cake. If you start earning more, you can automatically boost your savings rate by as much as 10 or 20 percent in one fell swoop.

That means that within a year, you could boost your savings rate by 12 – 30+ percent higher than today.

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“That’s ambitious, but I think I can do it,” you might be thinking.

“But it’s clearly a long-term goal. How can I stay motivated?”

There are two ways to keep your motivation high. One is by thinking about your “big why” – which for most people is freedom.

- ✓ Freedom to spend more time with your family.
- ✓ Freedom to quit jobs that you despise, and choose work that you love.
- ✓ Freedom to work only for pleasure, rather than for a paycheck.

We’ll talk more about freedom in the next section. But first, I want to share a tactic that’s helped thousands of people stay motivated throughout this journey:

Discover your Real Pay Rate.

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Let's assume you earn \$53,046 per year, which was the U.S. median household income from 2009-2013.

Heck, you know what? Let's give you a raise.

Let's say you make around \$10,000 more than the median income. You earn \$63,000 per year.

The quick-and-dirty way to calculate your hourly rate is to lop off the last 3 digits, and then divide by two. In this example, \$63 divided by 2 = \$31.50, so you assume this is your hourly rate.

Okay, so you make just north of \$31 per hour. That's okay ... right?

But it's not correct.

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This is a good starting point, but it doesn't account for the cost and hours you pour into work-related activities, such as:

- ✓ Commuting
- ✓ Work-related clothes
- ✓ Dry cleaning
- ✓ Lunches and coffees
- ✓ Childcare
- ✓ Pet care
- ✓ Fast-paced, convenience-oriented vacations
- ✓ ... and don't forget taxes!

What happens when we start calculating for all of this?

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Your Real Work-Related Hours might look like:

- ✓ **Work:** 40 hrs/week, 50 weeks/year
- ✓ **Commute:** 30 min/day, 5 days/week, 50 weeks/year
- ✓ **Prep Time:** 30 min/day, 5 days/week, 50 weeks/year (This includes ironing, dry-cleaning, shopping for workplace-appropriate clothes, packing lunches, etc.)

Total time: 2,250 hours per year

But that's just the time cost. What about the financial costs? Here's a reasonable example:

Income: \$63,000(pre-tax)

Taxes: \$15,750 (at 25% effective rate)

Commuting: \$4,000 (includes gasoline, maintenance, vehicle wear-and-tear)

Office Clothes and Dry Cleaning: \$500

Lunches and Coffees: \$1,000 (that's only \$83 per month)

Childcare: \$3,000 (We'll assume your kids are old enough that they only need after-school programs and an occasional babysitter)

Net Income: \$38,750 per year

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How does this shake out?

Net Income: \$38,750 per year

Hours: 2,250 hrs/year

Net Income/Hours = \$17.22 per hour

When the voice inside your head says, “It’s only \$20, what’s the big deal?,” you’ll know it’s a “big deal” because it represents *more than an hour of your life*.

How’s that for motivation?

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Knowing your Real Pay Rate – and reminding yourself of this number every *time* you make a spending decision – is one of the best ways to keep yourself motivated.

But ultimately, you're not going to stick with the program if the goal is a bigger bank balance.

Because a bigger bank balance ultimately doesn't matter.

You can't take it with you.

Money, alone, is useless ... *unless* you use it to buy your freedom.

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Freedom from stress.

Freedom from worry.

Freedom from needing to wake up to a blaring alarm, commute through rush-hour traffic, and sit in a crappy cubicle all day.

Freedom to spend more time with the people you love.

Freedom to exercise, breathe fresh air, and travel to new places.

That's the "why" behind the Afford Anything movement.

So while we're on the concept of freedom, let's talk about a closely-related idea: retirement.

What does "retirement" mean ... for a rebel?

How can we break the traditional mold?

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There are two concepts at play: “retirement” and “financial freedom.”

Financial freedom (also known as “Financial Independence,” and sometimes abbreviated to “FI,”) happens when investments and passive income can support you and your family for the rest of your lives.

Warren Buffet, Elon Musk, Mark Zuckerberg – none of them are working for the money. They could quit working tomorrow, and they’d easily be able to pay their bills.

They work because they *want* to, not because they need to.

Retirement is closely-related, but not exactly the same. Some people age 70+ call themselves “retired” but aren’t financially independent. They rely on part-time paychecks to pay their bills.

There’s a debate among geeks in the finance community – *can you call yourself retired if you’re not FI?* – which I’m not going to waste your time getting into.

I’ll simply say that in the next section – just for the sake of discussion -- we’ll define ‘retirement’ as escaping the daily grind—i.e., chopping the shackles that keep you tied to your desk.

It comes in four varieties:

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Early Retirement – Escaping the grind at ages 25–55 by working hard for a decade or more, living frugally and saving at an extremely high rate (often 50% of your income or more).

Advantage: Obvious.

- ✓ You're financially free.
- ✓ Your freedom is permanent.
- ✓ You enjoy this while you're young.

Disadvantage: “Trade a Decade”

- ✓ You devote your 20's, 30's or 40's towards a lifestyle that starts when you're much older.
- ✓ You defer critical aspects of life (travel, passions, etc.) for 10–20+ years or more.

That second bullet-point is my biggest concern about the early retirement movement.

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None of us know how long we're going to live. (I'm sorry, but we don't.) We need to *simultaneously* plan as though we'll live to be 100, and *also* plan as though these are our final months.

Deferring our most important dreams for a decade+ may not be wise. There's a certain wisdom to living each day as if it's your last.

But that doesn't mean the solution is traditional retirement (age 60+). It might mean that the solution is a **hybrid approach** between *both* early retirement and another strategy that I refer to as "mini-retirements."

But I'm getting ahead of myself. Let's keep going with the four types of retirements

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Traditional Retirement – Escaping the grind at age 60+
(We're going to call ages 55–60 a “grey zone” between the two, no pun intended.)

Advantage: Experience life at a leisurely pace.

- ✓ Your freedom is permanent.
- ✓ You're financially free (eventually).
- ✓ You'll only need to save a minor portion of your income towards retirement.
- ✓ Everyone else is doing it.
- ✓ This route is akin to a slow, scenic drive—you can enjoy 1–2 vacations every year, dine out, drive a nice car, etc.



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Disadvantage: Obvious.

- ✓ Retiring at 60 is fundamentally different than retiring at 40.
- ✓ You might spend extra decades living a lifestyle you don't like.
- ✓ By the time "retirement" rolls around, your health might have faded. (That's true of any age, but the likelihood increases as you approach your 60's and 70's.)

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Many people assume that these are the only two options. We're trained to think that "work" is a permanent condition, until we reach "retirement," which is *also* a permanent condition, and that both exist in binary, opposing, and mutually exclusive states.

But "work" and "rest" are not permanent states.

There are other roads, as well.

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Mini-Retirements – The “interval” approach to work + life.

It's characterized by alternating intervals of intense work with intervals of sheer fun and adventure.

This is the career equivalent of running sprints: You sprint, cool down, sprint, cool down.

Freelancers and consultants who work on a project-by-project basis and seasonal workers can both fall into this category.

Example: Work for 6 months; play for the next 3-6 months.

Surf, lay on the beach, write your novel, play guitar, learn to tango.

Return to work for another 6 months. Then quit and do it all over again.



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Advantage: Freedom at every age and stage of life.

- ✓ There's a wisdom to *not deferring life for too long* — even if “too long” is only 10–20 years.
- ✓ Start now — you can launch this lifestyle this year.
- ✓ You'll enjoy your “life intervals” after an interval of hard work. (It's like eating a delicious meal right after a hard workout — it tastes better.)
- ✓ You'll return to work feeling fresh and re-invigorated. Your productivity increases. You're full of new ideas.
- ✓ You can cherry-pick the projects that fascinate you the most.

Disadvantage: No “permanent” escape.

- ✓ You'll have to return to trading-time-for-money.
- ✓ You're not (necessarily) financially independent.

ESCAPE

Semi-Retirement – This is a perpetual state of working a little, living a lot.

If “mini-retirements” is like running sprints; “semi-retirement” is like casually strolling a marathon ... with breaks for donuts.

Lifestyle entrepreneurs and part-time workers can both fall into this category.

Example: Work 20-25 hours/week. Spend the rest of your time surfing, skiing, sailing or scuba-diving.

Advantage: You can start NOW. Semi-retirement is attainable within a few months.

Disadvantage: No “permanent” escape.

- ✓ You still trade time for money.
- ✓ You’re not (necessarily) financially independent.



ESCAPE

Pick the style that fits you best. Don't imitate others.
Be yourself. Find your best fit.

Just consider this:

Traveling the world at age 25 is different from traveling at 35, 45, 55, and beyond. It's not "better" or "worse"—it's just different. The distinction exists for two reasons:

- 1) You'll have different interests, values, abilities and limitations at various stages of life
- 2) The outside world you'll see in the year 2020 is starkly distinct from the one that will exist in 2030, 2040 and 2050.

Neither is better or worse—they're just different.

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I enjoyed **multiple mini-retirements** throughout my early 20's. I saved money, spent it down, and then returned to the workforce. Was it sustainable? Of course not. But do I have any regrets? Nope. It was an incredible experience that I'd recommend to anyone.

I reached **financial independence** when the income from my investments outpaced my expenses ... meaning I can live entirely on investment income, without needing a traditional job.

I don't *have* to work. I can *choose* to work, but I don't need to.

But it takes awhile to build to this level. And traveling this year is different than traveling 10 years from now. That's why I recommend you travel (or pursue any other dream) both now *and* later.

ESCAPE

That's why I advocate enjoying **mini-retirements** (or living in a state of **perpetual semi-retirement**) at all stages and ages of life.

By taking mini-retirements, you can experience more of the world—and those experiences will forever shape your life, work and career.

Don't delay your passions for decades.

Speaking bluntly, none of us are guaranteed to remain on earth five years from today. If we're called to pursue some passion, we should respond.

Taking a year off work to travel Southeast Asia, tour North America with your jam band, or live in the countryside and paint portraits of puppies all day are goals that may make no financial sense, but they're still amazing, life-changing decisions.

Enjoy mini-retirements (or perpetual semi-retirement) *while you're on the road* to building financial freedom.

Or as I like to say:

Retire early *and* often.

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Let's imagine that you're ready to start one of your mini-retirements right now. What steps should you take?

When you're ready to escape your office job, adopt the DCBA Game Plan.

Ready? Here we go:

Step "D":

- ✓ Dive into the Details
- ✓ Decimate Your Debt
- ✓ Determine a Deadline



ESCAPE

What do you want to do?

Travel the world? Launch a business? Become a real estate tycoon?

Whatever your goal, you might have some false assumptions about how to get there.

To shatter those assumptions, **dive into the subculture of people who are doing the same thing.**

Read books and blogs (including Afford Anything), browse Internet forums, and question everything.

- ✓ **World travel** isn't done through organized tour groups, all-inclusive resorts and Priceline hotel deals. There's a whole subculture of travel hacks that you should explore.
- ✓ **Launching your own business** isn't done by printing fancy business cards and wearing an impressive suit. You need to dig some trenches. (Search AffordAnything.com for the phrase “side hustle”—there are some ultra-detailed articles about this.)
- ✓ **Real estate investing** isn't confined to your own neighborhood. There are probably plenty of areas within a 100-mile radius of your home that are ripe with profitable opportunity.

Once you take this step, you'll discover new information that will change your plans—for the better.

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While you're diving into these details, take the One Percent Challenge (discussed earlier in this guide) and launch a hustle (also discussed earlier).

Use the savings from both of these to **decimate your debt**, especially high-interest loans (anything above eight percent).

Don't worry about your mortgage or very-low-interest student loans for the moment.

Instead, focus on tackling high-interest freedom-killers, like credit card debt. This is the first step in creating a life you love.

There's one more essential component to the "D" Step: **determine a deadline**. If you don't, you'll never make the leap.

D
DETAILS
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ESCAPE

Step “C”: Conquer Your “Commitment Cant’s”

This is the most critical step.

Most people who don’t take a dramatic leap into the unknown cite commitments as their reason.

- ✓ “But I have a mortgage!”
- ✓ “What about my job?”
- ✓ “My lease doesn’t end until March.”
- ✓ “I joined this soccer team ...”
- ✓ “What about my dog?”

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Here's the hard truth: Most people enter into commitments **without thinking of the long-term consequences** on their future flexibility and freedom. (Hence why so many people are in debt.)

You need to do two things: Break the commitments that you can ethically sever, and renegotiate the ones that you can't.

This is the most crucial step. I repeat: MOST crucial.

Here are specific examples and tips:

C ONQUER
OMMITMENT
AN'TS

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Step “C” Examples:

Mortgage: Find a renter who can take over the majority of your payments, either via a traditional long-term lease (managed through a professional property manager) or through short-term rentals like Airbnb (again, managed professionally). If the rent on your home can’t cover the majority of your mortgage, and you’re serious about rebelling, you may want to downsize into a smaller and more affordable home.

Rent: Ask your landlord if you can replace yourself with a sub-letter. If you can’t, then you’ve determined your deadline —you’ll quit your job at the same time your lease expires. (This is what I did when I traveled the globe for two years: I timed my resignation from work to coincide with the expiration of my lease.)

Job: Negotiate to work remotely—through your laptop, from anywhere on earth—and negotiate to work part-time, or at least 80% of the time (with one day off per week). This will give you the freedom to launch a business, travel, or focus on other more interesting pursuits.

If your boss says no, **fire your boss** and become self-employed.

(Yes, I know that’s easier said than done. But millions of people have done it. Don’t let your fear and limiting beliefs hold you back. You can live the life of your dreams. Start now.)

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Pets and Plants: Find a trusted long-term pet-sitter, like a friend or family member.

Sports Teams, Dance Troupes, etc: If you can ethically leave the team mid-season, do so. Otherwise, you know your deadline: when the season ends.

BUDGET FOR ADVENTURE

Step “B”: Budget for Your Epic Adventure

This step is pretty straightforward.

Now that you’ve delved into the details (i.e., you’ve done your homework), you have a rough idea of how much your undertaking will cost. And you’ve determined your deadline.

This next step is simple: Divide cost by time.

Easiest. Step. Ever.

The Travel Example:

“I want to spend 12 months traveling Southeast Asia. I’ll purchase the airline ticket with frequent-flyer miles, using tips I learned online. Once I’m there, I know I can live comfortably on \$35 per day. Multiplied by 365 days, that’s \$12,775.

“That sounds like a lot, until you consider that it’s WAY cheaper than my cost-of-living here at home.

“Okay, now let’s add a 20 percent buffer to that estimate. This brings us to \$15,330. My deadline is one year from now. This means I’ll need to start saving \$295 per week.

“Every Monday and Wednesday evening from 6 pm to 9 pm, I teach guitar lessons, tutor SAT prep, write freelance articles, create freelance graphic designs, or run some other type of side hustle. This brings in \$250 per week after taxes.”

“If I cancel my cable TV, open a checking account at a bank that doesn’t charge excessive fees, and spend a little more time cooking from scratch instead of ordering take-out, I could save another \$45 per week. That’s a total of \$295 per week—enough to save \$15,330 in one year.”

Boom! That’s how it’s done.

The Launch a Business Example:

“I’ve been running this awesome side gig in the evenings and weekends for the past year. It’s brings in \$500 every week, or \$26,000 during the past year—and it only takes me 10 hours a week.

“I want to ditch the cubicle and make this a full-time gig, which I can run from my laptop, anywhere in the world.

“Let’s think through this. My cost-of-living is \$3,000 per month. I want a ‘cash cushion’ that can support me for six months -- that’s \$18,000.

“I’ll probably never need to tap that \$18,000 cash reserve. After all, I’m already making almost \$2,000 per month from this side business. Still, I’ll sleep easier at night and I’ll quit my job with more confidence once I know that it’s there.”

“If I live on my “day job” money and save my hustle money, I could build those reserves in a little over 9 months. I’ll use cash from my day job to pay my estimated taxes during that time.

“Those 9 months will also give me time to seriously ramp up my efforts—to 15 or 20 hours a week—and see if that extra effort yields more income and opportunity.”

ESCAPE

ACT ALONE
AND USE
AFFORD ANYTHING

Step "A": Get Ready to Act Alone (with Afford Anything)

This is going to sound like the scariest step. But it's crucial.

You can't waste your life waiting for someone in your existing network to join your adventure.

I'm sure your current friends are lovely—but they're not necessarily the most reliable, qualified or desirable people to accompany you (or to partner with you) on your travel or business idea.

You must be prepared to start this journey alone.

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Yeah ... alone.

Scary, right?

BOO!

But don't worry. You'll never truly be alone.

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Once you start along your adventure—whether that’s entrepreneurship, investing, travel, or any other escapade—you’ll meet plenty of people who will befriend you and help you along the way.



By definition, you’ll meet people who are journeying the same route.

Some of these people will become mentors, leaders, and trusted friends.

You’re on the cusp of bonding with some of the most brilliant, interesting people you’ll ever encounter.

You just haven’t met them yet.

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And you'll never meet them if you keep wallowing in your living room.

So get off the couch.

Start your new project.

Listen to your heart. Launch your hustle. And lead a fuller, richer, more rebellious life.

ESCAPE

I realize I've poured a lot of information at you.

Let's review your twelve steps to creating freedom, adventure and wealth in your life:

1. Break the Shackles of Fear and Limiting Beliefs.

Most people get stuck on this step. They spend their lives in a cubicle because they're too afraid to test-drive their own businesses, live on savings while they travel for 8 months, or—at their core—believe in their ability to lead an awesome life, filled with adventure.

2. Embrace Your Inner Rebel.

Nobody questions how you can afford a Honda Civic. Nobody will call you “rich” if you purchase a \$15,000 vehicle. But if you spend that same \$15,000 to travel to Thailand or Brazil or Italy for nine months, people will immediately ask how you afforded it ... and assume that's out-of-reach for themselves.

Conformists spend money to keep up with the Joneses: They buy nice clothes, big-screen TVs, sports tickets, designer handbags and shoes, salon-quality hairstyles, manicures and pedicures.

The moment you spend a fraction of that money on an epic adventure, like scuba-diving in Indonesia, they'll claim they'd “love to do that, but can't afford it.”

Forget the Conformists. You're a Rebel.

3. Mind the Gap.

It's too simplistic to say, "It's not what you earn, it's what you keep." That's false. It's what you earn AND what you keep that matters.

There's a gap between your earnings and expenses; make this as large as possible. Saving money is the "quick win," since you'll see results instantly, but boosting your income is the long-term, sustainable win.

There's a limit to how much you can save; there's no limit to how much you can earn.

4. Adopt an Abundance Mindset.

One crucial step as you mind the gap is developing an abundance mindset. If you view money as scarce, you'll occupy your mind with a desire to clutch onto every penny. You'll skimp on important areas like health and travel; you'll start fights about money with your friends and family; you'll pinch pennies and over-focus on the small stuff.

If you view money as abundant, on the other hand, you'll look for opportunities everywhere. You'll start noticing undervalued investments: an index fund or stock that's dipped below its fair value; a neighborhood with great rental properties; a business opportunity that your talents could easily fill.

5. Heart & Hustle

You'll need both heart and hustle to get ahead. Your hustle will help you create multiple streams of income – an absolute must in today's world. It's too risky to keep all your (income) eggs in one basket.

There are two types of hustles: those that trade time-for-money, and those that create streams of residual income. These are known as cash-flow hustles, or passive income hustles.

The time-for-money hustle is an effective stepping stone, especially if your goal is to turbocharge your income. The cash-flow hustles, however, put you on the path to true financial freedom. Keep your eye on that target, even as you start out with time-for-money hustles.

6. Take the One Percent Challenge.

Calculate one percent of your income by chopping two zero's from your monthly earnings. If you earn \$2,000 per month, one percent is \$20. If you earn \$5,000 per month, one percent is \$50. And if you earn \$14,000 per month, one percent is \$140.

Save one percent of your income this month. Next month, save one percent more. The following month, save another one percent.

By the end of the year, you'll be saving 12 percent of your income.

ESCAPE

7. Know Your Worth

Need motivation to keep hustlin' and keep savin'?
Crunch a few numbers to find your true hourly rate.
It'll shock you, it'll anger you ... it'll get you into motion.
And that's exactly what we need.

8. Retire Early and Often

We've all heard about traditional retirement; most of us know about early retirement. But let's not forget the other two options: mini-retirements spread throughout your life, and living in a state of perpetual semi-retirement.

Pick your favorite. I like mini-retirements while on the road to financial freedom.

9. Dive into the Details, Decimate Your Debt, and Determine a Deadline

After you decide to launch your epic adventure, invest time into learning the details.

If you want to travel, figure out the hacks:

- ✓ How to use frequent-flyer miles to pay for your ticket
- ✓ How to tap into an ex-pat community abroad
- ✓ How to avoid expensive tourist traps and live like the locals.

If you want to launch a business, learn how to charge what you're worth, without competing with 14-year-olds online in a "race to the bottom" on price.

If you want to create streams of passive income through real estate, learn how to calculate the cap rate and cash-on-cash return (search Afford Anything for these formulas).

While you're plotting the adventure, decimate your high-interest debt and choose a deadline. (Without a deadline, you're likely to drag your feet into "someday"-ville.)

10. Conquer Your Commitment Can'ts

Create a specific plan about how to handle your existing commitments. Can you rent out your house while you're traveling? Can your brother take care of your dog?

Negotiate with your employer to work remotely—if they say no, fire them! (But don't tell your boss to shove it until you've built an existing side hustle and a cash cushion.)

11. Budget for Your Epic Adventure

You've already Determined a Deadline, and thanks to the research you've done, you have a decent idea of what your adventure will cost (example: \$18,000 plus airfare to spend a year in Thailand, or \$25,000 as a "cushion" before you launch your own business).

Divide price by time to find your monthly savings goal; then devise a plan that helps you save that much money every month, through Minding the Gap. You'll be shocked at how much progress you can make by trimming your expenses by One Percent per month and boosting your income with an extra 10 hours per week.

ESCAPE

12. Get Ready to Act Alone (with Afford Anything at Your Side)

Don't worry if you can't find anyone who's ready to travel with you (or join you on any other epic adventure). Just get started. Once you've begun your quest, you'll meet the people you need to know.

You've reached the end of the book!

99% of the time, this is the part where some slimebag tries to sell you something.

I don't play that game. I'm not selling anything.

If you like this book, please share it with your friends.

Want to stay in touch?

Please connect with me at:

- ✓ [Afford Anything](#) – Hang out in the comments section, where we get lively discussions rolling!
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P.S. If you want to connect with others in this community who share the same value of freedom, **join our Facebook Community!** We'd love to have you.