

Drive Free

Directions

Watch the “**DRIVE FREE, RETIRE RICH**” video located in video 2.2 of Chapter 4. (This video is also available on foundationsU.com.)

Shop around at local car lots and/or online ads to find a great car that you’d like to buy. Look for something two to three years old, and be reasonable with your expectations—you don’t need a Porsche!

Write the cost of the car you find in the blank marked “goal” at the top of the used car log. Then, figure out how much you need to save per month for the next 20 months to reach that goal.

Since you need something to drive between now and then, find two other cars that you could buy in the meantime. Start with a car around \$1,500. Then, find something in the mid-range between that car and the one you’re ultimately working toward. Assume that you would buy this second car after about 10 months of saving. Fill in the required information for all three of these cars on the used car log.

Remember that the money used to buy the first two cars is not “lost.” You will sell the current car before buying a newer one, so you will apply the proceeds from that sale toward the purchase of the next car. For the purposes of this activity—and because you will have owned the first two cars for less than a year before selling them—you can assume that you will sell them for the amount that you paid for them.

Using the information on the used car log, create a poster-sized timeline of the entire 20 months. On this timeline, include the following for each car purchase:

- » Purchase date
- » Picture of the car
- » Purchase price
- » Number of months required for savings