

**Ep #10:10 Types of F.I.R.E. -  
Financial Independence, Retire Early**



**Full Episode Transcript**

**With Your Host**

**Jess McKinley Uyeno**

[Fun Money with Jessica McKinley Uyeno](#)

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

In today's episode, we are going to time travel. Are you ready? We're going to the future. We're going to be talking about retirement, but not just any retirement. Don't picture yourself as a 65 plus; picture yourself much less wrinkly than that because we're talking about the ten different types of FIRE. FIRE is an acronym for Financial Independence Retire Early.

Now, I don't personally plan to retire. I love my job, and I know so many of you listening are also entrepreneurs who don't subscribe to that traditional work-to-retire model. But this doesn't mean that you shouldn't be looking at your numbers to know that you could be retired, and when you could, and how you could. It can look so different and it can be fun to play around with this. So we're going to dive into all of the ways. It's going to be so nerdy. It's also going to be so fun because duh, that's how we do.

You're listening to *Fun Money*. This is your host, business and life mentor to the most interesting women in the world, Jess McKinley Uyeno, and this is episode 10.

We are days away from kicking off our three-week sales challenge, No More Zero Dollar Days. How does that feel? Can you say it out loud? No more zero dollar days. Could you imagine? Sales is the lifeblood of your business, so before you do anything, just take a minute, open up your phone or your computer, find me on Instagram @JessMcKinleyUyeno, and go to the link in my bio or go to the show notes and join this challenge. It is for anyone at all levels.

And at any level of business, we have brand new and multi-seven-figure earners who are in there already. There is something for you to learn. Cash flow, let's go. And I also can't dive into the episode topic without reminding you of something that is really important: that if you are a woman in business, it's so conditioned in us to be this lone wolf. Let's do it on our own. Let's prove to ourselves that we can do it. That is the rhetoric that inspired me to want to go and have these big goals and big dreams.

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

But when I got there and I started out entrepreneurship, I was like, eh. I just need community. I really missed not an office, but yeah, a team, a community. And of course, some of us can build that, but the type of community that raises you, that both raises your expectations, your standards, your beliefs, what is possible for you—that happens when you go all in on mentorship, and especially a mentorship that isn't just one-on-one but is a community that won't just dial in your money mastery in earning, spending, saving, investing, having, and giving. You know that we do this work on the podcast. We apply it, and we integrate it. It'll also give you the time and the peace of mind to operate at a level ten in ten areas of your life.

What are you waiting for? The Most Interesting Women in the World Mastermind is kicking off in a couple of days on October 2nd, and it won't reopen until next April. The quantum leap is leaping. My client, Nicole, who has been in two rounds now of the mastermind, came in, added \$30,000 to her revenue in the first month we were working together, scaled beyond seven figures, opened a new brick-and-mortar space, applied all of the principles to her team and to her kids, to her marriage, and she said, "I am not the same person." And that is a whirlwind of the space.

So if this sounds like it's for you, go to [SincerelyFutureYou.com](https://SincerelyFutureYou.com). Make haste, people, because we're kicking it off and we move fast in my world. To apply for one of the last spots, join us not only for our six months of weekly coaching and learning and growing and scaling, but also in the final all-inclusive retreat that is included for this last round. It will be included for you in the mastermind where we're going to Costa Rica in January, and it's going to be sick. And we're going to scale to the stratosphere. Let's go.

Okay, I don't think I've ever been so excited to talk about retirement. Like anyone else? It's so fun. Retirement? What? So, I just keep thinking, how cool would it be? Whenever I'm trying to set a goal or envision my future, I run it through my core values. And my core values are fun, growth, and

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

contribution. And so, because of my thoughts about growth and contribution, I was not that attracted to the idea of retiring. I was like, no, I just want to keep giving. I want to keep growing. That is what makes me feel alive. It's part of my purpose here on earth.

But I do think that once I learned about this way to retire, Financial Independence Retire Early, I was kind of turned on. I was like, that's pretty sexy. Imagine just walking your dog in the middle of the day or just laying on the beach in a non-typical vacation time. Just becoming a regular somewhere at an odd time of day when most of the world is working, and everyone's like, "What do you do?" And you're just like, "Oh, well, I'm retired. But I also do this. I have this business, I have this business."

I want to be able to get to one of these milestones. And I'm going to explain all the different ways that we can retire early and what it looks like in the math because you know I think that what makes money so fun is knowing and understanding intimately the numbers so that you can feel relaxed, so that you can be chill, so that you can go and just experiment and explore and play with the value you want to add to the world, to give back, to do things just because, to get back to your art.

And really, I've been in that space where I was paycheck to paycheck. I was a broke single mom, and I know what it's like. I'm not here to diminish that. Money isn't fun when you don't feel safe, and you don't have security. And that's why I'm so passionate about the numbers because being financially literate is what sets you free. It's what sets you free. It is unacceptable to be an adult and to not be financially literate. And I don't do that to shame you, although I do think that when we feel shame, it just is kind of an indicator, "Oh, hey, I have work to do. I have something I desire that I don't currently have." And that's just a blessing. It's a good thing. And so, I'm not afraid to feel shame, and I'm not afraid to trigger you because I know that my triggers and my shame have led me to the incredible life and business that I have today.

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

So, we're going to talk about some things. We're going to talk about some fun retirement strategies and what it can look like. And I want you to write some down and say, "Oh, okay, what would be the one that I'm most interested in?" And I'm going to also ask you some questions of what numbers do I need to get? Do I need to meet with a financial advisor? Do I need to sit down with my partner if you have a partner, or with a business partner, or with whoever you consult to talk about your money, to get the numbers so that you can know how far you are away from these things?

And even if you're listening to this and you're like, "I'm so far, it's not worth it." No, it is worth it because when you have a clear path, when the path is clear, your excuses start to feel brittle. They're just like, okay, well this is just what I need to do. And then the path becomes clear, and all of a sudden it's like, okay, one foot in front of the other. That is how I got to where I am today. It was not that long ago that I was broke, that I had nothing in savings, that I had nothing in investing, and that I felt like, "Oh my gosh, at 30, 31, I was starting over." I thought that I was ahead of the game in all the traditional things that we wanted, and then my marriage fell apart, and then all of my money gone. And it's never too late, but you need to begin to understand what is the path for me. Do this work. Okay.

Types of FIRE. Let's get started. And I also just want to shout out that this was rebrought to my attention. I've heard of this concept, but again, I heard of it when I was so far away from big money that it wasn't that sticky for me. I was like, "I have way more important money things to learn than retirement." I have to figure out how to get an apartment that is more than one bedroom. It was not as important to me. And now, I'm like, oh, I was re-reminded of this by one of my mentors, Jeremy, who is the founder of Personal Finance Club. I've put that in one of the resources in one of the earlier episodes, but 10 out of 10 recommend following that account. They are just so, so fun and clear and clean and simple about some of these concepts that you really only come across in very, very boring settings

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

usually, or in textbooks. And just shout out to Jeremy for making this so easy to digest.

So, I'm going to take what he laid out and some of it and we're going to put some spins and we're going to talk about these different types of FIRE. So, number one is regular FIRE, which is the strategy of 25x-ing. So, the traditional Financial Independence Retire Early FIRE, or I'm just going to call it FIRE from here on out. Can we get on board? The traditional FIRE calculation says that when you have invested 25 times your annual expenses, your investments will grow fast enough to cover your living expenses forever, so you no longer need to work.

So, what do you need to know in order to see how far you are away? Well, number one, you need to know what your annual expenses are. And listen, I get it. Everyone thinks they're a snowflake and you're going to be like, "Oh, but it changes and it varies and it grows." And yes, that is true, but I would recommend starting with what your fixed expenses are. Some of you guys who have kids, maybe you have a kid that's in college, maybe you have a kid that is going to be in college at some point. So, we can factor that in, we can average it out. And again, maybe recommend speaking to someone, a financial advisor, sitting down and being like, okay, what would you average out? What's realistic to say is 25 times in investments?

And when I say investments, there are so many different ways to calculate investments and how they're going to grow. But for me, the way that I do it, I keep it really simple, and I have a philosophy which we'll talk about in many, many episodes, but I'm going to keep preaching to keep it simple and to automate your investments in the total market index funds. That is my main investment strategy. I also invest into my brain, into my own business. I am looking into potentially buying another business this year and also potentially some real estate. So, there's so many different ways to do it, but look at the number and understand, okay, are my investments valued at 25 times our annual expenses? Once you've arrived there, you're



## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

retired. Did you know that? You have the ability to say, "Okay, I am financially independent now and my investments are going to grow fast enough to cover our living expenses forever." So you no longer need to work. Very exciting.

The second type of FIRE is called coast FIRE. So, this means you have reached coast FIRE when your current investments are projected to grow to 25 times your annual expenses by traditional retirement age without contributing any new money. So, this doesn't necessarily mean that you are going to stop working, but it just means that you don't have to continue to contribute to your retirement. Your retirement is set. So now, all of the money that you earn is just play. You can coast, you can chill, you can work one year and you could take a sabbatical another year. You can up your fixed expenses or you can up some short-term expenses because that money is no longer needed to be contributing consistently towards your investments. You can take what you were contributing and you can reallocate that to something more fun. How fun is coast FIRE? I love it.

The third type of FIRE is lean FIRE. So I actually know I have some family members who are doing this right now. Lean FIRE is retiring early with investments that just cover your basic living expenses. So, this is probably more suited to someone who just doesn't love their job or they want to make a transition, or maybe they want to go into just a different phase of life and they want to just breathe for a minute and see, okay, what do I want to do? So, retiring early with investments that cover your basic living expenses.

And so, this may mean, in this case with lean FIRE, you're dropping your standard of living or forgoing luxuries in order to live off of your investments. So maybe this means that you sell your car and you have a bike, or maybe this means that you're cooking at home and you're not dining out as much, or you are camping instead of having a mortgage. I mean, this is real. There are people who have lean FIRE and it's just so

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

good to be reminded of all of the options we have to play and to have fun with our money.

And we are modeled that there's one way to do it. There's one way to retire, there's one way to be successful, there's one order and it has to be done. So, this is just another episode to remind you to play, to be creative, to use that feminine energy of just like, "Okay, I can just do it my own way. There's no—I can't mess this up." I don't want to say you can't mess this up. Obviously, you don't want to ignore your numbers. That would be a way to mess it up. But there are lots of beautiful ways to find your success and to find your freedom. So, that was lean FIRE.

Next is fat FIRE. Fat FIRE is retiring early with more income than you need to support yourself. You could increase your quality of life and add luxuries without the need for work. So, for example, investments of \$5 million will provide a safe withdrawal rate of \$200,000 a year. So, these are people who are like, "Yep, cool. I want to retire and I want to go on a yacht. I want to travel everywhere. I want to have these fun, crazy experiences." And if you're listening to this episode, you're probably like, "Hell yeah, I fucking love to play and money. I love to live a big life. I want to have massive impact. Maybe you want to donate a library or something."

You heard my guest, Amanda Sannella, talk about how she has ambitions of donating to this theater company, local theater, and she doesn't even have kids, and she wants to donate to the local theater so that she can get two seats with her name on it in there. And I'm like, "That is so fun." Think big and be creative and allow your dreams to be fat. And knowing the numbers is so important, right? I love this concrete example, again, pulled from Personal Finance Club, of the fat FIRE of just the simplicity of saying, okay, \$5 million would provide you a safe withdrawal rate. And that's safe, this is conservative, withdrawal rate of \$200,000 a year. That's if you had zero other ways of occurring interest and money.



## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

And we know, right? Not just your investments, but there are so many ways as entrepreneurs that we can create passive income streams and we can consult. We have other skills that maybe sometimes you're going to go and be a speaker and you'll have other random cash flow. So, this is really conservative. You can be like, okay, conservatively, I got to invest to hit \$5 million. How do I do that? Well, this is math again. It doesn't mean you have to contribute \$5 million towards retirement. Hello, your money is going to compound with time. So it's about time in the market, not timing the market. It means let's start now and get consistent even if you are contributing \$50 a month. I know almost everyone can do that. Treat it like a bill. So, let's go with that FIRE.

Next one is Barista FIRE. So, you've reached Barista FIRE when you can quit your day job and live primarily off investments with a lower stress or part-time job that will cover the difference. I also have some friends and family members who did this, who had this job, this job that they worked very hard, 9 to 5. But they have other passions and they have grandkids now, and they're like, "You know what? I'm just going to nanny part-time or one of them is like, I'm going to bartend a couple of days." And they can decide to not. And that is really just for some extra spending money.

So, you've reached Barista FIRE when you can quit that day job primarily you're living off the investments, maybe for your fixed expenses, but then your variable expenses or short-term decisions, like if you want to have a vacation or do something that is one-off, that you are working a part-time job to cover those experiences.

The next type is WIFI. This one cracks me up. You have reached WIFI when you marry a woman who is financially independent. WIFI. I had to have that one. It's so funny. And of course, right? HIFI. It's the same situation if you marry a—I guess hub FIRE? Who FIRE? Where if you marry a man who is financially independent. Yeah, it's so beautiful. Again, marry up. There is so many options and there are no wrong ways to FIRE.

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

There's no wrong ways. Some of us feel like, oh, it's the worthiness comes or earning. It's like, no, there is actually plenty of situations in which you can live large, or you can pull back, you can go on cruise control, you can go part-time, you can work a little or you can marry up. Hell yeah.

Okay, let's talk about some of the less desirable ways to go for financial independence. Oh, homeless FIRE. Increase your savings rate up to 100% and enjoy instantaneous financial freedom by just being homeless on the street and begging. Okay, that's more of a joke. And then, dumpster FIRE. This one sounds like a joke, but it's actually more common than we talk about, which is you've reached dumpster FIRE when you are financially set, but your life is still a mess.

This is the foundation of why I created The Most Interesting Woman in the World Mastermind, why I have a membership called The Mission. Because when you are cash flowing for cash flow's sake, when you are earning and you're so focused on your financial goals that you lose focus of what really matters, of living your most interesting life, of pouring into your relationship, of making sure that you are healthy and that you are treating your body with love and respect, that you are showing up for your children if you have them, that you are showing up and being a great citizen and community member, you are a dumpster FIRE. We don't care that you have reached financial independence and you're retired early because you're going to be alone.

So, I know that sounds harsh and we're having so much fun and then I had to mention this one, but it's just a good point because of course, all of this, money is only fun when you have the balance and when you are really using it as a vehicle to pour back into your life, to pour back into the other people and the communities that matter the most to you, right? We all have a mission. We all have something in our heart. We all have a person or a people that is less fortunate than us that really is special and meaningful and attached to us in some ways and being able to be this person who is

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

focusing on creating money not just to have an overflow, of course, for ourselves, but I said this yesterday to a future guest and I won't spoil who it is.

She's an incredible giver. And I just commented on how she's adding so much value because she's helping other people be incredible givers with their money. And that when we have purposeful inflow, which lots of us do as entrepreneurs, we are doing our purpose, so we have purposeful inflow, but without purposeful outflow, we create a toxic overflow. And you know, we see that with people like certain billionaires who are not really pouring back into their communities, helping these mass human problems of hunger and water solutions and just poverty, people who are dying. And it's like, okay, well, there's some toxicity there. So, I had to just mention that.

And the final type of FIRE is Prison FIRE. Rob a bank. One way or another, your basic living expenses will be covered for 30 to life. You'll either be on a beach somewhere or you'll be behind bars and you'll be taken care of in that way.

God, had to end it with a joke, but in all seriousness, I hope that this really awakened something in you and reframed the way that we can think about retirement. If this episode blew your mind and you know someone who needs it, please take a moment right now and share it. Share it with someone that you know that would just love geeking out on money with us, having fun, and exploring new possibilities. Share it with your parents, share it with your biz besties, share it with your children, share it with your friends. It means the world to me. I put so much effort into these episodes of creating real free value for you. And I want to make sure that this episode, that this knowledge really becomes common knowledge because knowledge can be power, but we have to be able to integrate it.

And the last reminder here is that if you're looking to integrate this, if you are just feeling overwhelmed by how much good tools we've already given

## **Ep #10:10 Types of F.I.R.E. - Financial Independence, Retire Early**

you in just ten episodes of this podcast, then it's time to come and apply it in the rooms where we take it and we apply it to you and your life so you can start getting to work. So you can not just be a person who's like, "Yeah, I know that. Oh, yeah, it's a good idea." And then you're not really acting on it. We got you. Come and join The Mission, come and join the mastermind, and let's go.

That's it for today's episode of *Fun Money*. But if your brain is buzzing and you want more, come hang out with me over on Instagram, @JessMcKinleyUyeno or visit us at FunMoneyPod.com because that's where the real magic happens. Until next time, stay bold, stay interesting, and for the love of God, go do something fun with your money!