

FREE GUIDE · GUIDE 01 OF 10

THE COMPLETE FIRST \$100K BLUEPRINT

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Always do your own due diligence.

Nobody is coming to hand you \$100,000. No employer, no government program, no viral stock tip. It gets built — \$800, \$1,200, \$1,500 at a time — by people who understand the mechanics on this page. Here are the mechanics.

“The first \$100,000 is the hardest, because it’s the only \$100,000 you have to earn entirely yourself. After that, your money starts showing up to work too.”

THE PROBLEM THIS SOLVES

Nobody teaches you the actual mechanics of building wealth. School skips it. Banks sell you products. Social media sells you dreams. So most Canadians work for decades, earn good money, and still reach their 40s with almost nothing invested.

The first \$100,000 is the wall almost everyone hits. Not because it's mathematically out of reach — the math says a regular paycheck can do it in under 7 years — but because nobody hands you the complete system: how much to save, where to put it, in what order, and how to keep yourself from sabotaging it.

This guide is that system.

THE EXACT OUTCOME

By the time you finish this guide — and do the work inside it — you will have:

1. **Your number:** the exact monthly amount you need to invest to hit \$100K on your timeline
2. **Your order of operations:** which Canadian accounts to fund first (FHSA, TFSA, RRSP, non-registered) and why
3. **Your automation setup:** money moving on payday without willpower
4. **Your 7-day action plan:** the first concrete steps, scheduled
5. **Your tracking system:** a one-page monthly snapshot you'll actually maintain

No purchase required. No "advanced course" upsell hiding the real method. Everything you need is in here.

WHO THIS IS FOR

- Canadians earning a regular paycheque who have less than \$100K invested
- People willing to automate and be consistent for 4–8 years
- Beginners who want the full picture, not fragments

WHO THIS IS NOT FOR

- Anyone looking for stock tips, crypto moonshots, or "get rich" schemes — this is the boring math that actually works
- People with crushing high-interest debt (your first move is in Step 2, but this guide assumes you'll clear that first)
- Anyone who wants someone else to do it for them — this guide gives you the system; you run it

EXECUTIVE SUMMARY – THE 5 THINGS THAT MATTER

1. **The first \$100K is the hardest and most important.** At a 7% return, \$100,000 earns ~\$7,000 a year — that's \$583/month working for you without you lifting a finger. Every dollar after this gets easier.
2. **Your savings rate decides your timeline, not your returns.** Going from \$800/month to \$1,500/month cuts your timeline nearly in half. Chasing an extra 2% of return barely moves it.
3. **Order matters: kill high-interest debt → emergency buffer → automate → fund FHSA/TFSA/RRSP in the right order → invest simply.**
4. **Simplicity beats cleverness.** A single low-cost diversified ETF held for years beats 95% of active strategies available to regular investors.
5. **Automation beats willpower.** Every person who reaches \$100K on a normal income did it with automatic transfers, not discipline.

Key takeaway: You don't have a knowledge problem. You have a system problem. This guide installs the system.

HOW TO USE THIS GUIDE

Read it in order the first time — each part builds on the last. Then use it as a reference:

- **Parts 1-2** give you the why and the math (30 min)
- **Parts 3-4** give you the system and the decisions (45 min)
- **Parts 5-6** are your mistake-proofing and toolbox (reference)
- **Part 7** shows the whole thing working on a real-style example (20 min)
- **Part 8** is your action plan — do this within 7 days

Total time: ~2-3 hours to read, 7 days to launch.

PART 1: FIRST PRINCIPLES – WHY THE FIRST \$100K CHANGES EVERYTHING

Compounding needs something to compound on

Everyone quotes compounding. Few people show you when it actually kicks in.

At a 7% average annual return:

- \$10,000 earns **\$700/year** — nice, but it won't change your life
- \$100,000 earns **\$7,000/year** — that's a meaningful second income stream
- \$500,000 earns **\$35,000/year** — now your money works harder than many full-time jobs

The cruel part: getting from \$0 to \$100K is ~90% your contributions and ~10% growth.

Getting from \$100K to \$200K is roughly half contributions, half growth. The first \$100K is you pushing the boulder. After that, the hill starts sloping downward.

There's a well-known saying in investing circles, often attributed to Charlie Munger: "The first \$100,000 is a bitch, but you gotta do it." The math agrees with him.

Your savings rate is the master variable

Investment returns are uncertain, debated, and largely out of your control. Your savings rate is a decision you make this month.

Look at what actually moves the timeline to \$100K (illustrative, 7% return, monthly contributions):

Monthly investment	Years to \$100K
\$500	~11.2
\$800	~7.9
\$1,000	~6.6
\$1,500	~4.7
\$2,000	~3.7

Going from \$1,000 to \$1,500 a month saves you **two full years**. No investment product on earth reliably gives a regular investor that kind of edge. The highest-leverage activity in wealth building isn't picking investments — it's widening the gap between what you earn and what you spend, then automating the difference.

Fees are a silent timeline-killer

A 2% annual fee (typical for many Canadian bank mutual funds) doesn't sound like much. Watch what it does:

\$10,000 invested for 30 years:

- At 7% gross, 0.20% fee (typical low-cost ETF): grows to roughly **\$73,000**
- At 7% gross, 2.00% fee (typical bank mutual fund): grows to roughly **\$43,000**

Same market. Same 30 years. **\$30,000 evaporates into fees**. This is why Step 6 insists on low-cost investments — it's not about being cheap, it's about keeping your own money.

PART 2: THE HONEST MATH

How long will it take YOU?

Find your monthly investment amount, read across. These assume monthly contributions and a constant average annual return — real markets bounce around, so treat these as planning estimates, not predictions.

Monthly	At 5%	At 7%	At 9%
\$500	~12.2 yrs	~11.2 yrs	~10.4 yrs
\$800	~8.4 yrs	~7.9 yrs	~7.5 yrs
\$1,000	~7.0 yrs	~6.6 yrs	~6.3 yrs
\$1,500	~4.9 yrs	~4.7 yrs	~4.6 yrs
\$2,000	~3.8 yrs	~3.7 yrs	~3.6 yrs

Notice something: the return column barely matters compared to the contribution row. **The monthly amount is the whole game.**

The formula (so you can check my work)

Future value of monthly contributions:

$$FV = P \times \frac{((1 + r)^n - 1)}{r}$$

Where P = monthly contribution, r = monthly return (annual ÷ 12), n = number of months.

Example: \$1,500/month at 7% for 57 months → r = 0.00583, $FV = 1500 \times \frac{((1.00583)^{57} - 1)}{0.00583} \approx \textbf{\$100,000}$. That's the ~4.7 years in the table. Run it yourself in any spreadsheet with `=FV(0.07/12, 57, -1500)`.

The Rule of 72 (mental shortcut)

Divide 72 by your return to estimate doubling time. At 7%, money doubles roughly every **10.3 years**. So \$100K becomes \$200K in ~10 years even if you never add another dollar. That's the reward waiting on the other side of the wall.

PART 3: THE 8-STEP IMPLEMENTATION SYSTEM

Do these in order. Each step unlocks the next.

Step 1 — Know your numbers (Day 1-2)

You can't navigate without coordinates. Calculate two numbers:

Net worth = everything you own – everything you owe.

List bank accounts, investments, property value on one side; credit cards, loans, mortgage on the other. One page. Done.

Savings rate = (monthly income – monthly spending) ÷ monthly income.

If you take home \$4,300 and spend \$3,300, your savings rate is $(\$4,300 - \$3,300) \div \$4,300 = 23\%$. This single number predicts your timeline better than anything else.

Use the Monthly Money Snapshot template in Part 6.

Step 2 — Kill high-interest debt first (before investing)

The rule: any debt costing you more than ~7% annually gets destroyed before a dollar goes to investing. Credit cards at 20%+ are a financial emergency — paying them off is a guaranteed, risk-free 20% return, which no investment can match.

The order: list debts by interest rate, highest first. Throw every spare dollar at the top of the list while making minimums on the rest. When it's dead, roll that payment into the next one.

The exception: low-interest debt (mortgage at 5%, student loan at 4%) can coexist with investing — see the decision framework in Part 4.

Step 3 — Build your emergency buffer (Day 1-30)

Before investing, park a buffer in a **high-interest savings account (HISA)** — not invested, not earning much, and that's the point. Its job is to keep you from selling investments or taking on debt when life happens.

- **Week 1:** \$1,000 mini-buffer
- **Month 1-3:** build to 1 month of essential expenses
- **Month 3-6:** build to 3 months of essential expenses

Three months is the target for most people. Six if your income is irregular or you're self-employed. This money is insurance, not an investment — stop optimizing its return.

Step 4 — Automate everything (Day 7)

This is the step that actually makes it happen. On payday:

1. Paycheque lands
2. **Automatic transfer** moves your investment amount out the same day or next day
3. You live on what's left

Set it up once at your bank: a recurring transfer from chequing to your investment account, timed to payday. Start with whatever you can — even \$200 — and increase it quarterly. The people who reach \$100K aren't more disciplined than you. They just removed the decision.

Step 5 — Fund accounts in the right order (Canadian edition)

Canada gives you tax-advantaged accounts. Use them in this order:

1. **Employer match (if offered).** If your employer matches RRSP or pension contributions, contribute enough to capture the full match first. It's an instant 50-100% return. Free money beats tax strategy.
2. **FHSA — First-Home Savings Account.** If you plan to buy a home someday: contributions are tax-deductible like an RRSP, withdrawals for a first home are tax-free like a TFSA. Up to \$8,000/year, \$40,000 lifetime. If homeownership is nowhere in your plans, skip it.
3. **TFSA — Tax-Free Savings Account.** The workhorse for most Canadians building their first \$100K. Contributions aren't deductible, but growth and withdrawals are completely tax-free, and withdrawals don't affect benefits. Flexible — you get contribution room back the next year if you withdraw.

4. **RRSP — Registered Retirement Savings Plan.** Best when you're in a higher tax bracket now than you expect in retirement (roughly: earning well into the six figures). Contributions reduce today's taxable income. Less flexible — withdrawals are taxed.
5. **Non-registered (taxable) account.** Once registered room is full, keep going here. No tax shelter, but no limits either.

Verify current limits. CRA sets annual TFSA and RRSP limits and they change. Check your personal contribution room in your CRA My Account before contributing — over-contributions are penalized 1% per month.

Simple default if you're unsure: no employer match, middle income, might buy a home one day → FHSA to the max, then TFSA, then RRSP. Revisit when your income jumps.

Step 6 — Invest it simply

Your job in the first \$100K is not to beat the market. It's to **capture the market's return at the lowest cost while you focus on increasing contributions.**

The simplest effective approach: a **low-cost, globally diversified asset-allocation ETF** that matches your risk tolerance, bought automatically every month and held for years. One fund. One purchase. Done.

Why this works:

- **Diversification** across thousands of companies and countries in one holding
- **MER around 0.20%** vs ~2% for typical bank mutual funds (remember Part 1's \$30,000 fee lesson)
- **No decisions** to make monthly — which is the point

What to avoid in the first \$100K:

- Individual stock picking (you're competing against professionals with supercomputers)
- Crypto speculation (fine as a hobby with money you can lose; not a wealth plan)
- Timing the market (study after study shows it destroys returns)
- Anything you don't understand well enough to explain in two sentences

Risk note: all investing involves risk, including the risk of loss. Diversified ETFs reduce specific risks but not market risk. Only invest money you won't need for 5+ years.

Step 7 — Raise the savings rate (the ongoing game)

You have two levers. Pull both, but in this order:

Lever 1 — Cut the big three. Housing, transportation, and food typically eat 60–70% of spending. One housing decision (a roommate, a smaller place, a shorter commute) can free up \$500/month — permanently, with one decision. That's worth more than cancelling fifty subscriptions.

Lever 2 — Earn more. Raises, job-hopping (often the fastest raise available), overtime, freelancing, a side business. Every extra dollar earned is a dollar that can go straight to the investment transfer — **but only if you don't inflate your lifestyle with it.** Bank the raise, not the lifestyle.

The rule: when income rises, increase the automatic investment transfer first, then decide what to do with the rest. Lifestyle creep is the #1 killer of the first \$100K.

Step 8 — Review quarterly, rebalance annually

- **Monthly (5 min):** update your one-page snapshot. Are transfers happening? Any surprises?
- **Quarterly (30 min):** check savings rate, net worth trend. Adjust the transfer amount if income or expenses changed.
- **Annually (1 hour):** rebalance investments back to your target allocation, review account funding order, increase contributions.

That's it. No daily portfolio checking — it adds stress without adding returns.

PART 4: DECISION FRAMEWORKS

Framework 1: Pay down debt vs. invest?

Ask three questions:

1. **What's the interest rate?** Above ~7% → pay the debt. Below ~4% → invest while making regular payments. Between 4–7% → judgment call (see Q2 and Q3).

2. **How does debt affect your sleep?** If it causes real stress, the guaranteed return of paying it off beats the theoretical return of investing. Peace of mind has a price and it's worth paying.
3. **Is the debt tax-deductible?** (e.g., some investment loans, business debt.) Deductibility lowers the effective rate — factor that in.

When this framework fails: it assumes you actually invest the money instead of spending it. If paying debt is the only way you'll "save," pay the debt.

Framework 2: TFSA vs. RRSP?

- **Lower/middle income now, expect higher income later** → TFSA first. You need flexibility more than deductions.
- **High income now (top tax brackets), expect lower income in retirement** → RRSP first. The deduction is worth more to you today.
- **Might need the money before retirement** (home, business, sabbatical) → TFSA. RRSP withdrawals are taxed and lose room permanently.
- **Receiving income-tested benefits** (CCB, GIS) → TFSA withdrawals don't count as income; RRSP withdrawals do.

When in doubt at middle incomes: **TFSA first, RRSP later.** You can always shift strategy as income grows.

Framework 3: When this plan works — and when it doesn't

This plan works when: you have relatively stable income, a 4+ year horizon, and you automate. It has worked across every market cycle because it doesn't depend on predicting anything.

This plan struggles when: income is highly irregular (adapt it: use percentage-based transfers instead of fixed), you have a very short timeline (money needed in under 3 years shouldn't be in the market), or you won't automate (be honest with yourself — then make the system even simpler).

PART 5: COMMON MISTAKES (AND HOW TO AVOID THEM)

- 1. Waiting to "have enough" to start.** The investor who starts with \$200/month today beats the one who waits two years to start with \$500/month. Time in the market is the asset. Start embarrassingly small if you must — just start.
 - 2. Lifestyle creep.** Every raise gets absorbed by a nicer apartment, car, or habits. Fix: the 50% rule — bank at least half of every raise via your automatic transfer before you see it.
 - 3. Stock picking as a strategy.** Your first \$100K is not the time to prove you're smarter than the market. The data on amateur stock picking is brutal. Index first; speculate later with a small "explore" allocation if you must.
 - 4. Trying to time the market.** "I'll invest when things calm down" is how people miss the best days. Decades of data show missing just the 10 best market days devastates long-term returns. Automatic monthly investing sidesteps this entirely.
 - 5. Ignoring fees.** See Part 1. A 2% MER is a 2% annual headwind forever. Check what you're actually paying — most people have never looked.
 - 6. No emergency fund → selling investments at the worst time.** The market drops, your car dies the same month, and you're forced to sell low. The HISA buffer exists precisely for this.
 - 7. Checking the portfolio daily.** Volatility is the price of returns. Daily checking converts normal noise into panic. Monthly snapshot, quarterly review — that's the cadence.
 - 8. Keeping it all in cash "until the right time."** Cash feels safe and quietly loses to inflation every year. If the money is for 5+ years out, invested beats cash with near certainty over long horizons — with volatility along the way, which you've now planned for.
 - 9. Over-optimizing the small stuff.** Debating between two nearly identical ETFs for three weeks while contributing nothing. The contribution matters 10x more than the fund choice. Pick a reasonable low-cost option and move on.
 - 10. Doing it alone without a why.** "Build wealth" is not motivating on a bad day. Write down what the \$100K is for — freedom, security, options, family. Tape it where you'll see it.
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PART 6: COPY-PASTE TOOLBOX

Tool 1: Monthly Money Snapshot

Copy this into a note or spreadsheet. Update on the 1st of each month (5 minutes):

MONTH: _____

INCOME

Take-home pay: \$ _____
Other income: \$ _____
TOTAL IN: \$ _____

OUTGO

Housing: \$ _____
Transportation: \$ _____
Food: \$ _____
Everything else: \$ _____
TOTAL OUT: \$ _____

INVESTED THIS MONTH: \$ _____

SAVINGS RATE: _____ % (Invested ÷ Total In)

NET WORTH

Cash + HISA: \$ _____
Investments: \$ _____
Property/other assets: \$ _____
Debts (as negative): -\$ _____
NET WORTH: \$ _____
Change vs last month: \$ _____

Tool 2: Savings-Rate Calculator (formulas)

Savings rate = Monthly amount invested ÷ Monthly take-home income

Examples:

$$\$800 \div \$4,300 = 18.6\%$$

$$\$1,000 \div \$4,300 = 23.3\%$$

$$\$1,500 \div \$4,300 = 34.9\%$$

Timeline shortcut: find your monthly amount in the Part 2 table.

Tool 3: Account Funding Order Checklist

- ☐ 1. Employer match captured (___% to get full match)
- ☐ 2. High-interest debt (>~7%) paid off
- ☐ 3. Emergency buffer: \$_____ / \$_____ (3 months essentials)
- ☐ 4. FHSA: \$_____ / \$8,000 this year (if homebuying planned)
- ☐ 5. TFSA: \$_____ room remaining (check CRA My Account)
- ☐ 6. RRSP: \$_____ room remaining
- ☐ 7. Non-registered: overflow goes here
- ☐ 8. Automatic transfer set for payday: \$_____ on the _____ of each month

Tool 4: Investment Policy Statement (one paragraph)

Fill in the blanks, keep it where you'll see it during market drops:

"I invest \$__ **every month into** . **My target allocation is % growth assets / % defensive. I will not sell during market drops. I review quarterly and rebalance annually. My timeline is _ years. Signed, , date \.**"

PART 7: FULLY WORKED EXAMPLE – PRIYA'S PATH TO \$100K

Illustrative scenario with transparent assumptions — not a real person, not a promise of returns.

Starting point: Priya, 27, lives in Toronto. Salary \$68,000. No debt. \$2,000 in a chequing account. \$0 invested.

Assumptions (stated openly): take-home pay ~\$4,300/month; rent \$1,600 (shared apartment); all other spending \$1,200/month; invests \$1,500/month; 7% average annual return; annual raise 3% with half banked.

Month 1 actions

1. Opens a HISA, moves \$1,000 as a starter emergency buffer
2. Opens FHSA + TFSA at a low-cost brokerage

3. Sets automatic transfer: **\$1,500 on payday** → split \$667 to FHSA, \$833 to TFSA (FHSA gets \$8,000/year max: $\$667 \times 12 = \$8,004 \approx \text{max}$)
4. Buys a single low-cost diversified ETF in each account
5. Fills in her Monthly Money Snapshot

Monthly math: \$4,300 in – \$1,600 rent – \$1,200 spending – \$1,500 invested = \$0 left. Tight by design — the buffer covers surprises while she adjusts.

Year-by-year projection (7% return, contributions at month-end)

End of	Contributed (total)	Portfolio value	Growth doing the work
Year 1	\$18,000	~\$18,600	~\$600
Year 2	\$36,000	~\$38,400	~\$2,400
Year 3	\$54,000	~\$59,600	~\$5,600
Year 4	\$72,000	~\$82,300	~\$10,300
Year 5 (mo 8)	~\$86,000	~\$100,000	~\$14,000

She crosses \$100K around **month 57 — age 31**, roughly 4.7 years after starting. Notice the pattern: in Year 1, growth contributed \$600 (3% of the total). By Year 5, growth is adding over \$1,000 per month on its own. That's the boulder starting to roll downhill.

What about the FHSA/TFSA split?

Year 1: \$8,000 → FHSA (deductible, saves her ~\$1,600–\$2,400 in tax depending on bracket — which she redirects to... you guessed it, the TFSA), \$10,000 → TFSA. By Year 5 her FHSA is full (\$40,000 lifetime max reached), and everything flows to the TFSA, then non-registered if TFSA room runs out.

The raise rule in action

Year 2 raise: +3% ≈ +\$130/month take-home. She increases the automatic transfer by \$65 (half) and keeps \$65. Her timeline shortens; her lifestyle still improves. No willpower required.

What could go wrong for Priya?

- **Job loss in Year 2:** the 3-month buffer covers her; she pauses the transfer (doesn't sell investments), resumes when re-employed. Timeline extends ~4 months. Not fatal.
 - **Market drops 20% in Year 3:** her \$59,600 becomes ~\$48,000 on paper. She buys the same ETF cheaper every month. By Year 5 the recovery has amplified her gains. This is why the plan works — volatility is fuel when you're contributing.
 - **She "finds" a \$600/month car payment:** timeline stretches by over a year. The big-three rule (Part 3, Step 7) is what protects her here.
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PART 8: YOUR 7-DAY ACTION PLAN

Day 1 — Numbers. Fill in the Monthly Money Snapshot (Part 6). Calculate your net worth and savings rate. (30 min)

Day 2 — Debt triage. List every debt with its interest rate. Anything over ~7% gets a kill plan starting this month. (20 min)

Day 3 — Buffer. Open a HISA if you don't have one. Move your starter \$1,000 buffer. (30 min)

Day 4 — Accounts. Check your CRA My Account for TFSA/RRSP room. Open the accounts you're missing (FHSA/TFSA/RRSP) at a low-cost brokerage. (45 min)

Day 5 — The transfer. Set up the automatic payday transfer. Start with what you can — even \$200. You can raise it later; you can't retroactively automate. (20 min)

Day 6 — Invest simply. Make your first purchase: one low-cost diversified ETF matching your risk tolerance. Write your one-paragraph Investment Policy Statement. (30 min)

Day 7 — Lock it in. Write down what your \$100K is for. Tell one person your plan. Schedule your monthly 5-minute snapshot for the 1st of each month. (15 min)

The 90-day roadmap

- **Days 1-30:** system live — transfers firing, buffer building, snapshot habit formed
- **Days 31-60:** first quarterly review — is the transfer amount right? Any leaks?
- **Days 61-90:** attack one big-three expense or one income lever; raise the transfer

Year 1 and beyond

Increase the transfer with every raise (bank half). Rebalance annually. Otherwise, leave it alone — boredom is the strategy working.

NEXT STEPS & RELATED RESOURCES

You're not done after \$100K — you're just getting started. Continue with:

- **The Ultimate Canadian Investing Starter Kit** — go deeper on accounts, ETFs, and asset allocation
- **The Step-by-Step Money System Implementation Guide** — the full automation architecture
- **The Common Money Mistakes & How to Avoid Them Guide** — the expanded mistake-proofing manual
- **The 90-Day Money Transformation Roadmap** — your first 90 days, week by week

Existing guides in this workspace worth reading now: Navigating the Canadian Real Estate Market: 5 Crucial Mistakes to Avoid, Mastering Canadian Winters: A Budget-Friendly Guide to Heating and Insulation, 20 Books That Helped Me Grow Exponentially.

LIMITATIONS, RISKS & ASSUMPTIONS

- **Returns are illustrative, not promised.** Markets don't deliver smooth 7% years — they deliver chaos that averages out over long periods. Your actual timeline will differ.
- **This is education, not financial advice.** I'm not your advisor. Tax rules, contribution limits, and account rules change — verify with CRA and consider professional advice for your situation.
- **Assumes relatively stable income.** Irregular income needs adaptations (percentage-based transfers).
- **Ignores inflation in the headline number.** \$100K in 5 years buys slightly less than \$100K today. The habit matters more than the round number.

- **No leverage, no options, no speculation in this plan.** That's deliberate — the first \$100K is about building the machine, not betting it.
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