

Greater Divorce Resolutions

Jack Roberts

Lifestyle Analysis

11/5/2018

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November 5, 2018

David A. Smith, Attorney at Law
Law Office of David Smith P.C.
54 West 7th Avenue, #250
Portland, OR 55666

Re: Sarah Jones v. Jack Roberts

Dear Mr. Smith,

Greater Divorce Resolutions (GDR) was engaged on September 10, 2018 to perform a Lifestyle Analysis - Expense/Budget Report (Report) for Mr. Jack Roberts from January 1, 2016 through August 31, 2018 in order to determine Mr. Roberts's budgetary needs post-divorce.

Background

Mr. Jack Roberts (Husband) and Ms. Sarah Jones (Wife) were married on October 31, 2002. In July 2010 the parties relocated from Missouri and purchased a home in Portland, Oregon, as Wife had taken a position there. In June 2011 Husband (on sabbatical) resigned from Missouri State University and took a job at the University of Oregon at Portland (POR).

In October 2015, Husband tendered letter of resignation from POR (he subsequently left the position on April 17, 2016). Wife had begun working in a month on, month off position in Portland, Oregon in August 2015. In January 2016, the parties rented a home in Montana with the intention of relocating to Montana with Wife intending to fly back to Oregon every second month. In April 2016, the parties bought a home in Butte, Montana.

In February 2018 the parties separated. Wife no longer commutes to the Montana residence and continues working month on, month off in Portland, Oregon. Husband remains living in Butte, Montana home.

Methodology

- First, Mr. Smith communicated with me via telephone on July 11th asking if I would be willing to do a Lifestyle Analysis in the divorce of Mr. Roberts and Ms. Jones. Mr. Smith communicated via email the basic facts of the case and a summary of the services requested of me.
- Second, Mr. Roberts signed the GDR engagement documents on September 4. We

subsequently met in person in my office on September 17 to discuss the case, Mr. Roberts's current life and future plans. Attorney David Smith joined the meeting remotely via telephone.

- Third, I was provided with account statements and corresponding documents for the spending detailed in this report for the time period January 1, 2016 through August 31, 2018.¹
 - Credit Cards
 - Citi Advantage Platinum *****(Husband)
 - Citi Advantage Platinum ** (Husband)
 - Citi Executive World ** (Husband)
 - American Express ** (Husband)
 - American Express ** (Wife)
 - American Express ** (Husband – authorized user)
 - Bank of America ** (Husband)
 - Bank of America ** (Wife)
 - Bank of America ** (Wife)
 - Bank of America ** (Wife)
 - Bank Accounts
 - Wells Fargo Checking ** (Joint)
 - Wells Fargo Checking ** (Wife)
 - Wells Fargo MM Savings ** (Joint)
- Fourth, I entered every transaction from the above-listed sources of spending during the relevant time period to create a detailed schedule of charges.²
- Fifth, I reviewed the detailed schedule with Mr. Roberts and categorized each charge. I also requested additional information³ to assist in categorization.
- Sixth, I normalized the data and put this report together.

Summary of Findings⁴

- Average Monthly Marital Spending from Jan. 1, 2016 through Aug. 31, 2018: \$33,095.58
- Husband's projected adjusted monthly spending:⁵ \$11,255.93

¹ For a detailed document inventory, please see page Exhibit 2 of this report.

² Inter-account transfers and credit card payments were removed from our detailed schedule in order to avoid double counting.

³ This included a detailed breakdown of Wells Fargo check payees, Amazon purchases, PayPal purchases and Macy's purchases. Separate attachments available on request.

⁴ Total does not include \$168,259.06 down payment on Montana home (632 Collan Drive, Butte) or divorce related expenses. Due to information that was either not provided by Wife or unavailable at the time of this report's production, the total does not include Wife's current housing costs or possible relevant expenses which might be found on Wife's AMEX 1004 (missing months 1/1/2016-7/31/2016 and Wells Fargo Checking ** (missing months March 2018 – present).

⁵ Wife is currently paying Husband's monthly expenses for Mortgage on the Montana residence, Life, Auto and

Analysis of Findings and Adjustments

The time period of January 1, 2016 through August 31, 2018 was chosen as a basis for our lifestyle analysis. By analyzing this time period, we were able to get a picture of the parties' marital lifestyle from January 1, 2016 – February 2018 while cohabitating,⁶ while also getting a good picture of Husband's current fixed expenses and projected future budget while living alone since the parties' separation in February of this year.

Husband has reviewed past and current marital spending by category with me and has provided future spending estimates. His estimates on future spending illustrate a simpler lifestyle than that enjoyed during the period analyzed. This can be seen in a side by side comparison of marital spending v. Husband's budgeted future spending in Exhibit #1.

Expenses:

1. Home:
 - a. Principal, Interest, Property Taxes and Insurance: \$4,026.90⁷
 - b. HOA fees: \$41.66 per month based on semi-annual payments of \$250.00.

2. Utilities
 - a. Electric: \$165.00 per month based on an average of last 12 months payments.
 - b. Water: \$40.00 per month based on an average of last 12 months payments.
 - c. Garbage/Sewer: \$48.69 per month based on current fixed bill.
 - d. Gas: \$58.10 based on average of last 8 available receipts.

3. Maintenance and Other Home Related
 - a. Pest control: \$35.00 per month.⁸
 - b. Landscaping/Yard Work: \$200 month.⁹
 - c. Furniture and Art: \$0.00 per month.¹⁰
 - d. Housewares: \$25.00 per month based on Husband's estimate.
 - e. Home repairs and upkeep: \$100 per month based on Husband's estimate.

Property Insurance, Direct TV and Cell phone, Gas Utility and Landscaping totaling approximately \$4,735/month (this excludes Wife's portion of these charges). Wife also provides an additional \$875 every two weeks in cash support for expenses.

⁶ Bearing in mind Wife lived in Portland, Oregon every other month.

⁷ This section assumes that Husband will be awarded the marital residence at 632 Collan Drive, Butte, Montana. Husband has indicated that his preference would be to sell the Butte, Montana property soon. Such a move would almost certainly be a downsizing and represent a lower monthly payment for housing. We have not provided a hypothetical monthly payment due to uncertainties regarding funding and/or financing of any future property nor have we included any projected relocation expenses.

⁸ Peter's Pest Control.

⁹ W1 Landscaping.

¹⁰ Husband acknowledges significant furniture purchases were made on moving into the home in Butte, Montana and that furniture purchases in the near term would be unlikely.

- f. Security, Alarm: \$83.60 per month based on current payments.¹¹
4. Automotive
 - a. Camper Payments: \$193.60 per month.¹²
 - b. Camper Storage: \$198.00 per month.
 - c. Repairs/Maintenance: \$100.00 per month based on Husband's estimate.
 - d. Gas: \$100.00 per month based on Husband's estimate.
 - e. Parking: \$10.00 per month.
 - f. Vehicle Registration: \$29.17 per month.
 - g. Taxis/Uber/Tolls: \$8.33 per month.
 - h. Car Wash: \$5.00 per month.
 5. Medical
 - a. Unreimbursed Medical: \$100.00 per month¹³
 - b. Health Insurance: \$1513.50 per month.¹⁴
 6. Insurance
 - a. State Farm Insurance (Car, Life, Property-Cameras): \$200.00 per month.¹⁵
 7. Personal
 - a. Restaurants: \$200.00 per month based on Husband's estimates.
 - b. Groceries: \$400.00 per month based on Husband's estimates.
 - c. Wine and Liquor: \$100.00 per month based on Husband's estimates.
 - d. Direct TV and Cell Phone: \$250.00 per month based on Husband's estimate of his portion of monthly bill.¹⁶
 - e. Coffee Shops: \$40.00 per month based on Husband's estimate.
 - f. Netflix: \$18.98 per month based on bank statements.
 - g. Internet: \$70.00 per month based on bank statements.
 - h. Clothing: \$89.00 per month based on National Standards for individual.¹⁷
 - i. Computer: \$75.00 per month based on Husband's estimate.
 - j. Memberships: \$34.08 per month based on statements¹⁸
 - k. Books, Magazines, Newspapers: \$82.21 per month.¹⁹
 - l. Charitable Contributions: \$200.00 per month based on Husband's

¹¹ Lifelock, Home Lab and Alarm Billing.

¹² Per husband, payments end in ten years.

¹³ Based on \$50 in co-pays for therapist consults and Husband's estimates.

¹⁴ Average of two quotes received by Husband for two low-deductible policies: Health Med Silver 1500 & University of Montana: Healthy Premier Gold Copay.

¹⁵ Wife currently pays this expense for both parties. Husband estimates his insurance expenses stripped out would be slightly less than half the current payment of \$451.63 monthly.

¹⁶ Jan/2017 – March/2018: Average bill for Direct TV and Cell Phone for both parties combined was \$572.06

¹⁷ Bureau of Labor Statistics.

¹⁸ AARP, Ancestry.com, AAA, Amazon Prime.

¹⁹ Wall St. Journal, Audible, Kindle, Photography Mags.

estimates.

- m. Gifts: \$150.00 per month based on Husband's estimates.
- n. Dry Cleaning: \$0.00²⁰
- o. Education: \$40.00 based on Husband's estimates.²¹
- p. Personal Care (toiletries): \$10.00 per month based on Husband's estimate.
- q. Eye Care/Eyewear: \$10.00 per month.
- r. Barber: \$40.00 per month based on Husband's estimate.
- s. Luxury Goods/Jewelry: \$0.00²²
- t. Office Supplies: \$25.00 per month based on Husband's estimate.

8. Recreational

- a. Photography: \$600.00 per month based on analysis of marital spending.²³
- b. Gym: \$23.46 per month.²⁴
- c. Fitness/Sporting goods: \$10.00 per month
- d. Camping/Outdoor stores: 20.00 per month
- e. Electronics: \$100.00 per month
- f. Golf: \$18.33 per month.
- g. I-tunes/Satellite radio: \$10.00 per month
- h. Theatre, Concerts, Movies: \$30.00 per month

9. Miscellaneous

- a. Brokerage Account fees: \$12.00
- b. Periodic Investment Program: \$0.00²⁵
- c. Pets: \$147.00 per month.²⁶
- d. Superstores/Dept. Stores (unallocated): \$50.00²⁷
- e. Postal/Courier: \$5:00 per month.
- f. Professional Services: \$40.00 per month.²⁸

10. Travel²⁹

²⁰ Husband does not use dry cleaning services.

²¹ Husband estimates that his work for the animal welfare charity may require some educational certifications in the future.

²² Husband does not budget for this discretionary category.

²³ Photography is Husband's principal "Discretionary" expenditure.

²⁴ Gym fee.

²⁵ Client has not budgeted for this expense category.

²⁶ Based on recent average expenses for food, grooming, day care and vet bills.

²⁷ Credit card statements show payments to superstores such as Amazon, Target, Costco, Bed Bath and Beyond, Macys, etc. Client provided online receipts for Amazon and Macys. Other categorizations were deduced, ie. BBB-Housewares, Costco-Groceries, etc.

²⁸ Estimated tax services.

²⁹ Travel represents the single largest discretionary marital expenditure, totaling 42.4% of non-groceries, shelter, automotive expenses. While a portion of travel expenses relate to Wife's long-distance commute from Oregon (until February 2018) a significant amount also relates to vacation travel. The amount and consistency of discretionary

- a. Air Fare: \$125.00 per month based on Husband's estimate.³⁰
- b. Hotels/Accommodation: \$250.00 per month based on Husband's estimate.
- c. Auto rental: \$41.66 per month.
- d. Travel – Package Tours, Safaris, All-inclusive travel: \$0.00
- e. Travel – Camping: \$329.00 per month.³¹
- f. Travel Insurance: \$8.50 per month.³²

11. Other³³

- a. Miscellaneous Unallocated Items: \$0.00
- b. Cash Withdrawals: \$300.00 per month based on recent withdrawal history.

vacation travel suggest that it is a core element of the marital lifestyle, understandable in the context of the earning capacity of Wife, as reported on the parties' tax returns for 2016 and 2017.

³⁰ Husband does not seek nor intend to continue the vacation travel lifestyle of the marriage. Husband intends to use the camper purchased during the marriage and engage in more economical camping vacations.

³¹ Assumes \$3,950 annual expenses: \$500 gas \$1,200 parks/attractions, \$2,250 campsites.

³² Accident Guard payments.

³³ The statements for four credit cards (three for Wife - Amex and two Bank of America cards) and one for husband (as authorized user on Wife's Amex account) were received close to the deadline for the preparation of this report. As a result, only the most significant marital expenditures were categorized. These expenses fell into six principal categories: Airfare, Hotels, Travel Packages, Clothing, Concerts, Beauty Supplies (see Exhibit 1). A review of the statements show that the remaining expenses would be allocated among core items such as Groceries, Restaurants, Superstores, etc.

Exhibit One - Average Monthly Marital Expenses, Husband's Projected Expenses

Expenses	Average Marital Monthly Expense 1/1/16 - 8/1/18	Husband's Projected Monthly Expense
Home		
Mortgage	4026.90	4026.90
HOA Fees	41.66	41.66
<u>Utilities</u>		
Electric Power	223.00	165.00
Water	56.39	40.00
Garbage/Sewer	48.52	48.69
Gas	56.92	58.10
Pest Control	26.25	35.00
Landscaping	184.05	200.00
Furniture	1161.19	0.00
Housewares	171.15	25.00
Art	486.91	0.00
Home repairs, Home Depot, Appliances	275.31	100.00
Security, Alarm	83.60	83.60
Auto		
Camper Payments	193.60	193.60
Camper Storage	198.00	198.00
Gas	203.12	100.00
Repairs/Maintenance	184.16	100.00
Parking	36.32	10.00
Vehicle Registration	57.09	29.17
Taxis, Tolls, Asst Transportation, Uber	18.46	8.33
Car Wash	5.94	5.00
Wife's BMW lease (Down Pmt. + mthly)	1,415.03	0.00
Medical		
Unreimbursed Medical	62.69	100.00
Medical Insurance	-	1513.50

Insurance		
Wife's Disability Insurance	248.41	0.00
Insurance (Car, Life, Cameras)	451.63	200.00
Personal		
Dining Out/Restaurants	685.59	200.00
Groceries	1,093.83	400.00
Wine and Liquor	239.82	100.00
Direct TV/Phone – both on ATT account	454.67	250.00
Coffee Shops	49.75	40.00
Netflix	17.20	18.98
Internet	179.13	70.00
Clothing	331.26	89.00
Computer	91.60	75.00
Memberships	63.16	34.08
Books, magazines, newspapers	127.99	82.21
Charitable contributions	554.06	200.00
Gifts	27.13	150.00
Dry Cleaning	8.70	0.00
Educational	-	40.00
Eye Care/Eye Wear	83.67	10.00
Personal Care items	64.84	30.00
Barber/Salon	181.83	40.00
Luxury Goods, Jewelry	112.45	0.00
Office supplies	50.15	25.00
Recreational		
Photography	623.54	600.00
Gym	11.19	23.46
Fitness/Sporting goods	42.79	10.00
Camping/Outdoors Stores	83.55	20.00
Electronics	193.82	100.00
Golf	28.63	18.33
Itunes, Sat. Radio, etc.	88.18	10.00
Theater, ballet, concerts, etc.	221.70	30.00

Miscellaneous		
Brokerage Account Fees	12.00	12.00
Periodic Investment Program	578.13	0.00
Pet Expenses	141.40	147.00
Superstores (unallocated)	121.5	50.00
Shipping, postage, copies, fax	32.87	5.00
Professional Services	74.12	40.00
Wife's Student Loan	1,880.12	0.00
Travel		
Air Fare	3,659.27	125.00
Hotels/Accommodation	1,585.77	250.00
Auto Rental	164.63	41.66
Travel - Package tours, Safaris	4,060.53	0.00
Travel - Camping (Park Fees)	70.68	329.16
Travel Insurance	150.41	8.50
Other		
Misc. items (unable to categorize)	270.66	0.00
Wife's Nordstrom (clothing, gifts?)	349.31	0.00
Wife's Amex **** (unallocated)	2457.33	0.00
Husband's Amex **** (unallocated)	323.33	0.00
Wife's BofA **** (unallocated)	3.12	0.00
Wife's BofA **** (unallocated)	332.31	0.00
Cash Withdrawals (unallocated)	1201.56	300.00
Total	\$33,095.58	\$11,255.93

Exhibit 2- Document Inventory

Credit Cards		
Institution/Type	Acct number/Cardholder	Statements Provided
Citi Advantage Platinum	** , Husband	01/2016-02/2018
Citi Advantage Platinum	** , Husband	03/2016-08/2018
Citi Executive World Mastercard	** , Husband	01/2016-08/2018
American Express	** , Husband	01/2016-08/2018
American Express	** , Wife	08/2016-08/2018
American Express	** , Husband	08/2016-08/2018
Bank of America	** , Husband	01/2016-08/2018
Bank of America	** , Wife	01/2016-08/2018
Bank of America	** , Wife	01/2016-04/2016
Bank of America	** , Wife	05/2016-08/2018
Bank Statements		
Wells Fargo Checking	** , Joint	01/2016-08/2018
Wells Fargo Money Market	** , Joint	01/2016-08/2018
Wells Fargo Checking	** , Wife	3/1/2018 only
Other		
Breakdown of Wells Fargo Check Payees	Provided by Husband	02/2016-07/2018
Breakdown of Amazon Purchases	Provided by Husband	01/2016-08/2018
Breakdown of Paypal Purchases	Provided by Husband	09/2016-10/2018
Breakdown of Macy's payments	Provided by Husband	01/2016-12/2017

Conditions and Lifestyle Analysis Representation/Certification

The primary assumptions and limiting conditions pertaining to the lifestyle conclusion stated in this lifestyle report (“report”) are summarized below. Other assumptions are cited elsewhere in this report.

1. The lifestyle conclusions arrived at herein are valid only for the stated purpose as of the dates indicated.
2. Financial statements and other related information provided by Husband and his representatives, in the course of this engagement, have been accepted without any verification. Greater Divorce Resolutions has not audited, reviewed or compiled the financial information provided to us and, accordingly, we express no audit opinion or any other form of assurance on this information.
3. This report and the conclusion of lifestyle arrived at herein are for the exclusive use of the Court, the parties, and parties’ attorneys for the sole and specific purposes as noted herein. They may not be used for any other purpose or by any other party for any purpose. Furthermore, the report and conclusion of lifestyle are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever.
4. Neither all nor any part of the contents of this report should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication.
5. No change of any item in this appraisal report shall be made by anyone other than Greater Divorce Resolutions and we shall have no responsibility for any such unauthorized change.
6. We express no opinion and accept no responsibility for the accuracy and completeness of the financial information or other data provided to us by others. We assume the financial and other information provided to us is accurate and complete, and we have relied upon this information in performing our valuation.

The lifestyle analysis may not be used in conjunction with any other appraisal or study. The analysis was prepared solely for the purpose, function and party so identified in the report. The report may not be reproduced, in whole or in part, and the findings of the report may not be utilized by a third party for any purpose, without the express written consent of Greater Divorce Resolutions.

7. All facts and data set forth in our report are true and accurate to the best of our knowledge and belief.

8. During the course of this analysis, we have considered information provided by Husband and other third parties. We believe these sources to be reliable, but no further responsibility is assumed for their accuracy.
9. This lifestyle analysis and report, which are to be distributed only in their entirety, are intended solely for use by the Court, and accountants and attorneys, solely to assist you and your client in the determination of the lifestyle of the parties for purposes of matrimonial dissolution proceedings. It should not be used for any other purpose or distributed to third parties for any purpose, in whole or in part, without the express written consent of Greater Divorce Resolutions.
10. We have no responsibility or obligation to update this report for events or circumstances occurring subsequent to the date of this report.