

# Managing \$50,000 to \$100,000 Net Worth Buckets

It wasn't too long ago that I thought in terms of \$1,000 to \$10,000 buckets. As our income and net worth have grown, so too has my approach to thinking in terms of absolute dollar buckets. As we work our way towards a seven-figure net worth, I can't help myself but think in terms of \$50,000 to \$100,000 buckets now.

[I recently reported our net worth at \\$664,391](#), which is broken down into the following buckets (slightly different composition than my December financial report indicates since I have deployed some cash since then):

- (1) Equity in our home at \$180,409 (\$450,000 Market Value - \$269,591 Loan Outstanding)
- (2) [Company Stock](#) \$105,045 (\$317,045 market value less zero-interest loan of \$212,000)
- (3) Cash at \$103,081 (Cash minus outstanding credit card balance)
- (4) Mr. GYFG 401K \$82,762 (99% of this is sitting in money market)
- (5) [PeerStreet](#) \$82,539 (\$72,539 in self-direct IRA and \$10,000 in after-tax account)
- (6) [Life Settlements](#) \$30,000
- (7) Mrs. GYFG IRA \$22,687 (AT&T, SQ, and about \$1,800 cash)
- (8) [Rich Uncles](#) \$25,000
- (9) Health Savings Account \$12,719 (All Cash)
- (10) Other \$20,149 (Cars \$10,000, Gold \$6,526, P2P \$2,900, Money Owed to Me \$723)

Given this net worth composition to start 2018, there are a few areas that I would

like to focus on increasing to either \$50,000 or \$100,000. Based on [my 2018 goals](#) that I shared a few weeks back, I have to invest/save a minimum of \$170,000 to meet my net worth goal of \$825,000. Take note that I always set net worth goals that exclude any assumptions for market gains or declines and instead only count the contributions I will make from income earned in the GYFG household.

There are four buckets that I plan to focus on during the first half of the year:

**Mr. GYFG 401K** - The current balance of this is \$82,762 and I would like to front-load this in Q1 to get it to \$100K. I have changed my contribution percentage to ensure that this will happen in Q1. Most of this will be funded through my bonus that is paid in February.

**PeerStreet** - I have become very fond of the hard money lending space. The plan is to contribute about \$17,500 in Q1 to bring the total invested through the PeerStreet platform to \$100K.

**Life Settlements** - This is another new alternative asset class that has really intrigued me. I love the fact that this asset class has zero correlation to the financial markets. The plan is to contribute \$20,000 to bring the total invested to \$50,000 by the end of Q2.

**Rich Uncles** - This REIT pays a 7% monthly dividend and invests solely in commercial property. The leases are triple net (meaning the tenant pays for everything) and long-term (5-10 year lease terms) with Fortune 500 companies. All properties are purchased with at least 50% cash, which is a risk mitigant that I like very much. The plan is to invest an additional \$25,000 in Q1 to bring the total to \$50,000 by the end of Q2.

This equates to investing a total \$91,000 by June of 2018 (\$15,167/month on average).

The other variable that I try to manage is our home's equity as a percentage of our total net worth. It currently clocks in at about 27.1% of our net worth and I would like to see this under 25% before the end of the year and our next lump sum payment, [which is a part of our seven-year goal of paying off the mortgage early](#).

*How do you manage your net worth buckets? What goals do you have for the first half of 2018? What are you most bullish about in 2018? What are you most bearish*

*about in 2018? Any new alternative asset classes that have your attention?*

- Gen Y Finance Guy

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## **Gen Y Finance Guy**

**Hey, I'm Dom** - the man behind the cartoon. You'll notice that I sign off as "Gen Y Finance Guy" on all my posts, due to the fact that I write this blog anonymously (at least for now). I like to think of myself as the *Chief Freedom Officer* here of my little corner of the internet. In the real world, I'm a 30-something former C-Suite executive turned entrepreneur turned capital allocator. I am trying to humanize finance by sharing my own journey to Financial Freedom. I believe in total *honesty* and *transparency*. That is why before I ever started blogging, I decided that I would share all of my own [financial stats](#). I do this not to brag, but instead to inspire motivate, and also to hold myself accountable. My goal is to be a beacon of hope, motivation, and inspiration for *you*, the reader, by living life by example and sharing it **all** here on the blog. My sincere hope is that you will be able to learn from me - both from my successes and my failures! [Read More](#)