

June 2019 - Detailed Financial Report #54 - Net Worth \$1,220,368 | Income \$50,885

Time continues to race by at Mach speed. Because time is racing by so fast, I'm writing this two days before the end of the month because I don't know when I will have the next opportunity to carve out the time to get this out on a timely basis. Sometimes you just have to seize the moment of opportunity. As I type, Mrs. GYFG is at her hot yoga class, my dogs are laying at my feet, and my son is taking his morning nap. I woke up at 3:30 am and couldn't sleep, so I got up to work on my new business until around 7:00 am when my wife and son woke up. After my wife left for her yoga class, I buckled my son into his stroller and we took the dogs for an hour long walk. Now I'm writing this post (right before I start cooking breakfast to enjoy when Mrs. GYFG is back from yoga).

The business is taking off like a rocket and it has renewed me with new energy. I also find myself filled with more energy since I began treatment to remove the H. pylori bacteria that I recently found out was the reason for my chronic stomach pain over the last 18 months.

By now you have probably noticed that I spend much more time talking about the things that are going well than what might not be going as well. I do expect life to have its challenges and obstacles - I'm a true believer that you can't have the sweet without the bitter. But the goal is to learn how to extend the sweetness and quickly get past the bitterness. I've previously recommended spending 99% on the good and 1% on the bad.

With that, let's dive into the nuts and bolts.

If you're a regular reader and only want to read the new content, feel free to just skip the intro below, and head to **Net Worth**. If you are new or haven't read many of these reports, I encourage you to take two minutes to read the intro below, which does change periodically.

Why I Share These Monthly Reports

Mission Statement: To Humanize Finance, Build Wealth, and Reach Financial Freedom.

For those of you new around this corner of the internet, these monthly reports are about *full transparency*. And, they are just as much for me as they are for you. It was a hard decision to make all of my financial details public, but it has proved to be a very motivating one. The process I go through every month to produce these reports has been enlightening and life-changing. I published [my first “income and net worth report” for January of 2015](#) when our net worth was only \$195,141, and our gross income was on pace to hit \$178,000 that year.

A little over four years later, our net worth currently clocks in at \$1,220,368 with a gross income over the trailing twelve months of \$514,321 (new all-time-high).

- That’s a **6.3X increase in net worth** due to a **compound annual growth rate of roughly 50%** for the past four years.
- At the same time, income has increased **2.6X**, which translates to a **compound annual growth rate of roughly 24%**.

Honestly, I don’t think the GYFG household would have experienced these kinds of results without the existence of this blog and the accountability it brings. Knowing that I will share our results with you readers every month keeps me very focused and intentional with all things related to our financial well being. For that, I **THANK YOU** for taking the time to read and interact with me on this blog.

Above and beyond this benefit to my own household, my sincere hope is that my policy of full transparency will inspire you to take the helm of your own financial ship and be intentional with its direction. I truly believe that anyone can reach financial freedom if he or she is willing to do things differently than the pack. If you’re after average results, then you’ve landed on the wrong site. There’s nothing wrong with average, but the kind of results I preach are **EXTRAORDINARY**. Sure, the “get rich slow” method is proven, but there is an alternative, which is to “*get rich fast*.” Look, I have no interest in living like a starving college student until I am old and brittle to only then have the means to check off bucket-list items when my body might no longer be physically capable of doing them. And I don’t want that for

you either!

Here at GYFG, we approach the pursuit of **FINANCIAL FREEDOM** with an abundance mindset, so you won't hear me telling you to cut out those \$5 lattes. Choose to spend on what is meaningful to you. [I spend a lot, but I also strategically earn a lot, save a lot and invest a lot.](#)

I hope these reports inspire and move you to action. Don't take a passive role in your finances and hope for the best. Keep this famous Jim Rohn quote in mind:

“If you don't plan your future, somebody else will. And you know what they have planned for you? NOT MUCH!”

You must be intentional with your finances if you ever want a fighting chance to make it to financial freedom. But it does not have to take 40-50 years of slaving away for “The Man” before you have the option to retire. [I think 10-20 years is all you need](#), with the most aggressive folks probably able to reach financial freedom in 10 years or less. A high income paired with a high savings rate are two of the vital components of a good recipe for the 10-year track.

I know I don't have to publish my juicy details every month, but it's important to me that you know that I put my money where my mouth is (not so many people giving financial advice actually do this). I publish all of my financial details not to brag, but instead to show you what is working as well as what's not working. Sometimes finance can get pretty dense, and I think real life examples and numbers can help slice through the complexities (and the BS). Personally, I have always enjoyed the financial reports put out by other bloggers around the blogosphere, so I always intended to share my own.

You can find all my previous reports on the [Financial Stats](#) page.

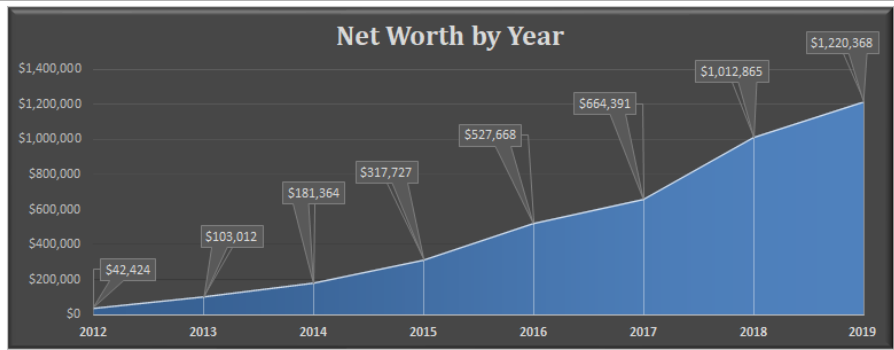
Financial Stats Dashboard

At the end of every month, I download a .csv file from my [Personal Capital](#) account and drop it into my custom built excel workbook in order to update the dashboard you see below. I'm blown away every month by the progress we have made in a

relatively short period of time. Now that the mortgage is paid off and that section is no longer included in these monthly updates, this will become a new monthly staple. The only number below that is not an actual number and instead is a forecast is the current year projected income of \$538,574 in the gross income chart below.

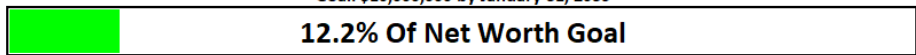
NET WORTH TRENDS

Year	Actual Net Worth	YoY % Change
2012	\$ 42,424	
2013	\$ 103,012	143%
2014	\$ 181,364	76%
2015	\$ 317,727	75%
2016	\$ 527,668	66%
2017	\$ 664,391	26%
2018	\$ 1,012,865	52%
2019	\$ 1,220,368	20%
2020		
2021		
2022		
2023		
2024		
2025		



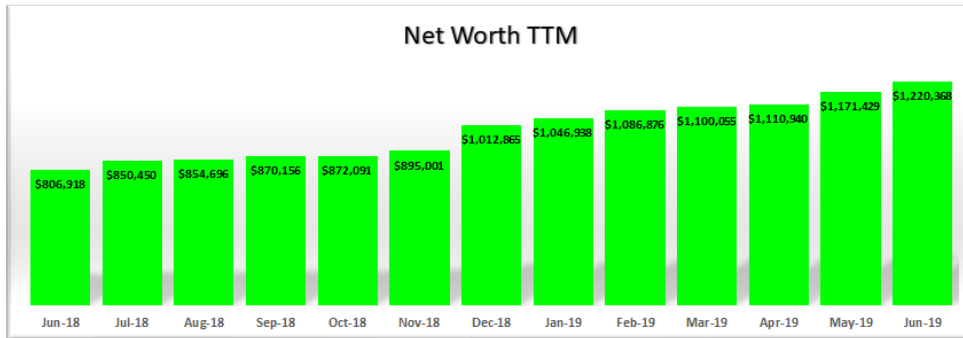
Goal: \$10,000,000 by January 31, 2035

TOTAL ASSETS	\$ 1,438,695
TOTAL LIABILITIES	\$ (218,327)
NET WORTH	\$ 1,220,368

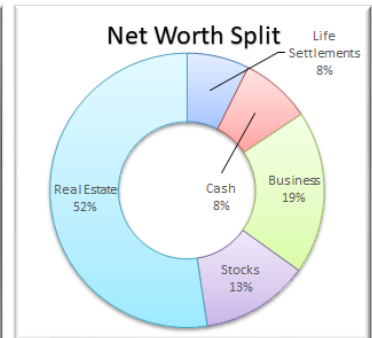


Everyone has a number and ours is \$10,000,000

Net Worth TTM

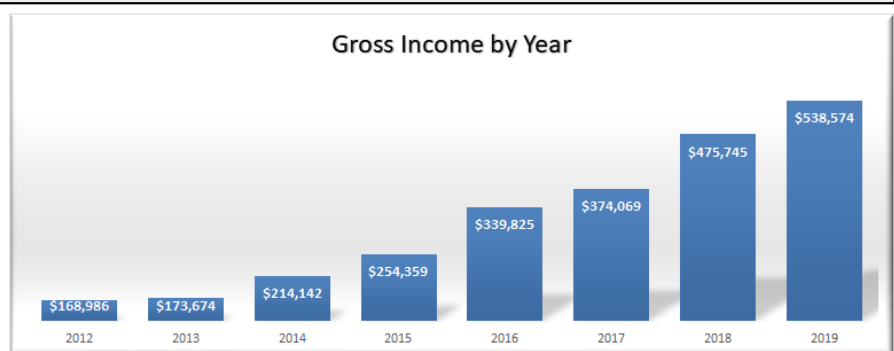


Net Worth Split



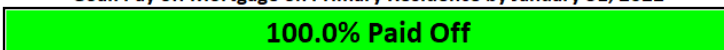
GROSS INCOME TRENDS

Year	Gross Income	YoY % Change
2012	\$ 168,986	
2013	\$ 173,674	3%
2014	\$ 214,142	23%
2015	\$ 254,359	19%
2016	\$ 339,825	34%
2017	\$ 374,069	10%
2018	\$ 475,745	27%
2019	\$ 538,574	13%
2020		
2021		
2022		
2023		
2024		
2025		



REAL ESTATE EQUITY AND MORTGAGE PAYOFF (PRIMARY RESIDENCE)

Goal: Pay off Mortgage on Primary Residence by January 31, 2022



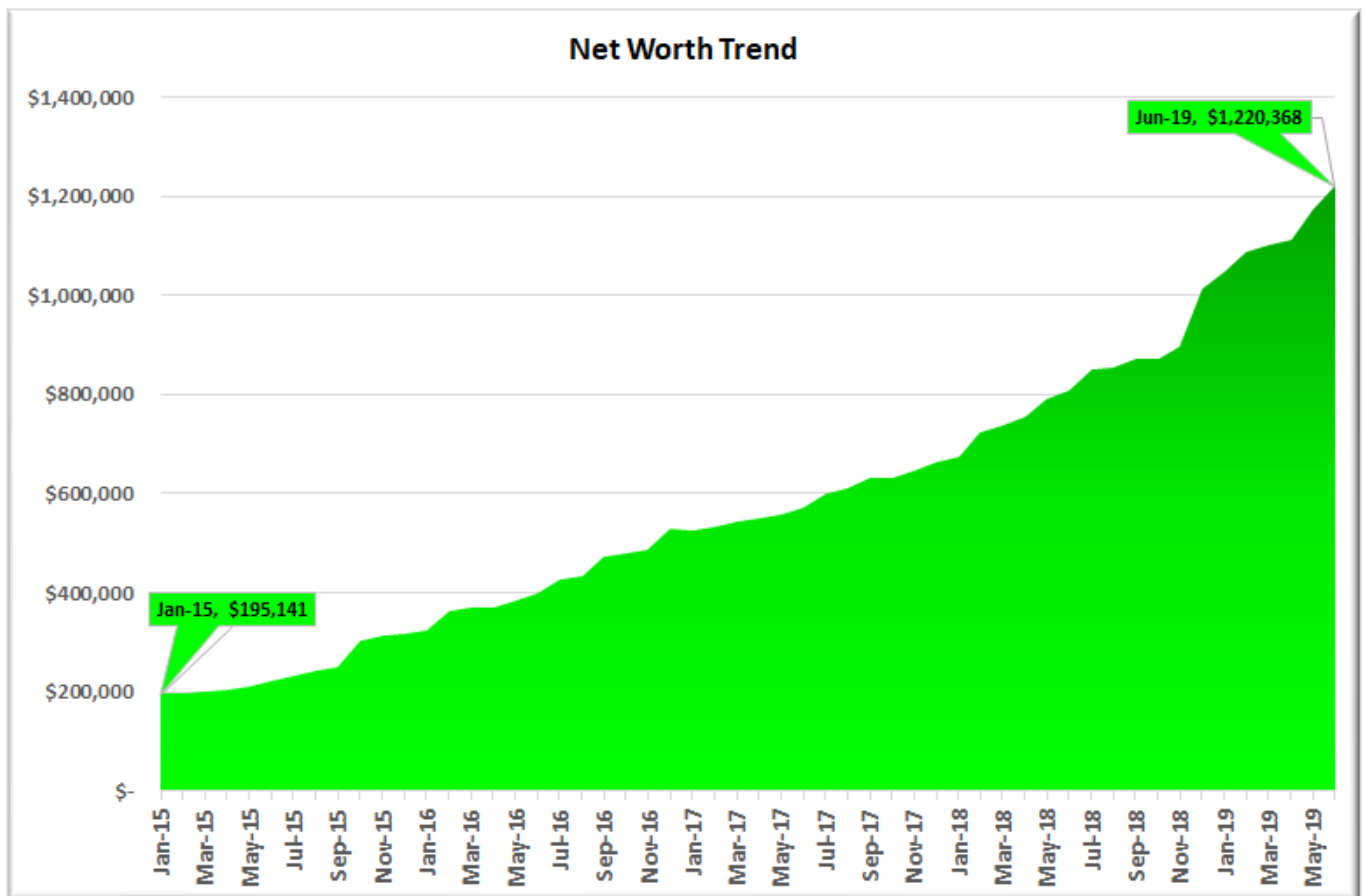
Home Equity	463,896
	100.0%

We set a goal to pay off the mortgage on our house before we were 35 years old. The original mortgage was for \$355,000 and we started the goal on January 1st, 2015.

Now that we have seen the overall, let's take a closer look at a few of the items below.

Net Worth

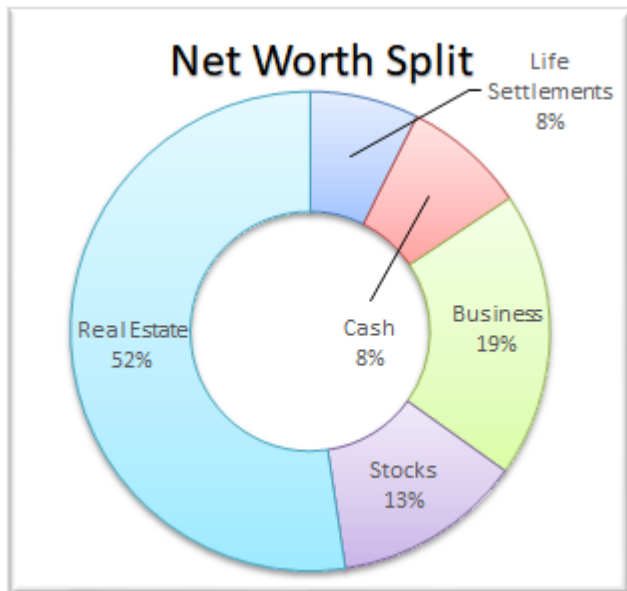
Our net worth was up \$48,939 in June vs. May. The increases came from regular monthly savings, a strong equities market, and income generated from the new business.



June Net Worth \$1,220,368 (up \$207,503 or +20.5% for 2019)

- Previous month: \$1,171,429
- Difference: +\$48,939

Net Worth Break Down (MoM):



The **Real Estate (\$638,817)** category decreased from 55% down to 52%. This category includes the equity in our primary residence (\$463,896), our investment in the [Rich Uncles commercial REIT \(\\$72,413\)](#), and our hard money loans through the [PeerStreet \(\\$102,508\)](#) platform. I have been taking capital as it's freed up from our after-tax PeerStreet account and using it to fund Rich Uncles as we work the RU account value up to \$100,000 (which is why the PeerStreet value hasn't been changing much MoM).

Net Cash (\$101,235) increased from 5% to 8%. We actually have \$107,562 in cash but net cash is only \$101,235 after you adjust for our current credit card balance of \$6,327, which we pay in full every month based on the statement due date. I started traveling again in January, so this will fluctuate a lot more going forward (and is compounded by new travel related to the consulting business I started back in March).

The **Business (\$234,962)** category decreased from 20% to 19%. This represents the [ownership I have in the private company that I work for](#). This is an illiquid investment that only gets an update to its value one time per year. I net the company stock asset value of \$446,962 against the company stock loan of -\$212,000 to arrive at the \$234,962.

Life Settlements (\$89,655) remained flat at 8%. We currently have investments in seven policies at \$10,000 each. They are accreting in value by about \$1,000 per month. For anyone familiar with options, I liken the fixed return of life settlements to the theta of a short option. In this case, the accreted value is like the theta decay

of an option you've sold. In more simple terms, with this fixed return you are amortizing (realizing) that value with the passing of time.

The **Stocks (\$155,699)** category increased from 12% to 13% and represents the cumulative value of our brokerage accounts (retirement accounts) that are invested in stocks. However, this is not all of our retirement money, as the majority of our [PeerStreet](#) investments are made through a self-directed IRA (worth about \$81,000 and counted in the Real Estate category of the pie chart).

Total Capital Deployed in 2019:

Investment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dividends / Interest	401K Matches	2019	% Split
Peer Street	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Rich Uncles	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000	5.2%
Mortgage	\$ 4,969	\$ 24,012	\$ 58,964	\$ 10,001	\$ 29,999	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,945	110.1%
Stocks (401K)	\$ 21,809	\$ 4,815	\$ (48,800)	\$ 1,200	\$ 1,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18,775)	-16.2%
Private Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Life Settlements	\$ -	\$ -	\$ -	\$ -	\$ 1,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,037	0.9%
Total	\$ 27,779	\$ 29,827	\$ 11,164	\$ 12,201	\$ 33,036	\$ 2,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,207	100.0%

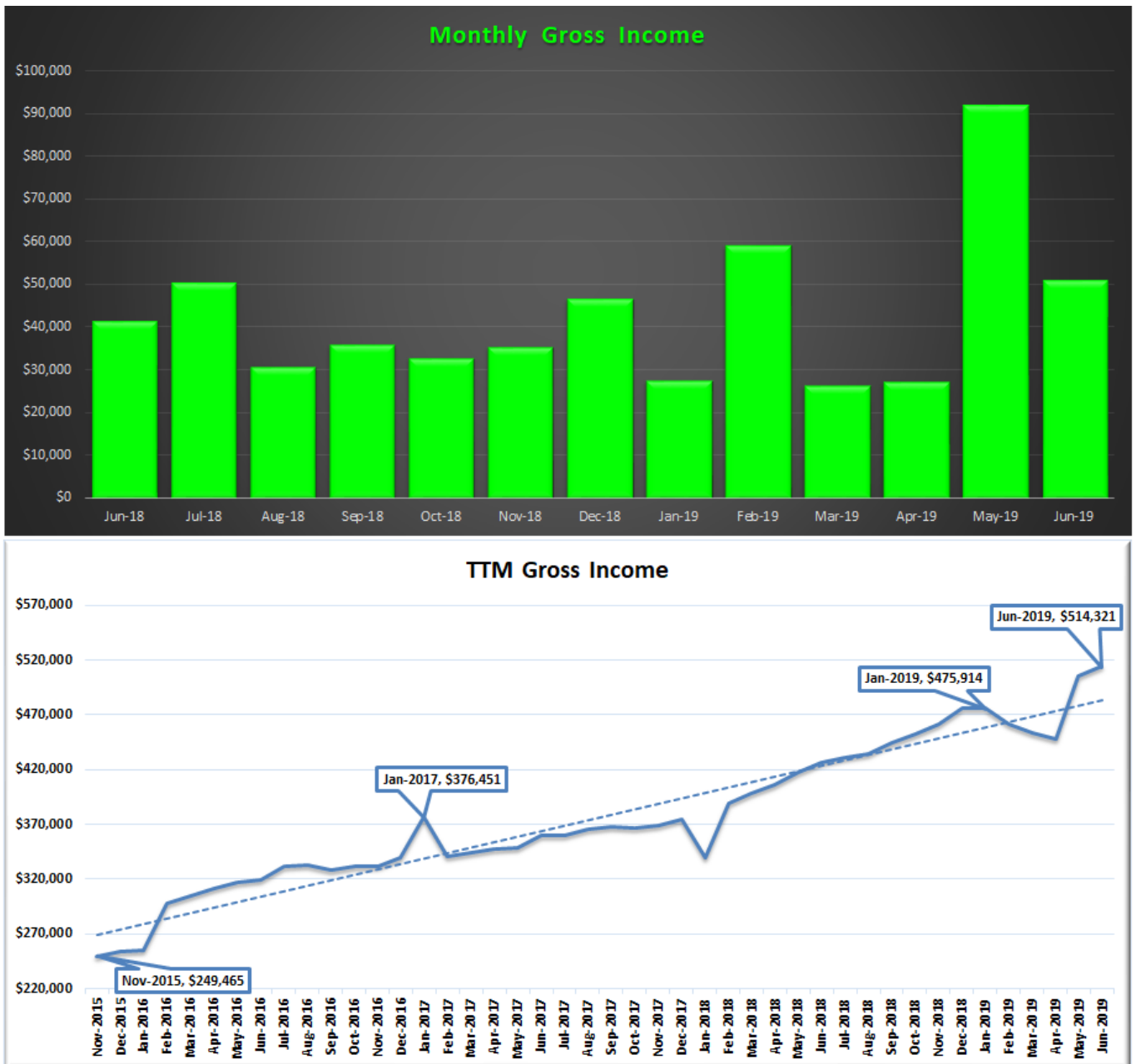
I anticipate deploying about \$182,000 in new capital this year (of which 63.9% has already been deployed). Although a healthy sum, [this is down significantly from the \\$414,692 that we were able to deploy in 2018](#). Going forward I expect there to be a lot more month-to-month variability in the capital deployed. About 65% of the 2019 total deployed will go towards [putting the mortgage to bed](#) (which officially happened this month).

We didn't deploy much capital in June beyond the automated investments into Rich Uncles and Mrs. GYFG's 401K (which I just increased from 20% contribution to 50% to max out by the end of Q3). We are currently just letting cash build up but I do plan to deploy an additional \$28,000 to Rich Uncles in order to get the account up to \$100K before the end of the year. That is all I currently have on my radar for future deployments. I am paying back the 401K loan at about \$450 per month but it's not reflected in the above table as I plan to just update it at the end of the year (I currently owe \$48,362 of the original \$50,000 loan). Our projected income for the second half of the year is \$256,000 and is more than enough to put the loan to bed at any time. The other item not captured in the table above is the \$30,000 that I sent to my high yield savings account at [CIT bank currently yielding 2.3%](#).

Gross Income

Income for the month of June was \$50,855 vs. \$91,688 in May. On a cumulative

basis, we have earned \$282,574 through June of 2019. Next month is when my mid-year bonus will get paid out and I'm expecting ~\$21,000 on top of my normal salary. I'm currently projecting income in July to be in the \$50,000 to \$60,000 range.

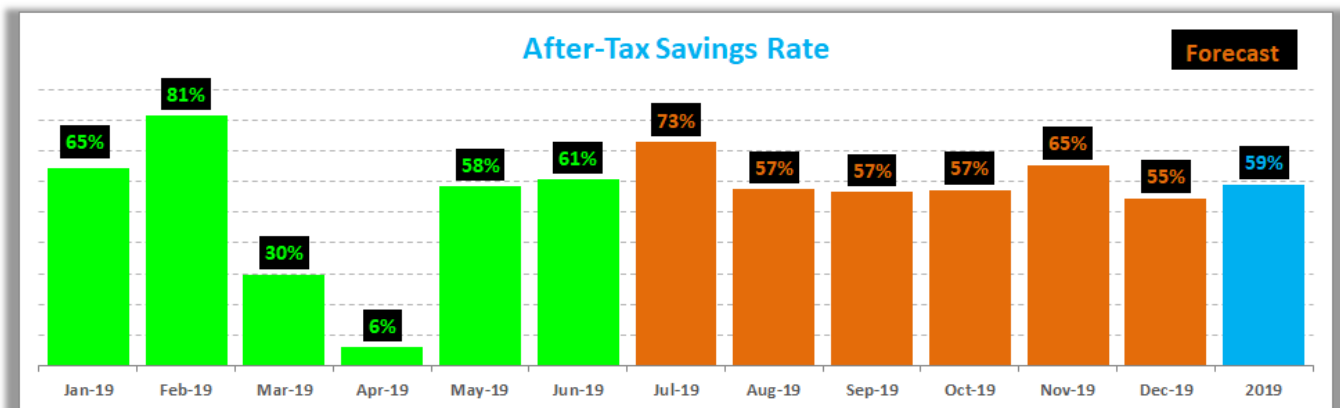


In the second chart above, I also track our income on a trailing twelve months, and as expected the TTM rose to a new all-time high to over \$514K.

Savings Rate

Below is how we actually did vs. our goal of [saving 50% of our after-tax income](#). In the chart below, the green bars represent our actual savings rate for the month, the orange bars are what we anticipate based on our 2019 budget, and the blue bar is the projected savings rate for all of 2019.

Our savings rate came in right at where it was forecasted [last month](#) at 61%. My personal expenses are currently comingled with my business expenses for the new business, which is distorting/diluting the savings rate these past few months. The reason is that I've been spending a lot more on business travel, which is completely reimbursed by the client, but on my personal P&L it shows up in the revenue line for the reimbursement and the expense line for the actual expenses (a 0% savings rate, bringing the actual number down). I should have a corporate credit card by August, if not sooner, that will get paid directly from my business account and will no longer roll into my personal P&L - only the business income will.

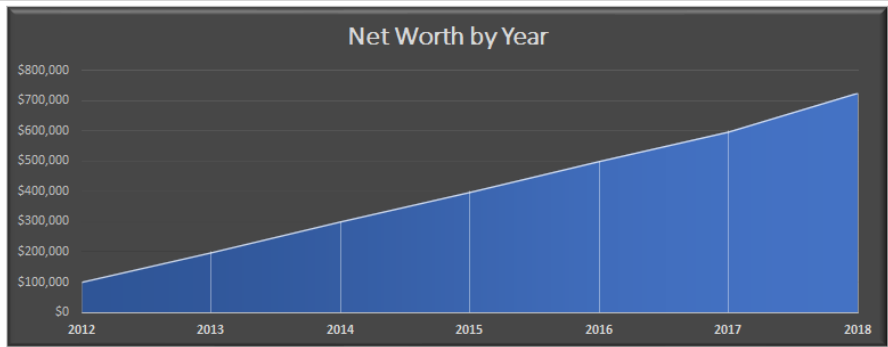


Do you want to calculate your own savings rate? I've made it super easy for you with the savings rate calculator included in the free GYFG FI Toolkit that you can download instantly by clicking the link below. Here's a peek below. Did I mention it's free? You have nothing to lose and everything to gain, Freedom Fighter!



NET WORTH TREND

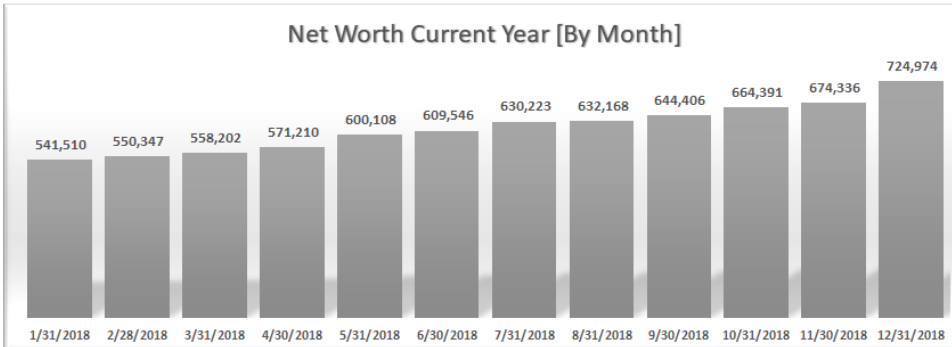
Year	Actual Net Worth	YoY % Change
2012	\$ 100,000	
2013	\$ 200,000	100%
2014	\$ 300,000	50%
2015	\$ 400,000	33%
2016	\$ 500,000	25%
2017	\$ 600,000	20%
2018	\$ 724,974	21%
2019		
2020		
2021		
2022		
2023		
2024		
2025		



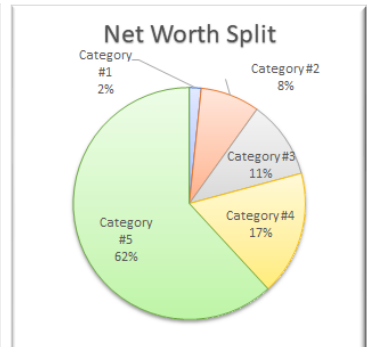
7.2% Of Net Worth Goal

Goal: \$10,000,000 by January 31, 2035

Net Worth Current Year [By Month]

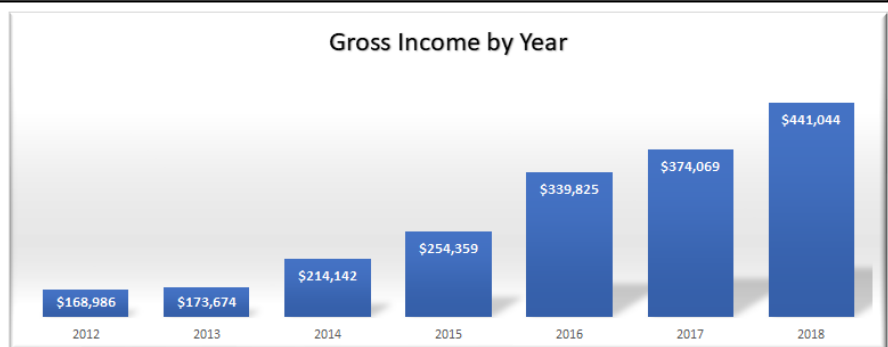


Net Worth Split



GROSS INCOME TREND

Year	Gross Income	YoY % Change
2012	\$ 168,986	
2013	\$ 173,674	3%
2014	\$ 214,142	23%
2015	\$ 254,359	19%
2016	\$ 339,825	34%
2017	\$ 374,069	10%
2018	\$ 441,044	18%
2019		
2020		
2021		
2022		
2023		
2024		
2025		



MORTGAGE PAYOFF (PRIMARY RESIDENCE)

Goal: Pay off Mortgage on Primary Residence by December 31, 2021

43.7% Paid Off



Savings Rate Calculator

Gross Income

Total Gross Income	10,000
Total Pre-Tax Contributions	1,500
Total Benefit Expenses	190
Total Taxes	1,135
Net Take Home Pay	7,175
Total Living Expenses	2,500
Net Income	4,675
Add Back Amortizations	500
Add Back Pre-Tax Contributions	1,500
Total Savings	6,675

Savings Rate (% After-Taxes & Benefits) 76.9%

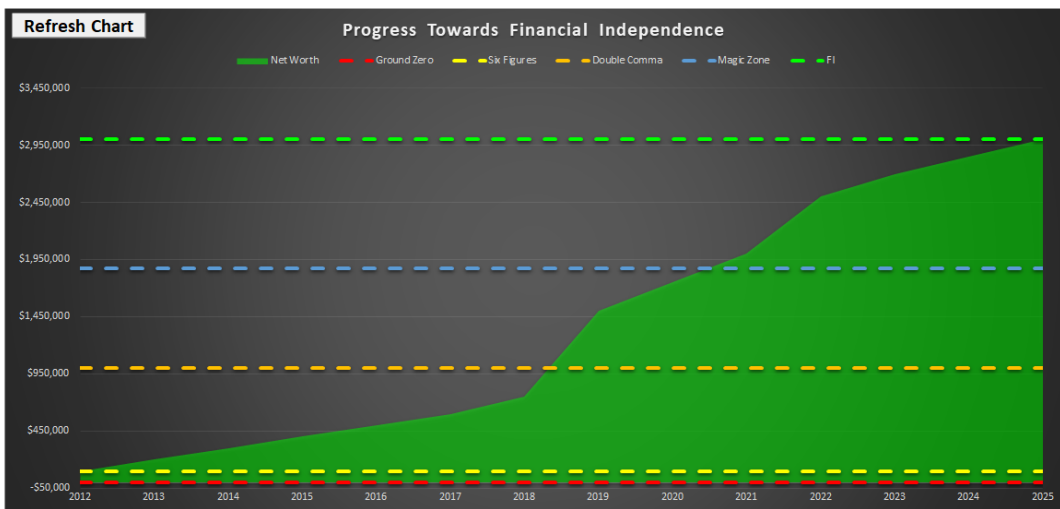
Gross Savings Rate 66.8%



Desired Annual Spending \$ 120,000
 Financial Independence \$ 3,000,000

Year	Net Worth
2012	\$ 100,000
2013	\$ 200,000
2014	\$ 300,000
2015	\$ 400,000
2016	\$ 500,000
2017	\$ 600,000
2018	\$ 750,000
2019	\$ 1,500,000
2020	\$ 1,750,000
2021	\$ 2,000,000
2022	\$ 2,500,000
2023	\$ 2,700,000
2024	\$ 2,850,000
2025	\$ 3,000,000

Your FI number is based on the 4% rule, which defines FI at the point your Net Worth Reaches 25X your desired annual.



Click Here To Download

Speaking of savings rate, go check out [my post](#) where I mathematically prove the importance of your savings rate as a higher priority in achieving financial independence than your compound return. If you're trying to build wealth quickly, then you **have to** read this post.

Closing Thoughts

There has been so much change and growth these past six months. My son is a little over eight months old now and he is such a joy and so much fun. I'm walking away from my C-Suite role and the business I started four months ago is booming. Although the next six months are going to be challenging as I run my business full time and continue transitioning out of my current role by the end of the year, I'm excited to see what those next six months bring, and the six months after that. I have so much I want to share with you about the business but I don't have the time just yet to share everything. Rest assured, I will eventually get to it.

I hope you had a Jubilant June!

- Gen Y Finance Guy

p.s. [Personal Capital](#) now offers a 2.3% high yield savings account that is FDIC insured.



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](#)