

November 2021 - Detailed Financial Report #83 - Net Worth \$7,528,114

It's beginning to feel a lot like...change!

Yes, I can feel myself evolving and preparing for the next chapter of life [I wrote about back in 2020](#). For the last ten years, I've been head-down aggressively and obsessively building a financial foundation that would enable my family and me to live life by our design. I'm lucky that I've had a partner (Mrs. GYFG) that was willing to dream with me. She has been there to not only support me but work alongside me to manifest our future life together. This took long hours and sacrifice. The "living well below our means" sacrifice was the easy part. But the harder part, the part that can destroy a relationship and a family, is the sacrifice of time and attention they don't get. I'm not saying I haven't spent time with my wife and our family, I'm just recognizing that they have mostly received the short end of the stick when it comes to my time and attention.

I recently finished reading a book that was gifted to me almost ten years ago but which I didn't read until recently, [Choosing to Cheat: Who Wins When Family and Work Collide?](#), and boy did this book find me at the right time. I've been working towards this next chapter of my life, struggling to find a way to stop over-indexing my time away from my family. This book put it simply by stating that you can either cheat your family or you can cheat your work. No matter who you are or where you are in life, you (and I) are constantly "cheating." Cheating is really about trade-offs. I've personally hit an inflection point in my life (at 35) that I'm no longer willing to cheat my family. I embraced the work/life blend for the past decade and it worked well in achieving great career and financial success. But it was only meant for a season in life and that season has now passed. I'm now interested in embracing the life/work blend where instead of fitting life around work, I will fit work around life.

I'm not really sure what this shift will mean in terms of the next chapter of my career other than that I will be ruthless with my calendar by prioritizing my family over work. I'm still figuring it all out but I have already started putting up the guard rails on my calendar to protect my family time. I currently allot 40 hours a week for work but going forward that is all work will get from me. The way I look at it is that I got the long hours ([70-100 hour weeks](#)) out of the way before I had kids and when

my first child wasn't really old enough to notice. I'm also totally content if that means I earn less money going forward because now the currency I want the most of is TIME. My career and my business were nothing but means to an end in order to build up enough wealth to buy back our time to live life on our terms.

Speaking of time, I think this and December will be the last monthly updates that I write. I will still review our financial position monthly to keep my finger on the pulse, but starting in 2022 I will only be writing a quarterly financial update. In the short term, I'm not sure if I will leverage the two months out of every quarter that don't have a financial report as an opportunity to write something else or not. Change is in the air!

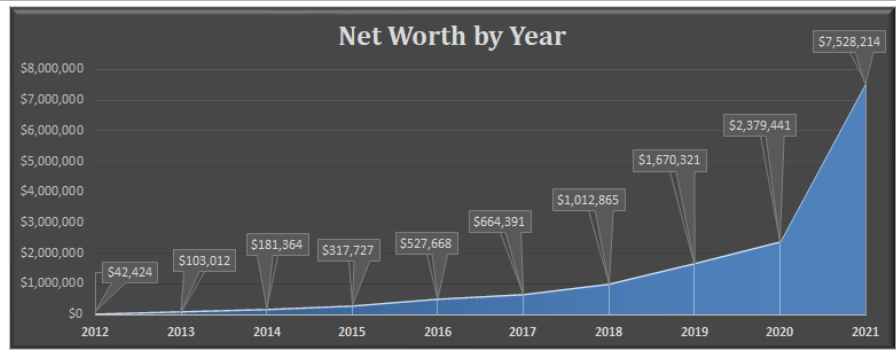
With all that said, let's dive into the financial update, and go through the details of this month's update.

Financial Dashboard

I remember when I first created this financial dashboard back in 2015 and how [that first update](#) I shared had us at less than 2% of the way to our \$10M goal. Here we are, seven years later, 75.3% of the way there. The most astonishing thing to me is the compound annual growth rate (CAGR) we have been able to maintain since 2012. Our income has grown at a robust 35.2% CAGR. Even more mind-blowing is that our net worth has been compounding at a 78.7% CAGR during that same time period.

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	\$ 1,670,321	65%
2020	\$ 2,379,441	42%
2021	\$ 7,528,214	216%
2022		
2023		
2024		
2025		



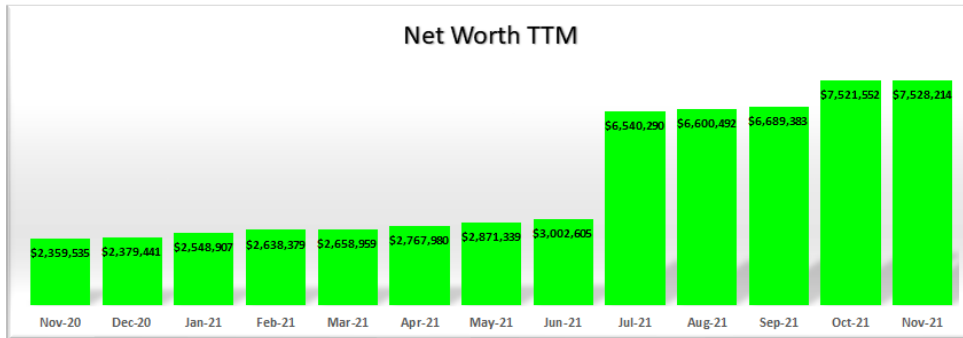
Goal: \$10,000,000 by January 31, 2025

TOTAL ASSETS	\$ 7,850,829
TOTAL LIABILITIES	\$ (322,615)
NET WORTH	\$ 7,528,214

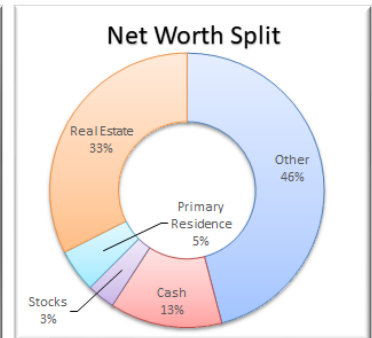


Everyone has a number and ours is \$10,000,000

Net Worth TTM

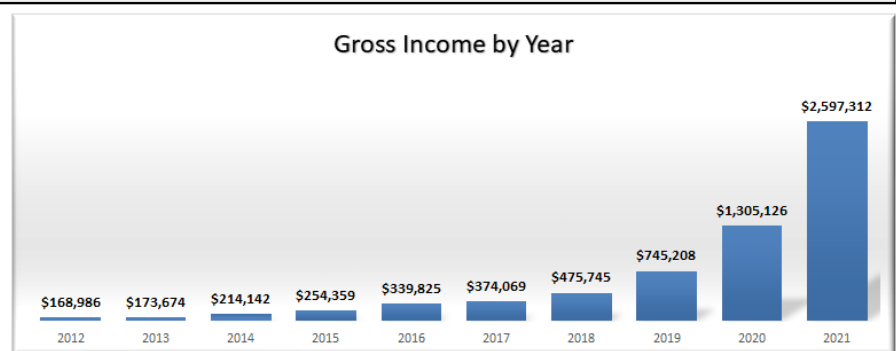


Net Worth Split



GROSS INCOME TRENDS

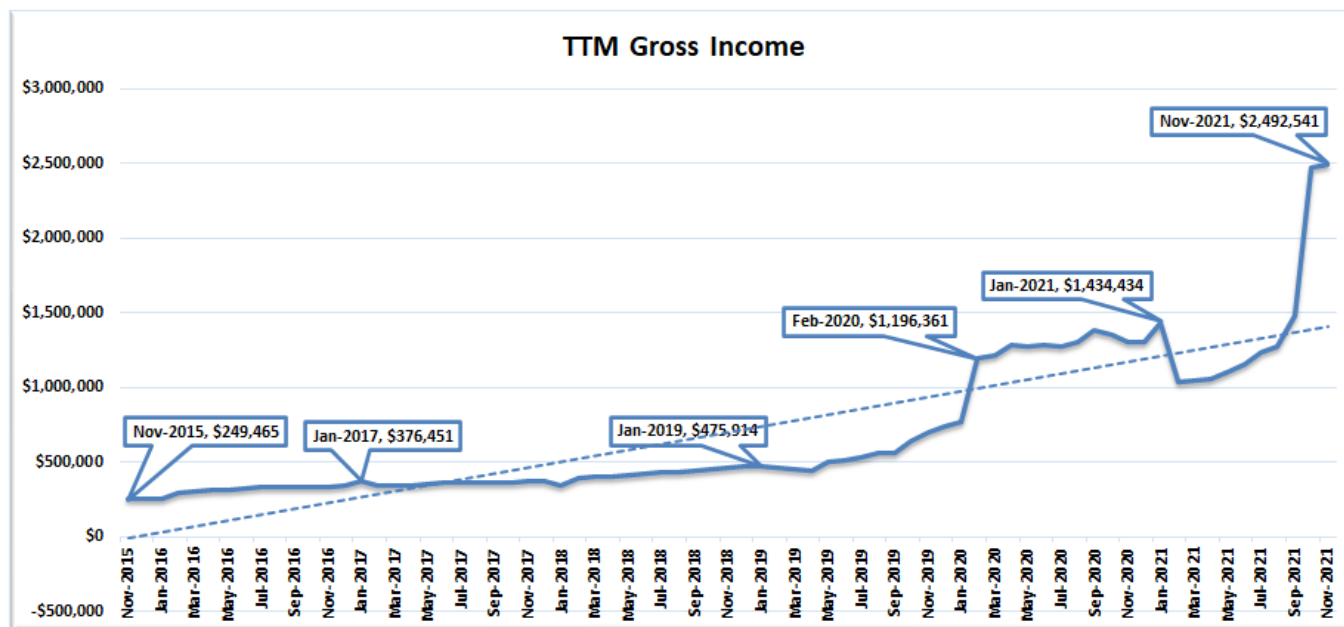
Year	Gross Income	YoY % Change
2012	\$ 168,986	
2013	\$ 173,674	3%
2014	\$ 214,142	23%
2015	\$ 254,359	19%
2016	\$ 339,825	34%
2017	\$ 374,069	10%
2018	\$ 475,745	27%
2019	\$ 745,208	57%
2020	\$ 1,305,126	75%
2021	\$ 2,597,312	99%
2022		
2023		
2024		
2025		



TTM Gross Income

The income figure I like to track most is our Trailing Twelve Month (TTM) gross income. We have officially gone parabolic on the chart and I expect to hit another all-time-high in January that will take the TTM north of \$3,000,000 where it will likely

stay until October of 2022 before an extended decline unless something else not on my radar happens to change it.



Note: The reason I know that our TTM will be north of \$3,000,000 in January is that I receive another seven-figure payment related to the sale of my business, with the final payment (almost seven figures) coming in October of 2022.

Net Worth

Current Net Worth: \$7,528,214 (up \$5,148,774 or +216.4% for 2021)

Previous month: \$7,521,552

Difference: +\$6,662

The majority of our net worth that isn't cash or stocks only gets re-valued periodically and even after making some updates this month, our net worth continues to be understated, which means we will periodically have large and lumpy changes to it. This month was a flat month but given the amount of money that we shelled out for tax planning and our re-model, I'm surprised that we didn't realize a decline vs. last month (our spending was north of six figures for the month).

Net Worth Break Down:

Real Estate (33%) - This is a mixture of private placement deals, equity, debt, and crowdfunding.

Primary Residence (5%) - I decided to split this out on its own because it is something I do want to manage separately from our overall holdings in Real Estate. Our primary residence currently makes up 5% of our total net worth (down from 23% in September 2020). I expect the concentration to continue its downward trend until we move into our new house in January of 2022 (we just completed the kitchen remodel and have painters scheduled for mid-November.) **Once we are moved into our new place, I expect this to grow from 5% to ~12% in January.** Once we move, we had been planning to sell our current primary residence as we didn't want to get into the direct landlord game, but keep reading for more thoughts on that.

Net Cash (13%) - We currently have \$1,047,893 in cash vs. \$1,287,084 last month. I expect this to double in January to approximately \$2M.

Alternatives/Other (46%) - This is a catch-all category that captures our investments in the following: [life settlements](#), a [special purpose acquisition company](#) (SPAC), a private investment in the Robinhood trading platform, Crypto, Bowery Farming - a vertical farming company, and Cannabis-related investments. This also includes the value of the equity I still own in my business - including the remaining sale proceeds I have yet to receive (the next payment comes in January).

Stocks (3%) - Our 401K accounts are maxed out and we don't have any new investment planned here for the year. The only thing that could tick this up is when we get the shares from a SPAC that we participated in that currently sits in the alternatives bucket above.

Total Capital Deployed in 2021:

Investment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dividends / Interest	401K Matches	2019	% Split
Gross Deployments																
Real Estate - Hotel	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	5.6%
Real Estate - Multi-Family	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000	1.9%
Real Estate - Mixed Use	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 75,000	5.6%
Real Estate - Commercial Office	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	5.6%
Real Estate - Industrial (Cannabis)	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	5.6%
Real Estate - Industrial (Warehouse/Distribution)	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	3.7%
Real Estate - Opportunity Zone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	11.2%
Real Estate Debt Hedge Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ 240,000	17.8%
Jane (Cannabis Digital Platform)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	1.1%
Land Conservation Easement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ 85,000	6.3%
Cannabis Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,500	\$ -	\$ -	\$ -	\$ 87,500	6.5%
Consumer Products - Snax National	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	3.7%
Bowery Farming	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	3.7%
Bitcoin	\$ -	\$ 100,000	\$ -	\$ -	\$ 37,059	\$ 62,941	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	14.9%
Short SPY Puts	\$ -	\$ 6,300	\$ 4,158	\$ (2,500)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,958	0.6%
Stocks - Index Funds (401K/IRA)	\$ 10,935	\$ 54,030	\$ 11,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,405	5.7%
Stocks - Index Funds (After-Tax)	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000	0.6%
Gross Deployments	\$ 64,935	\$ 239,330	\$ 15,598	\$ 72,500	\$ 87,059	\$ 62,941	\$ 100,000	\$ 25,000	\$ 40,000	\$ 390,000	\$ 222,500	\$ 25,000	\$ -	\$ -	\$ 1,344,863	100.0%
Gross Liquidations																
PeerStreet Self-Directed IRA	\$ -	\$ (37,400)	\$ -	\$ -	\$ -	\$ -	\$ (9,957)	\$ -	\$ -	\$ -	\$ (17,390)	\$ -	\$ -	\$ -	\$ (64,747)	38.8%
Hard Money Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (75,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (75,000)	45.0%
Stocks - Index Funds (After-Tax)	\$ -	\$ (22,387)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (22,387)	13.4%
Sold Short SPY Puts	\$ -	\$ (4,700)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,700)	2.8%
Gross Liquidations	\$ -	\$ (64,487)	\$ -	\$ -	\$ -	\$ -	\$ (84,957)	\$ -	\$ -	\$ -	\$ (17,390)	\$ -	\$ -	\$ -	\$ (166,834)	100.0%
Net Deployment	\$ 64,935	\$ 174,843	\$ 15,598	\$ 72,500	\$ 87,059	\$ 62,941	\$ 15,043	\$ 25,000	\$ 40,000	\$ 390,000	\$ 205,110	\$ 25,000	\$ -	\$ -	\$ 1,178,028	n/a

We deployed \$205,110 in new investments during the month of November. I'm constantly surprising myself with the amount of capital we've been able to deploy this year. Due to the amount of cash we have and expect to have, I think we will deploy \$50,000 to \$100,000 per month through 2022. We are contemplating paying off the mortgage we will be assuming as we move into our new house but that wouldn't happen right away. We do want to decide whether we are going to keep our current house as a rental or sell it to cash out the equity. We have doubled our money on our current house and the gain would be tax-free due to the \$500K exclusion you get as a married couple. We thought we were dead set on selling it but we have a potential renter that we are seriously considering. If we leave the mortgage on the property we would add about \$18,000 per year in net free cash flow and if we pay the mortgage off we could double that to \$36,000...TBD.

Closing Thoughts

I'm happy to be wrapping up the year. I am personally preparing to take almost three weeks off to recharge and spend time with my family.

I wish you all a Merry Christmas and a Happy New Year!

- Gen Y Finance Guy



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](#)