

# Net/Max Plan (2025 Revised Edition)

**\*Single with no children. Additional plans available at [TheNeighborhoodFinanceGuy.Com](https://www.TheNeighborhoodFinanceGuy.com)**

1. **Know your [Net Worth](#).** Assess Your Issues and Understand Your Numbers.  
Free Financial Apps like Empower (aka [PERSONAL CAPITAL](#)), Rocket Money, or Monarch.
2. Develop a **Personal Budget**. Engage in a Discipline and Balanced Lifestyle. Connect to what makes you happy. Key points: Automation, Stress reduction, and [Planning](#).
3. Save \$2.5k in a **Starter Emergency Savings Fund** (Bank Savings at 0.01% are not Bueno ☹️)  
**Adjust annually – [OpenBank](#) has 4.75% as of 1.17.2025.**
4. **Find and Cultivate Healthy Hobbies** that improves 1. Mental, 2. Spiritual, 3. Physical, and/or 4. Social Health. \*2-3 in combination can develop into an effective side hustle.
5. Focus on paying down **Consumer Debts** using the [Debt Blizzard](#) approach.
  - a. Credit Card (CC) debt is the 1<sup>st</sup> to go. CCs tend to range avg. 22.50%+ interest rate. Understand the interest fee drain. Pay down credit consistently for 3+ months. Avoid hard inquiries. Call to request credit limit increases and/or Lower variable rates. (**2<sup>nd</sup> Personal Loans**)
  - b. Student loans can be paid off normally (avg. interest rates are 6% or less). Desperate refinancing adds time and fees. Research repayment programs like the [PSLF](#). Earn up to \$2.5k in student loan interest tax credit annually. Credit phases out if modified AGI is greater than \$90k. Refer to IRS's American Opportunity Tax Credit (AOTC).
6. **[Match your 401K or 403B investments](#) at least.** Start with 5% and increase your saving rate over time. Contribution limit for 2025 is \$23.5k per year (plus 3% matching). Your persistent contributions grow over time and lower your taxable income. **Subject to IRS 401k limit Changes.**
7. Add up to \$4.3k into a **Health Savings Account (HSA)** in 2024. HSA contributions Lower your FICA taxes, provide a Premium Kick Back, and are great for Medical/Dental expenses in the short/long run. Some HSAs offer internal brokerage investing opportunities. **“[Triple Tax Advantage](#)”**
8. Add up to \$7k (\$8k over 50) in **Traditional/ROTH IRA** \*Phase out starting at AGI of \$79k but less than \$89k. When ROTH phases out – **Consider “[Backdoor Conversation](#)”**.
  - a. Utilize **\*Kick/Flip Tax Accelerated Avoidance Method**. Maximize your estimated tax return and reinvest it into the prior year’s contributions for the IRA and/or HSA.
9. Buy a **Condo**. **No more than 28% of your take home should go to your housing expenses.**  
Buy 2/2 and rent the second room (**\*[House Hack](#)**). Housing Cost is the *Make* or *Break* point.
10. Place 3x monthly expenses in **High Interest Savings Account** (**adjust annually**).
11. Invest in **Stocks, Index ETFs**. \*Diversify your Portfolio. Buy in bulk. Avoid excess fees.
12. **Save for your Children’s** college education using tax-favored plans.  
Consider an investment property near a college town. Short/Long term income.
13. Pay off **investment property**. Use excess to [pay off original home’s mortgage](#).  
Consider equity loan on investment property, buy 2<sup>nd</sup> investment property (All Cash). Make double debt payments. Repeat. Make triple debt payments. Etc...
14. **Pay down Student loans** (**\*Augmented Debt Pay down**).
15. **Build Wealth** through multiple streams – write a blog, do vlog, or try public speaking.
16. **Enjoy the process**. You will be able travel, relax, see concerts, spend time with family, and etc...