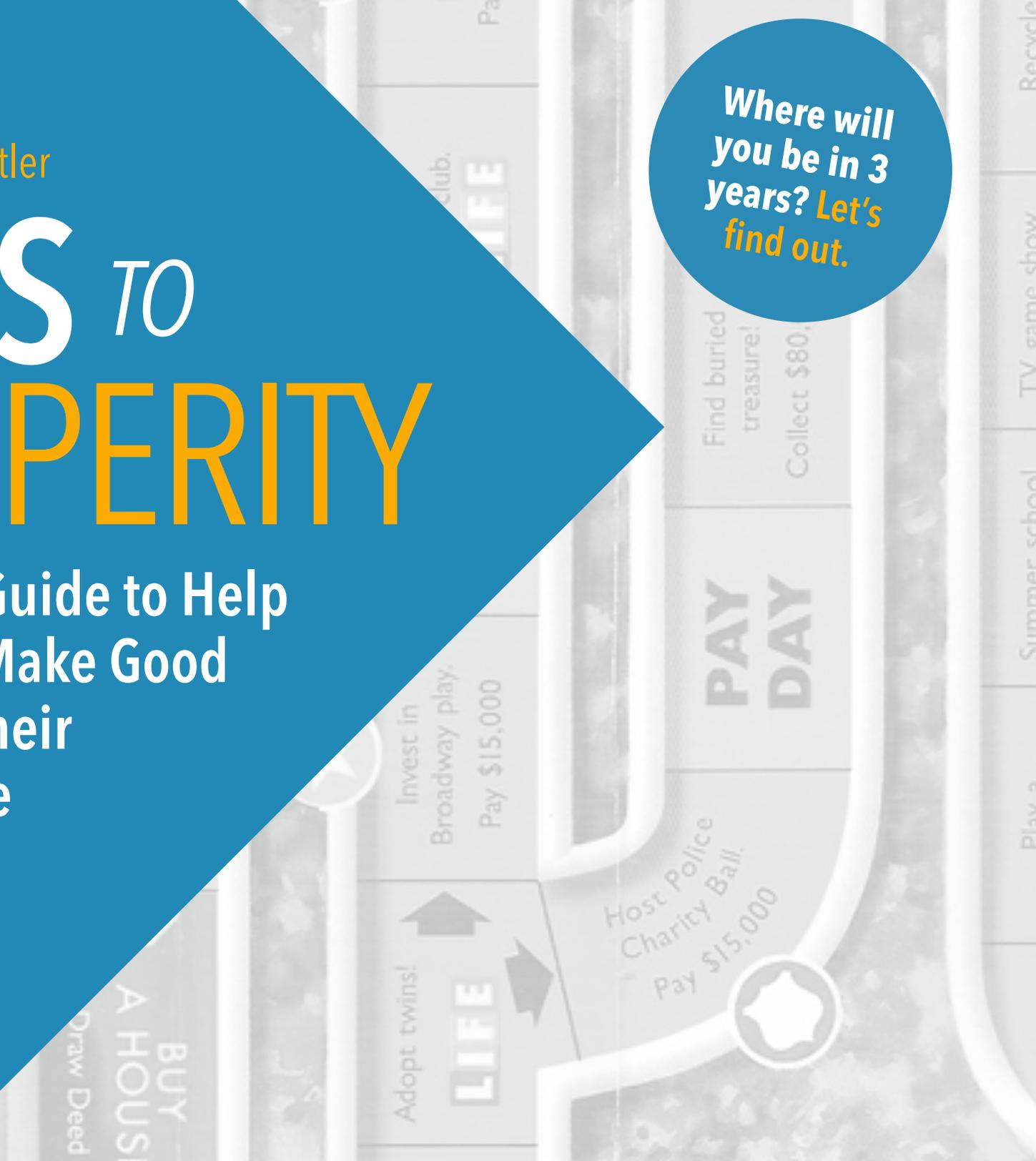


Lee Silber and Kim Butler

PATHS TO PROSPERITY

An Interactive Guide to Help
Young People Make Good
Decisions For Their
Financial Future

Where will
you be in 3
years? *Let's
find out.*





KIM BUTLER

Kim is the founder of Prosperity Thinkers, and favors creative strategies outside of the typical financial planning “box.”



LEE SILBER

Lee is an author and advocate for credit unions, focusing on a whole-brain approach to financial planning.

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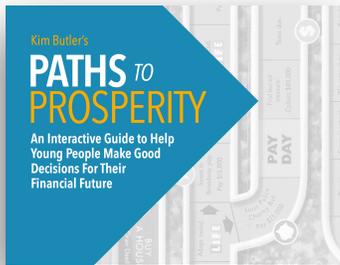
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HOW IT WORKS

Although a digital version of this guide is also available, it's best to use a printed version and play along with a pen or pencil.

1. You simply print this out and fill it in. Easy.
2. When you're done, don't just put it aside. Leave it out where you'll see it.
3. Also, start now taking small steps down the road you want to go.

What If?

WHY THIS WORKS

What if you could (in advance) get a good idea about how things could turn out in your life depending on which path forward you choose now?

That's what this tool can do for you. This gamified guide allows you to see where different paths lead when it comes to your education and career choices, where and how you choose to live, and what you do with your money. You'll also spot potential pitfalls, have a road map to confidently know what to do next, and make choices now that benefit the future you.

The choice is still yours, but now you can get a better idea about which options (and some you may have not thought of) would be best based on what you want and what path is the best fit for you.

01 Possibilities

02 Outcomes

03 Options

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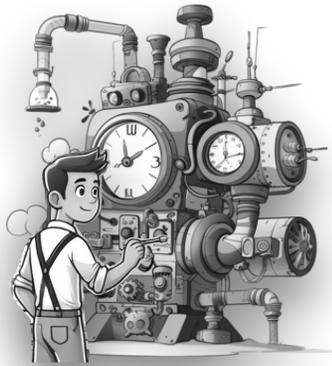
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1



Back In Time

It's a miracle. You discovered a time travel tool, \$25,000 cash, and instructions. Here's what happens next.

You can go back in time three years and leave the \$25,000 for your younger self to find, but the money has to be invested in one of three ways. Which will you choose? Which turns out the best? Let's find out so we can learn about investing, ourselves, and the power of time to grow our money if we play our cards right.

QUICK QUIZ

Who doesn't love time travel? The chance to get a do-over? Give your younger self advice, knowing what you know now. So let's pretend it's possible. Work with me.

Next, have you ever fantasized about finding a big bag of cash? (Legally, of course.) It could happen.

Finally, we all know with time travel that we can't actually talk to ourselves. It's a thing. So put all this together and that's what makes this page possible.



* The outcomes are "factimates" (estimates based on facts.) However, there's a lot of variables so use these numbers as possibilities, not probabilities. (You could even lose money in the stock market.) Go to the next page for a deeper dive.

Numbers Tell The Story

We did the math so you don't have to. Take a look. It's interesting to see how each investment strategy pays off over a three-year period.



Stock Market or Bond Market

ASSET VALUE	\$28,968	\$30,851	\$32,285	\$23,095	\$28,343	\$28,197	\$28,589
Average Return on Investment	5.60%	9.37%	11.00%	2.00%	4.27%	4.09%	4.57%
Actual Internal Rate of Return	5.03%	7.26%	8.90%	2.61%	3.97%	3.99%	4.57%
2022 - 2024	Dow Jones Ind.	S&P 500	S&P 500	Dow Jones	10 Year U.S.	5 Year U.S.	1 Year U.S.
\$25,000 Invested	No Dividends	No Dividends	With Dividends	Comp. Bond	T-Bond	T-Note	T-Bill



Savings Account

PRESENT VALUE	\$25,000
Annual Interest Rate	4.00%
Years Invested	3
Future Value	\$28,122



Investing in Yourself

Your ability to create value is your greatest investment. For example, if you spend \$1,000 on a course to earn a certificate needed to secure your dream job, which also pays you \$10,000 more per year because of it, that initial \$1,000 investment in yourself will have paid off by \$29,000 after three years.

Or, you could invest in real estate using your \$25,000 as a down payment. In three years you could cash out with \$28,926 total. (A 10.23% Internal Return Rate.)

TAKE NOTE

You may be wondering why investing in the stock market total has an asterisks next to it on the previous page. We thought it would be wise to point out that although there is a chance for massive gains with stocks, there is also the possibility of losing it all. Sure, stocks fluctuate and if you hold onto them long enough they tend to bounce back and increase, but when a bubble bursts (like during the .com boom) it can wipe out not just your gains, but your entire investment. We also want to note that any income from any of the investments would likely be subject to taxes.

2

GOT A MINUTE?

* In the movie *In Time* people literally pay for things with a slice of their life. Far fetched? Not really. Think about it, to afford things we want we have to give up our time to earn the money to pay for them. Our time *is* our life.

To keep things simple, **let's say you are paid \$20 an hour for your time. By dividing the money spent by \$20.00 we can figure out how many hours you have to work to pay for each expense.**

No judgment. Just facts.

Something to Think About

What do things *really* cost? Let's find out.*



GET A PET

Annual cost of a dog.
\$2,500 / 125 Work Hrs.



HEADPHONES

The best pair of Bose.
\$449 / 18 Work Hrs.



BUY A CAMPER

Small used Airstream.
\$53,000 / 2650 Work Hrs.



STARBUCKS

A latte a day, everyday.
\$1,900 / 95 Work Hrs.



PLAYSTATION 5

Pro Bundle. Go big.
\$775 / 39 Work Hrs.



TAKE A TRIP

Hiking in Costa Rica.
\$3,000 / 150 Work Hrs.



JOIN A GYM

Yearly membership.
\$900 / 45 Work Hrs.



EAT LUNCH OUT

Five days a week.
\$5,000 / 250 Work Hrs.



BUY A BOAT

Used Boston Whaler.
\$17,500 / 875 Work Hrs.



CONCERTS

A concert a month.
\$1,440 / 72 Work Hrs.



DESIGNER SHOES

Jimmy Choo. Oh yeah!
\$875 / 44 Work Hrs.



MED SPA

Three discreet visits.
\$1,500 / 75 Work Hrs.

TAKE NOTE

In addition to the price equation above, you'll also want to think about **Opportunity Cost**. This is **what that money could have grown to, had it been invested**. You don't want to be overly dramatic about it and apply it to everything, yet it is a real issue, especially long term.

Here is an example: Eating out can be an experience, especially when done purposefully with the right people. And obviously you need to eat, yet not OUT all the time. So take the difference, say \$1000 per year and multiply that by 5% over 30 years. It isn't \$30,000, it is \$66,439. Only you can decide if that meal is worth it.



To Rent or Buy?

Play along to see where you land.

3

HIGH SCORE

Where we choose to live is not just a financial decision; it also impacts our quality of life.

Before deciding which is better, to buy or rent, first let's consider how you want to live to determine what the best overall option might be.



4

QUICK QUIZ

Q: When it comes to getting around, which way is best? Ride share? Bike? Car? Motorcycle? Public transportation? Llama? (I'm not sure llamas are street legal.)

A: It depends. There is no right answer. So let's look at where each option takes us—except for maybe the llama—and what we spend each year and have left at the end of three years.



Congratulations

Your rich uncle gifted you \$50,000. Awesome! The catch is, you have to spend it on transportation. (He always was a weird one.) Let's test drive the options.

<p>1</p> <p>New Car</p> <p>For \$47,000 you get that new car smell and... depreciation.</p> 	<p>2</p> <p>Used Car</p> <p>For half your cash you get a good car to get around.</p> 	<p>3</p> <p>Leased Van</p> <p>Less money down, but you're really only renting your vehicle.</p> 	<p>4</p> <p>Motorcycle</p> <p>Good on gas, not great on rainy days. Still, how cool?</p> 
<p>+ \$2,743</p> <p>* After three years your net asset value + cost / gain.</p>	<p>+ \$19,914</p> <p>* After three years your net asset value + cost / gain.</p>	<p>- \$9,842</p> <p>* After three years your net asset value + cost / gain.</p>	<p>+ \$19,721</p> <p>* After three years your net asset value + cost / gain.</p>
<p>5</p> <p>Ride Share</p> <p>It's like having a chauffeur, but it's gonna cost ya.</p> 	<p>6</p> <p>Public</p> <p>Works best in urban areas. You'll meet interesting people.</p> 	<p>7</p> <p>Bicycle</p> <p>No need for a gym membership and easy on the wallet.</p> 	<p>* Know how teachers want us to show how we arrive at our answers? Turn the page to nerd out for a deep dive into the math behind these numbers.</p>
<p>- \$10,743</p> <p>* After three years your net asset value + cost / gain.</p>	<p>+ \$12,233</p> <p>* After three years your net asset value + cost / gain.</p>	<p>+ \$20,630</p> <p>* After three years your net asset value + cost / gain.</p>	

Numbers Tell The Story

We did the math so you don't have to. Take a look. It's interesting to see how the hidden costs add up over a three-year period.

Transportation Analysis								Car	Motorcycl	Van	e-bike
Gift:	\$ 50,000										
	New Car	2yr Old Used Car	Leased Van	Motorcycle	Ride Share	Public	Premium E-Bike	1st Yr. Dep.Rate:	25.00%	15.00%	40.00%
Initial Out Of Pocket:	47000	28200	3000	12500	0	0	3600	Yr 2+ Dep.Rate:	15.00%	8.00%	10.00%
Annual Sum of Monthly Payments:	0	0	10800	0	0	0	0	Miles / Year:	15000	12000	12000
Miles Used Per Year:	15000	15000	15000	12000	0	0	10000	Car Miles/Gallon or Kwh:	25	35	18
Public Transportation (Bus, Train, etc.):	0	0	0	0	0	3800	0	Price/Gal of Fuel:	3.5		0.33
Ride Share Miles:	0	0	0	3000	10000	3000	3000	Uber Price/Mile:	1.5		0.15
Ride Share Cost:	0	0	0	4500	15000	4500	4500	Car Maint. Rate/Yr.	1.50%		
Annual Food Delivery Cost:	0	0	0	0	3000	3000	3000	C.O.M / Net Earnings Rate:	4.00%		
1st Yr Depreciation	11750	4230	0	1875	0	0	900	Cost Inflation Rate:	3.00%		
3 Yr Depreciation	25850	12690	0	3875	0	0	1980				
Insurance Cost Per Year:	3600	2400	3600	1200	0	0	0				
Fuel Cost Per Year:	2100	2100	2916.6666666	1200	0	0	495				
Maintenance/Year:	705	705	0	1000	0	0	200				
Maintenance - 3Yrs.*:	\$2,179.08	\$2,179.08	\$0.00	\$3,090.90	\$0.00	\$0.00	\$618.18				
1st Year Cost:	-53405	-33405	-20316.6666666	-20400	-18000	-11300	-11795				
1st Year Additional Gain/Cost:	\$ (3,405)	\$ 16,595	\$ 29,683	\$ 29,600	\$ 32,000	\$ 38,700	\$ 38,205				
Cumulative 3 Year Additional Gain/Cost**:	\$ (18,407)	\$ 4,404	\$ (9,842)	\$ 11,096	\$ (10,160)	\$ 12,233	\$ 19,010				
Asset Value Aftr 3 Years:	21150	15510	0	8625	0	0	1620				
3 Yr.Net Asset Value + Cost/Gain:	\$ 2,743	\$ 19,914	\$ (9,842)	\$ 19,721	\$ (10,160)	\$ 12,233	\$ 20,630				
Annual Costs Year 1:	6405	5205	6516.6666666	7900	18000	11300	8195				
Annual Costs Year 2*:	6597.15	5361.15	6712.16666666	8137	18540	11639	8440.85				
Annual Costs Year 3*:	6795.0645	5521.9845	6913.53166666	8381.11	19096.2	11988.17	8694.0755				
Annual Costs Year 1**:	\$7,204.75	\$5,854.92	\$19,478.89	\$8,886.43	\$20,247.55	\$12,710.96	\$9,218.26				
Annual Costs Year 2**:	\$7,135.48	\$5,798.62	\$18,941.16	\$8,800.98	\$20,052.86	\$12,588.74	\$9,129.62				
Annual Costs Year 3**:	\$7,066.87	\$5,742.86	\$18,422.07	\$8,716.35	\$19,860.05	\$12,467.70	\$9,041.84				

TAKE NOTE

Money isn't everything, and the saying "You do you" applies when it comes to your preferred mode of transportation—that, and geography. For instance, a motorcycle might not be for everyone. A bike in Minneapolis in the winter... good luck with that. On the other hand, leasing a van for three years and using it as your home or office on wheels might be the perfect fit for you (and your dog) and where you are in your life. Yes, it's important to think logically and consider the numbers, but don't forget to listen to your heart as well.

5

GETTING SCHOOLED

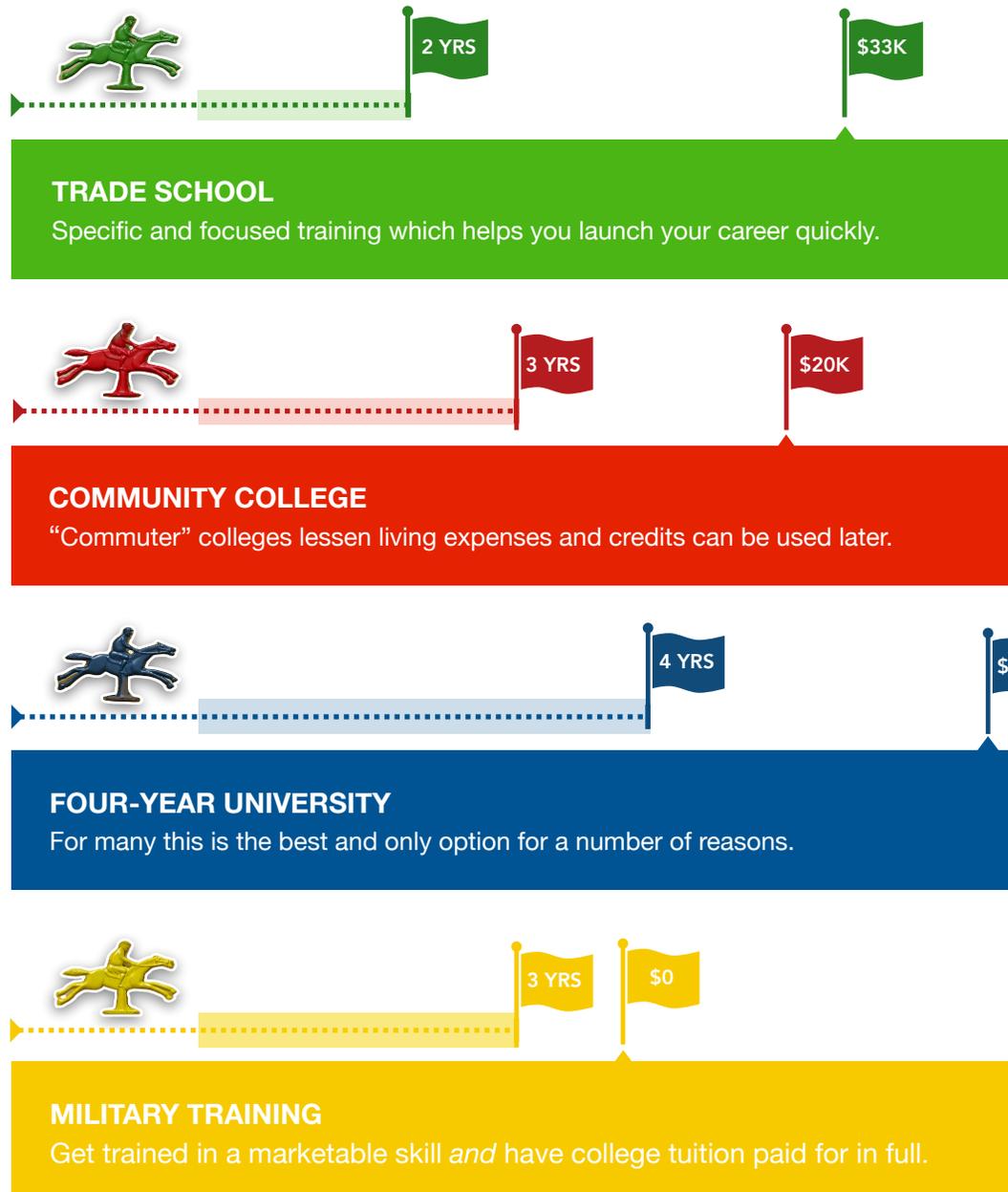
There's so many variables that go into deciding when, where, and which way to go with continuing education. Then there is what you want from it, how long you want it to take, and how much it costs—and how to pay for it. I know, overwhelming.

For now all we want you to do is ask yourself how each option feels to you. Your gut reaction.

There is one more variable... *if*. If you want to take a gap year, start a business, or just get a job.

Smart Moves

The cost of college and higher education.



Creative Ways To Make College Cost Less

1. Save time and money by skipping introductory courses with the CLEP program, a test to earn college credits for the knowledge and experience you already have.
2. Going to school abroad sounds expensive, but in some instances the savings are substantial.
3. Although time-consuming, going after every grant can be time well spent.
4. Some employers offer to pay for your education.
5. There is no shame in hosting a GoFundMe campaign to raise money.

6

YOU CHOOSE

What if I told you the average person works 2087 hours a year? Well, I *am* telling you that. Some work even *more*. Easy to do when you love your work.

1. Choosing a career just for its income potential is one way to go—especially if you love it. But if you don't, how are you going to enjoy life if you don't enjoy the work you do?

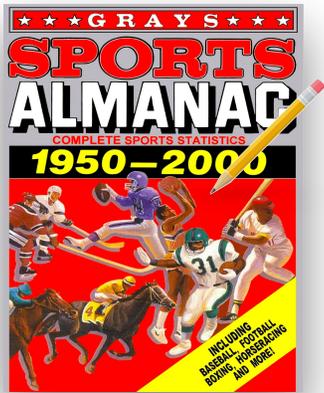
2. First, look only at the career descriptions to see which one is the best fit. Now look at the expected income for that career.

This or That?

Which career is the best fit for *you*?



* The above salaries are the medians for each career and can vary based on a number of factors. These come from the Bureau of Labor Statistics. It's also worth noting that joy on the job isn't solely tied to the salary you earn.



FUTURE YOU

In the movie, *Back to the Future* Marty McFly acquires a copy of “Grays Sports Almanac” (in the past) which means he knows the outcomes of all future sporting events.

This guide also gives you a glimpse into what your future may hold, and what outcomes to expect—in advance. Powerful stuff.

You Got This

KNOWLEDGE IS POWER

Future you thanks current you for taking a minute to think about what you can do (or not do) today to create the kind of tomorrow you want. The future is going to happen no matter what, why not shape it the way you want?

So to review; there are no wrong answers, nobody will ever know what you chose, these are just suggestions, and there’s no reason you can’t change course if things change. This is your life, your choices.

Your future looks bright. Let this guide light the way.

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