REAL ESTATE VS. STOCKS DECISION WORKSHEET

Midlife Money with Jack

Which path builds more wealth for YOUR specific situation after 40?

Complete all five sections honestly. Your answers will point clearly to the right path for your situation.

1 AVAILABLE CAPITAL

How much can you realistically deploy right now?

Total investable capital available (after emergency fund):

■ Under $20,000 ■ $20,000 – $40,000 ■ $40,000 – $100,000 ■ $100,000 – $250,000 ■ Over $250,000

Current emergency fund status:

■ None yet ■ 1–2 months expenses ■ 3–4 months expenses ■ 5–6 months expenses ■ 6+ months expenses

■ *Jack's Rule: Under $40,000? Build your liquid base and index funds first. Real estate requires capital reserves for repairs, vacancies, and unexpected costs.*

2 TIME AVAILABILITY

Your time is your most valuable midlife asset.

Hours per month you can realistically dedicate to managing an investment:

■ 0 – I want fully passive ■ 1–3 hours ■ 4–8 hours ■ 9–15 hours ■ 15+ hours

Current life stage demands (check all that apply):

■ Peak career demands ■ Caring for aging parents ■ Young children at home ■ Health considerations ■ Significant travel

How do you feel about property management responsibilities?

■ Would enjoy it — I like hands-on projects ■ Neutral — could hire it out ■ Prefer zero involvement

■ *Key insight: After 40, zero-management index funds preserve your most finite resource. A rental property is a part-time job — price that honestly.*

3 LIQUIDITY NEEDS

Can you afford to have your capital locked up for 60–90+ days?

How likely are you to need access to this capital within the next 5 years?

■ Very likely ■ Somewhat likely ■ Unlikely ■ Very unlikely — long-term capital

Anticipated major expenses in the next 5–10 years (check all that apply):

■ Healthcare / medical ■ College funding ■ Home renovation ■ Business opportunity ■ None anticipated

Your retirement timeline:

- 5 years or less
- 6–10 years
- 11–15 years
- 16–20 years
- 20+ years

Key insight: Stocks sell in 3 days. Real estate takes 60–90 days minimum and costs 6–8% in transaction fees. The closer your retirement, the more liquidity matters.

4 BEHAVIORAL PROFILE

The biggest risk in investing is often you.

When the stock market drops 20%, your honest likely reaction is:

- Sell immediately — I panic under pressure
- Feel anxious but hold
- See it as a buying opportunity

Your relationship with debt and leverage:

- Very uncomfortable — I prefer to own things outright
- Comfortable with strategic leverage
- Not sure

Which statement feels more true to you?

- "I need to see and touch what I own to feel secure"
- "I am comfortable with digital assets I cannot see physically"

Your honest investment personality:

- Set it and forget it — I want it automated
- Active — I enjoy researching deals and managing
- Somewhere in between

Key insight: Behavioral discipline determines outcomes more than asset selection. If you are a panic-seller, real estate's forced holding period may protect you from yourself.

5 PURPOSE AND GOALS

Why are you investing — and what do you want your money to do?

Primary investment goal:

- Maximum long-term growth
- Monthly cash flow / income
- Tax reduction
- Wealth preservation
- Legacy / estate building

How important is tax-advantaged growth (401k, IRA, HSA catch-up contributions) to you?

- Critical — I am maximizing every account
- Important but not fully utilizing
- Not currently prioritizing

Interest in real estate specifically:

- Strong — I genuinely enjoy the craft of deals and property
- Moderate — open to it if the math works
- Low — I want simplicity

What does financial freedom look like for you specifically at age 65–70?

YOUR VERDICT — READING YOUR ANSWERS

■ STOCKS / INDEX FUNDS	■ REAL ESTATE	■ REITs — THE MIDDLE PATH
Your answers point here if: ■ Capital under $40,000 ■ Low time availability ■ High liquidity needs ■ Panic-seller tendency ■ "Set and forget" personality ■ Retirement within 10 years ■ Want to maximize catch-up contributions	**Your answers point here if:** ■ Capital over $100,000 ■ 10+ hours/month available ■ Low near-term liquidity needs ■ Comfortable with leverage ■ Genuinely enjoy property management ■ Retirement 15+ years away ■ Primary goal is monthly cash flow	**Consider REITs if:** ■ Want real estate exposure ■ But need stock-like liquidity ■ No time for direct management ■ Want dividend income ■ Prefer diversified property types ■ Capital under $100,000 ■ Want both worlds without the 2AM calls

The Honest Verdict: Stocks mathematically compound faster with less effort, more liquidity, and a tax-advantaged catch-up structure built for the midlife investor. Real estate builds discipline and leverage — but it is a business, not a passive investment. **The richest version of you is the one who picks the right asset for their specific situation and stays in the game for 20 years without flinching.**

MY DECISION

Based on my answers, I am choosing:

My first action step (this week):

My target date to have capital deployed: