Financial Advisor Project — Additional Household Profiles

This file builds toward eight additional household profiles for the Financial Advisor Project (in addition to the two profiles in the print book) — **four are fully worked so far** (Profiles 1–4), with the remaining four added in later releases. Each profile is original Synapse Academic Press content. None is taken from a textbook or real client engagement.

HOW TO USE: Pick a profile, work it through the print book's Recommendation Report Template (also in `financial_advisor_report_template.md` of this companion), and self-score with the rubric in that template. Compare your recommendation to the answer guide at the end of each profile.

STATUS (THIS RELEASE). Profiles 1–4 (the Vasquez, Delaney, Park-Hassan, and Reid households) are live and complete, each with a full answer guide. Profiles 5–8 are populated iteratively in subsequent releases.

Index

#	Household	Stage of life	Stand-out feature
1	The Vasquez household	Mid-career, two earners, two kids	Refinance vs. extra principal payment trade-off
2	Marcus Delaney	Early-career, single, $48K	Credit-card avalanche + capturing the 401(k) match
3	The Park-Hassan household	Married, expecting first child, $145K joint	Insurance gap + 529 vs. retirement priority
4	DeShawn Reid	Mid-30s freelancer, variable income	Self-employed taxes + own retirement account
5	The Whitfield household	50s, late-stage saving, mortgage paid off	Catch-up retirement + healthcare bridge to Medicare

#	Household	Stage of life	Stand-out feature
6	Yuki Tanaka	Single, 28, high earner ($110K), no debt	Aggressive investing + housing-purchase choice
7	The Okonkwo household	Married, two earners, recent layoff of one	Rebuilding emergency fund + insurance during gap
8	Marisol Vega	Single parent, 35, two kids, modest income	Stretched cash flow + insurance-first strategy

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Profile 1 — The Vasquez Household

Composition. Carlos (38) and Lina Vasquez (37). Two children: Noah (8) and Maya (5).

Location. Phoenix metro area. Own a 3-bedroom home.

Income.

- Carlos: Operations manager, $96,000 gross annual.
- Lina: Pharmacy technician, $58,000 gross annual.
- Combined gross: $154,000.
- Combined take-home (after federal, state, FICA, health-insurance premiums, both 5% 401(k) contributions, and HSA): $9,250 / month.

Monthly expenses.

Category	Amount	Notes
Mortgage (P&I + escrow)	$1,950	Refinanced 4 years ago at 5.75% APR; 26 years remaining; balance $312,000
Property tax + HOA	included	Escrowed
Utilities + internet	$310	
Groceries	$1,150	Family of 4
Auto loan (Carlos)	$445	$19,500 remaining at 6.4% APR
Auto insurance (both cars)	$215	
Fuel + maintenance	$325	
Childcare for Maya	$1,250	After-school care for Noah
Health-insurance premium	$0	Pre-tax payroll deduction (already netted out of take-home)

Category	Amount	Notes
HSA contribution	$0	Pre-tax payroll deduction (already netted)
Dining out + entertainment	$480	
Subscriptions + memberships	$145	Streaming, gym
Travel sinking fund	$300	
Children's activities	$260	Soccer, piano
Charitable giving	$200	Local food bank
Credit-card balance pay-off	$400	Cycles balances; not in revolving debt
Total monthly expenses	**$7,430**	
Surplus	**$1,820**	

Balance sheet.

Asset	$	Liability	$
Cash + checking	$14,200	Mortgage	$312,000
Emergency fund (HYSA)	$26,500	Auto loan	$19,500
Carlos 401(k)	$182,000		
Lina 401(k)	$96,500		
HSA	$14,800		
Brokerage account	$32,000		
529 plan (Noah)	$11,000		
529 plan (Maya)	$6,500		
Home equity (~)	$98,000		
Total assets	**$481,500**	**Total liabilities**	**$331,500**
Net worth			**$150,000**

Goals.

1. Pay off the mortgage by year 18 (Carlos turns 56) — currently 26 years remain. Goal $0 mortgage balance by 2044.

2. Fund half of Noah's and Maya's college expenses; expect to fund the other half through scholarships, work-study, and family contribution.
3. Replace Carlos's car (currently 9 years old) within 2 years.
4. Build emergency fund to 6 months of essential expenses (~$33,000) within 18 months.

Risk profile. Lina describes the household as "moderate risk." Both retirement accounts are in target-date 2050/2055 funds. Brokerage is 70% equities / 30% bonds.

Insurance. Both have employer health/dental. Term life: Carlos $500K (20-year, 8 years remaining). Lina has no individual life policy. Both have employer disability that pays 60% of base salary. Auto and homeowners are bundled at $215+$140/month respectively.

The decision the household is asking about. The household has a $1,820 monthly surplus. They've narrowed it to two options:

- **Option A:** Refinance the mortgage to a 15-year fixed at 6.0% APR (current 5.75%, 26 years), which would change the P&I from ~$1,810 to ~$2,640 (escrow remains roughly same). This locks them into faster payoff but raises required monthly debt service by $830, leaving only $990 of surplus.
- **Option B:** Keep the current mortgage and apply $1,000/month as additional principal payments. This shortens the mortgage to ~14 years remaining (faster than the 15-year refi at lower interest cost) while preserving the optionality to stop the extra principal if cash flow tightens.

Answer guide (use after you write your recommendation)

A strong recommendation will:

1. **Recognize Option B as the cash-flow-superior choice.** Same payoff timeline (~14–15 years), preserves optionality, lower interest rate. The only thing Option A buys is psychological commitment.
2. **Identify Lina's missing life insurance as a higher-priority gap than mortgage strategy.** With two kids and Carlos's $500K policy aging out in 8 years, the household has a meaningful gap. Recommend $500K–$750K 20-year term for Lina as part of the same plan.
3. **Address the 529 underfunding.** $11,000 + $6,500 vs. expected need (~$80K–$120K per child for half-funded in-state public). Recommend starting an automated $400–$500/month 529 contribution split between Noah and Maya, sourced from the surplus.
4. **Recommend NOT replacing Carlos's car aggressively.** Current car is 9 years old but no maintenance crisis. Goal can be deferred 18–24 months in favor of higher-priority items above.
5. **Build emergency fund concurrently.** Current $26,500 is ~4.4 months of expenses; goal $33,000 within 18 months requires ~$360/month contribution.
6. **Final allocation of $1,820 surplus** (one strong version):
    - $1,000 → extra mortgage principal (Option B)
    - $400 → 529 contributions ($250 Noah / $150 Maya — Maya has more time to compound)
    - $360 → emergency-fund top-up (HYSA)
    - $60 → buffer / variable-month flex

Recommendations that score lower:

- Refinancing to 15-year (Option A) without addressing the insurance gap.
- Recommending aggressive equity investing for the surplus while ignoring the insurance gap and 529 underfunding — solid math but misses the household's stated risk profile.
- Adding the entire surplus to retirement (Lina is already at the match; Carlos has $182K and is on track) — diminishing returns vs. the more urgent gaps.

Profile 2 — Marcus Delaney

Composition. Marcus Delaney (26). Single, no dependents.

Location. Columbus, Ohio. Rents a 1-bedroom apartment.

Income.

- IT support specialist, $48,000 gross annual.
- Currently contributes **0%** to his employer 401(k), which offers a **100% match on the first 4%** of pay (he is leaving free money on the table).
- Take-home (after federal, Ohio state, Columbus local, FICA, and employee health-insurance premium; no 401(k) deduction yet): **$3,050** / **month.**

Monthly expenses.

Category	Amount	Notes
Rent (1-bedroom)	$1,150	
Utilities + internet	$125	
Groceries	$320	
Auto loan	$265	$8,500 remaining at 6.5% APR
Auto + renters insurance	$140	Bundled
Fuel + maintenance	$150	
Cell phone	$55	
Streaming + subscriptions	$50	
Dining out + entertainment	$250	
Clothing + personal	$70	
Student loan payment	$190	Minimum; $21,000 at 5.4% APR
Credit-card minimum payment	$95	Revolving balance $4,200 at 22.9% APR
Savings (HYSA)	$40	
Total monthly expenses	**$2,900**	
Surplus	**$150**	

Balance sheet.

Asset	$	Liability	$
Checking	$900	Credit card	$4,200 (22.9% APR)
Emergency fund (HYSA)	$1,500	Student loans	$21,000 (5.4% APR)
401(k)	$0	Auto loan	$8,500 (6.5% APR)
Roth IRA	$0		
Used car (~)	$10,000		
Total assets	**$12,400**	**Total liabilities**	**$33,700**
Net worth			**–$21,300**

Goals.

1. Stop the credit-card balance from growing, then pay it off.
2. Start capturing the employer 401(k) match — he knows he is “throwing away free money.”
3. Build a 3-month emergency fund (~$7,500, based on essential expenses of roughly $2,490/month) — currently only $1,500.
4. Pay down student loans on a steady schedule.

Risk profile. Self-described “low to moderate.” No dependents. No investing experience yet.

Insurance. Employer health (subsidized). Auto + renters bundled at $140/month. **No life insurance** (acceptable — no dependents). **No disability insurance** (a gap for a single-income earner; should be addressed after the credit card is gone).

The decision the household is asking about. Marcus feels like he is “running in place.” He has $150/month of surplus and knows he could cut back on dining out and subscriptions. He asks three questions:

1. Should he pay off the credit card first, start the 401(k), or build savings — he cannot afford to do all three at full speed.
2. Should he consolidate or refinance his student loans?
3. Where should the extra money actually go each month?

Answer guide (use after you write your recommendation)

A strong recommendation will:

1. **Free up cash before allocating it.** Cutting dining out from $250 to $150 (–$100), subscriptions from $50 to $25 (–$25), and clothing from $70 to $45 (–$25) recovers **$150/month**. Combined with the existing $150 surplus, that is **$300/month of deployable cash** at the current take-home level.
2. **Capture the 401(k) match first — it beats every debt.** Contributing 4% of pay ($160/month, pre-tax) earns a **100% employer match ($160/month)** — an instant, guaranteed doubling that no 22.9% credit card can rival. Because the contribution is pre-tax (roughly a 17.5% combined marginal rate: 12% federal + ~3% Ohio + 2.5% Columbus; FICA still applies), take-home falls by only about **$130/month**, not the full $160. This is non-negotiable and comes before extra debt payments.
3. **Recompute the working budget after those two moves.**
    - Expenses after the $150 in cuts: $2,900 – $150 = **$2,750**.

- Take-home after the 401(k) enrollment: $3,050 – ~$130 = ~**$2,920**.
- New surplus: $2,920 – $2,750 = ~**$170/month.**

4. **Attack the credit card with the avalanche method.** At 22.9% APR it is by far the highest-rate debt, so every spare dollar goes there. Add **$130/month** to the $95 minimum → **$225/month** toward the card. Balance $4,200 at 22.9% is retired in **about 23–24 months** (roughly two years). *Math:* at 1.908%/month on $4,200 paying $225, first-month interest ≈ $80, and the balance clears in ~23 months.
5. **Keep a trickle going to the emergency fund.** Add the remaining **$40/month** to the existing $40 HYSA contribution → **$80/month**. It is small, but it stops a $400 car repair from becoming new credit-card debt during the payoff. The full 3-month fund is a *phase-two* goal once the card is gone.
6. **Do NOT refinance the federal student loans.** At 5.4% the rate is modest, and refinancing to a private lender would forfeit federal protections (income-driven plans, forbearance). Hold the $190 minimum during the credit-card payoff; the avalanche says the 22.9% card is the emergency, not the 5.4% loan.
7. **Final allocation of the ~$170 post-enrollment surplus:**
   - $130 → extra credit-card principal (avalanche)
   - $40 → emergency fund (HYSA)
   - (plus the separate $160 pre-tax 401(k) contribution, which is what reduced take-home to ~$2,920)
8. **Phase two (after ~month 23, card paid off):** redirect the freed $225/month → finish the 3-month emergency fund, then split between raising the 401(k) above 4% and extra student-loan principal.

Recommendations that score lower:

- Paying the credit card aggressively while *ignoring the 401(k) match* — mathematically the match's 100% return dominates a 22.9% interest saving.
- Refinancing the student loans (moves the low-rate debt while the real fire is the 22.9% card).
- Trying to fully fund a $7,500 emergency fund *before* touching the 22.9% card — the card's interest compounds against him faster than a large cash cushion earns.

Profile 3 — The Park-Hassan Household

Composition. Daniel Park (31) and Yusra Hassan (30). Married, expecting their first child in about 5 months. No children yet.

Location. Minneapolis, Minnesota. Rent a 2-bedroom apartment; plan to buy a home.

Income.

- Daniel: Software QA engineer, $88,000 gross annual. Contributes 6% to a 401(k) with employer match.
- Yusra: Registered nurse, $57,000 gross annual. Contributes 4% to a 403(b) with employer match.
- Combined gross: $145,000.
- Combined take-home (after federal, Minnesota state, FICA, both health premiums, and both pre-tax retirement contributions): **$8,050 / month.**

Monthly expenses.

Category	Amount	Notes
Rent (2-bedroom)	$1,750	
Utilities + internet	$180	
Groceries	$650	
Auto loan	$410	$18,500 remaining at 5.9% APR
Auto insurance (2 cars)	$190	
Fuel + maintenance	$260	
Student loan (Yusra, nursing)	$350	$19,000 at 4.8% APR
Cell phones (2 lines)	$110	
Dining out + entertainment	$560	
Subscriptions	$70	
Gym (2 memberships)	$90	
Travel sinking fund	$300	
Charitable giving	$150	
Savings (HYSA)	$400	
Total monthly expenses	**$5,470**	
Surplus	**$2,580**	

Balance sheet.

Asset	$	Liability	$
Checking	$4,500	Auto loan	$18,500 (5.9% APR)
Emergency fund (HYSA)	$22,000	Student loan (Yusra)	$19,000 (4.8% APR)
Daniel 401(k)	$61,000	Credit cards	$0
Yusra 403(b)	$18,000		
Roth IRAs (combined)	$12,000		
Brokerage account	$9,000		
Down-payment fund (HYSA)	$28,000		

Asset	$	Liability	$
Cars (2, ~)	$31,000		
Total assets	**$185,500**	**Total liabilities**	**$37,500**
Net worth			**$148,000**

Goals.

1. Prepare financially for baby #1: childcare in Minneapolis runs ~$1,400/month, and Yusra plans an 8-week maternity leave that is only partially paid.
2. Buy a first home (~$350,000) within about 2 years; the down-payment fund is at $28,000.
3. Start education savings (a 529 plan) for the baby.
4. Keep both retirement accounts on track.

Risk profile. Moderate. Both retirement accounts are in target-date funds; the brokerage is 80% equities.

Insurance. Both have employer health and dental. Both have employer disability paying 60% of base salary. **Neither has any life insurance** — a critical gap with a baby arriving and a mortgage planned. No wills or guardianship designations yet.

The decision the household is asking about. The couple has a healthy $2,580/month surplus today, but they know a baby will consume much of it. They ask:

1. How should they split the surplus among the down payment, a 529, retirement, and preparing for the baby?
2. How much should they set aside for Yusra's partially-paid leave and one-time baby costs?
3. Do they have an insurance or estate gap they are missing?

Answer guide (use after you write your recommendation)

A strong recommendation will:

1. **Close the life-insurance gap immediately — this is the top priority, not an afterthought.** With a baby coming, a planned mortgage, and two incomes the household will depend on, term life is essential. Buy it **now, while both are healthy and pregnancy is early** (premiums rise once complications or age advance). Recommend **20-year level term: ~$750,000 on Daniel and ~$500,000 on Yusra**, together roughly **$80/month** for healthy 30-year-olds. Pair it with same-week free actions: name beneficiaries and draft simple wills naming a guardian.
2. **Fund the leave-and-startup buffer before the baby arrives.** Yusra's 8-week leave (partially paid) plus one-time costs (crib, car seat, gear ~$2,000) create a near-term cash need of roughly **$4,000–$4,500**. Saving **$900/month for the next 5 months** builds ~$4,500 by delivery. This is a dated, high-certainty need, so it outranks the open-ended goals.
3. **Keep the home goal alive but decelerate it.** Route **$800/month** to the down-payment fund. On a $350,000 home: 20% down = $70,000; 10% = $35,000 (with PMI); 5% = $17,500 (higher PMI). Current $28,000 + ~$800/month for ~2 years ≈ **$47,000–$48,000**, about **13% down** — realistic for a purchase at the 2–3 year mark, likely with modest PMI. Note that adding a ~$1,400/month childcare cost may push the purchase toward year 3.
4. **Start the 529 at a modest, automatic level.** Recommend **$300/month** earmarked for a 529 (opened once the baby has a Social Security number; parked in the HYSA in the meantime). *Growth math:* $250/month at a

7% average return for 18 years ≈ **~$108,000** — enough to cover a large share of an in-state public university. (Contributing $300 now and settling to $250 post-baby keeps the projection conservative.)

5. **Nudge retirement, don't strain it.** Both already earn their employer matches, so retirement is on track. Add **$200/month** to Daniel's 401(k) or a Roth top-up — enough to keep compounding ahead of inflation without starving the dated goals.
6. **Allocation of the $2,580 surplus (pre-baby, next ~5 months):**
   - $900 → baby leave + startup buffer (HYSA)
   - $800 → down-payment fund
   - $300 → 529 (held in HYSA until the account is opened)
   - $200 → retirement top-up
   - $80 → term-life premiums (two policies)
   - $300 → flex buffer (pregnancy has variable costs)
   - **Total: $2,580** ✓
7. **Show the post-baby budget so the plan survives the shock.** Once childcare (~$1,400) and baby consumables (~$300) begin — about $1,700/month of new cost — and Yusra is back at work, the $2,580 surplus falls to about **$880/month**. Reallocate by dropping the now-unneeded $900 leave buffer and $300 flex:
   - $300 → down-payment fund
   - $250 → 529
   - $100 → retirement top-up
   - $80 → term-life premiums (continues)
   - $150 → flex buffer
   - **Total: $880** ✓

Recommendations that score lower:

- Prioritizing the 529 or an aggressive down-payment plan while **leaving the life-insurance gap open** — optimizes a dated goal while the household's biggest risk (loss of an earner with a newborn) stays uninsured.
- Assuming today's $2,580 surplus persists after the baby (it does not — childcare alone erases more than half of it).
- Parking the entire surplus in retirement (both matches are already captured; the near-term leave and insurance needs are more urgent).

Profile 4 — DeShawn Reid

Composition. DeShawn Reid (35). Single, no dependents.

Location. Atlanta, Georgia. Rents a 1-bedroom apartment with a home office.

Income (variable — self-employed).

- Freelance graphic designer and brand consultant (1099 / self-employed). Business net income (after business expenses, before taxes) averages **$7,500/month ($90,000/year)** but ranges from about $4,500 in a slow month to $11,000 in a busy one.
- Sets aside **30% ($2,250/month)** in a dedicated tax-reserve HYSA for federal income tax, Georgia state tax, and self-employment (Social Security + Medicare) tax, paid via **quarterly estimated payments**.

- **Average personal take-home after the tax set-aside: ~$5,250/month.** Because income is lumpy, DeShawn budgets fixed costs against this average and treats above-average months as sweep opportunities.
- No employer benefits of any kind: no 401(k), no employer health insurance, no paid leave, no employer disability.

Monthly expenses (budgeted against the ~$5,250 average).

Category	Amount	Notes
Rent (1-bedroom + office)	$1,500	
Utilities + internet	$190	Includes business use
Groceries	$420	
Auto + renters insurance	$160	Car is paid off
Fuel + maintenance	$170	
Health insurance (ACA marketplace)	$420	Buys his own coverage
Cell phone	$70	
Software + business subscriptions	$180	Design tools, cloud storage
Dining out + entertainment	$360	
Clothing + personal	$110	
Student loan (design school)	$260	$16,500 at 6.1% APR
Credit-card payment	$180	Revolving balance $6,800 at 24.5% APR
SEP-IRA (retirement)	$300	
Emergency fund (HYSA)	$250	
Total monthly expenses	**$4,570**	
Surplus (average month)	**$680**	Negative in a slow month; larger in a busy one

Balance sheet.

Asset	$	Liability	$
Business checking	$8,000	Credit card	$6,800 (24.5% APR)
Personal checking	$2,500	Student loans	$16,500 (6.1% APR)

Asset	$	Liability	$
Tax reserve (HYSA)	$6,500		
Emergency fund (HYSA)	$9,000		
SEP-IRA	$21,000		
Roth IRA	$8,500		
Brokerage account	$4,000		
Car (paid off, ~)	$12,000		
Total assets	**$71,500**	**Total liabilities**	**$23,300**
Net worth			**$48,200**

(The tax reserve is shown as an asset because it is DeShawn's cash until the quarterly payment is due; the corresponding tax is not yet a booked liability.)

Goals.

1. Smooth out variable income and hold a larger emergency fund (6+ months) because his paycheck is unpredictable.
2. Pay off the 24.5% credit card.
3. Save for retirement consistently despite having no employer plan.
4. Buy a home eventually (soft goal, 4–5 year horizon).
5. Keep taxes correct — pay quarterly estimates and avoid a surprise bill.

Risk profile. Moderate investing risk tolerance — but his **income risk is high** (variable, single-earner, no benefits), which argues for a bigger cash cushion and conservative fixed costs.

Insurance. Health via the ACA marketplace (has it — good). Auto + renters bundled. **No disability insurance — the single most important gap**: his income *is* his ability to work, and he has no employer coverage behind it. **No life insurance** (acceptable — no dependents). Should also consider professional-liability (errors-and-omissions) coverage for the consulting work.

The decision the household is asking about. DeShawn's income is irregular and he has never had employer benefits, so he is unsure how to budget. He asks:

1. How big should his emergency fund be, and how should he budget against a paycheck that swings from $4,500 to $11,000?
2. Should he attack the credit card or put more into his SEP-IRA?
3. Is he saving enough for retirement with no employer match?

4. Is he handling his taxes correctly?

Answer guide (use after you write your recommendation)

A strong recommendation will:

1. **Validate the tax discipline — it is his best habit.** Setting aside 30% of net income for quarterly estimated taxes is exactly right for a 1099 earner (self-employment tax of 15.3% on 92.35% of net, plus federal and Georgia income tax). Keep paying quarterly (April, June, September, January) to avoid underpayment penalties, and make sure he claims the **deduction for one-half of SE tax** and the **20% QBI deduction**. The $6,500 tax reserve covers the next quarterly payment.
2. **Size the emergency fund to the income risk, not the textbook default.** For a variable, single, no-benefits earner, target **6 months of essential expenses**. Essentials ≈ rent $1,500 + utilities $190 + groceries $420 + insurance (auto $160 + health $420) + fuel $170 + phone $70 + business software $180 + minimum debts (student $260 + card $180) = **$3,550/month, so a 6-month fund is** **$21,300**. He has $9,000 — a gap of about **$12,300**.
3. **Attack the 24.5% credit card first (avalanche).** It is the highest-rate liability by far and its interest compounds against him faster than any savings account earns. Add **$300/month** to the $180 minimum → **$480/month**. Balance $6,800 at 24.5% (2.04%/month) is retired in **about 17 months**. *Math:* first-month interest ≈ $139; paying $480 clears the balance in ~17 months.
4. **Close the disability gap — it protects everything else.** A single self-employed earner with no employer coverage should carry an **individual own-occupation long-term disability policy**, roughly **$110/month** for a healthy 35-year-old. If he cannot work, this is the only thing standing between him and financial collapse; it outranks extra retirement saving.
5. **Keep the emergency fund growing in parallel.** Add **$270/month** to the $250 already budgeted → **$520/month** to the HYSA. At $520/month the fund reaches the ~$21,300 target in roughly **24 months**; once the card is gone (~month 17) the freed $480 accelerates it.
6. **Allocation of the ~$680 average surplus:**
   - $300 → extra credit-card principal (avalanche)
   - $110 → individual disability insurance
   - $270 → emergency-fund top-up (HYSA)
   - **Total: $680** ✓ Combined with the base budget, updated monthly commitments become: credit card $480 (180 + 300), disability $110 (new), emergency fund $520 (250 + 270). New expense total = $4,570 + $300 + $110 + $270 = **$5,250 = average take-home**, so the average month is fully allocated.
7. **Use a "sweep rule" for the good months instead of over-committing the budget.** Budget fixed costs to the ~$5,250 average, and in any month the business nets above $7,500, **sweep the extra (after the 30% tax set-aside) into the emergency fund until it is full, then into retirement.** This is how a variable-income earner saves aggressively without building a budget he cannot meet in a slow month.
8. **Fix retirement *after* the card and emergency fund, and upgrade the account.** $300/month into the SEP-IRA is only ~4% of income — light. Once the 24.5% card is gone and the 6-month fund is built, raise retirement toward **10–15%** using the freed $480/month, and consider switching from a SEP-IRA to a **Solo 401(k)**, which allows larger contributions at his income level (employee deferral plus an employer-side contribution) and adds a Roth option.
9. **Defer the home goal to years 4–5.** After the card is paid and the emergency fund is full, redirect the freed cash flow into a dedicated down-payment fund. Buying sooner would strain a budget that must already absorb income swings.

Recommendations that score lower:

- Pouring money into the SEP-IRA while the **24.5% card** revolves (the guaranteed 24.5% “return” from paying it off beats expected market returns).
- Using the standard **3-month** emergency-fund rule (too thin for a variable-income, no-benefits earner — 6 months is the right benchmark here).
- Ignoring the **disability gap** — for a solo earner whose income is his labor, it is the highest-value insurance he can buy.
- Treating the tax reserve as spendable savings (it is money already owed to the IRS and the state).

Profiles 5–8 (scheduled)

The remaining profiles — the Whitfield household (near-retirement, catch-up saving and the Medicare bridge), Yuki Tanaka (single high earner, aggressive investing vs. a home purchase), the Okonkwo household (rebuilding after a layoff), and Marisol Vega (single parent, insurance-first strategy) — follow the same structure (composition, income, monthly expenses, balance sheet, goals, risk profile, insurance, decision asked, answer guide). They will be added in subsequent companion releases. Subscribe at https://synprep.com/ap/ap-business to be notified.