

A Shocking New Trend

Last fall, CNN opened an article with the story of Jeff Regan, who received a phone call informing him that his 94-year-old aunt was being evicted from her home in an assisted living facility. The next day, he received legal notice of the eviction.¹ If the number one fear of most people is outliving their money, this is validation. Studies are showing evictions top the list of assisted living grievances.

If you google “assisted living evictions” you will find lists of “How to Evict a Resident” and “How to Write the Letter of Eviction – including templates” and “How to Take the Legal Steps to Evict Residents”. It is becoming frighteningly commonplace.

But it doesn't have to be for you.

I was a fairly new stock broker in 1987 (that is what they called us before we became “Financial Advisors”). I opened an account for a retired postman who had his pension but had also saved \$216,000. The client decided to split his \$216,000 between me and a broker at another major brokerage house. In the months that followed, I would suggest each time we talked that he consolidate the monies with me. I am pretty certain the other broker was suggesting he be given the total as well. Eventually, I quit suggesting consolidation.

A few years later, my client called and said that since his account now topped \$1 million, he wanted to come buy me lunch. He did. During that lunch he said he should transfer the other account to me. I asked how it had done. He told me the other advisor had laid out a well-conceived financial plan with graphs and pie charts and statistical analysis. The account was invested across a broad spectrum of assets and well-diversified. However, while his account with me had grown from \$108,000 to \$1 million, the other account had only grown from \$108,000 to \$140,000 over the ten or so years since he had split the lump sum.

My first reaction was to suggest he keep the account with the other financial advisor so he would have a measure of how I had helped him. But that was not in his best interest and he moved the account to me.

He is now 96 years old and even with a major medical problem in his late 70s but has been able to afford the care he needed.

AARP found a significant percentage of boomers and seniors struggled during the Great Recession,² and there will be a time when this secular bull market comes to an end in either another Great Recession or Great Inflation.

¹ Graham, Judith. “Kicked out of assisted living: What you can do.” CNN, 20 September, 2018, <https://www.cnn.com/2018/09/20/health/assisted-living-eviction-partner/index.html>

² “Boomers and The Great Recession: Trying to Recover.” *AARP Policy Institute*, September 2012, https://www.aarp.org/content/dam/aarp/research/public_policy_institute/econ_sec/2012/boomers-and-the-great-recession-struggling-to-recover-v2-AARP-ppi-econ-sec.pdf

Now is the time to plan for the future – to remove the worries that you will outlive your money. Call me or email me for a free 30 minute consultation about your financial situation and how I might be able to help you as I did with my client.
