



Based in Corona, CA, Western States Financial is an independent financial advisory firm with a very unique approach that helps people find money they are currently transferring away unknowingly and unnecessarily.

MoneyLink

*Your Link to Meaningful
Wealth Accumulation*

5 Ways You Can Find Money:

"If money management isn't something you enjoy, consider my perspective. I look at managing my money as if it were a part-time job. The time you spend monitoring your finances will pay off. You can make real money by cutting expenses and earning more interest on savings and investments. I'd challenge you to find a part-time job where you could potentially earn as much money for just an hour or two of your time."

Laura D. Adams, Money Girl's Smart Moves to Deal with Your Debt

Vital Issues for You to Consider:

◆ **"Can I Use
My Home
to Boost My
Retirement?"**

◆ **"Can Your
Credit Rating
Really Save
You Money?"**

Let's say someone offered you \$1,000,000 if you could find a winning design to build the world's most efficient car. They're not looking for the world's fastest, most opulent or most exotic; they want power, comfort and maximum efficiency to reach their destination in style.

Two priorities immediately become clear. You need to find a plan that offers (1) exceptional power and (2) maximum efficiency.

Now take the car from that picture, and, in its place, think about your personal finances. To achieve your dreams

Cont. on Pg. 2

#1 **Deal with Debt: Use the Avalanche!**

Debt costs money! Wipe out credit card debt, car or boat loans, student or personal loans by using the "avalanche plan."

Examine outstanding debts, and line them up in order of interest expense. For example, a whopping 18% rate on a credit card expense is hurting you more and therefore comes before a car note financed at 4% APR. Pay off the high interest debt first, and then shuffle that entire amount to the debt next in line.

Do you have a clear plan to eliminate debt and channel recovered dollars into building real wealth?

"Can I Use My Home to Boost My Retirement?"

For most Americans, a home is the single largest investment of their lifetimes.

After six cruel years of bad news about the value of our homes, the good news is that home prices (and values) are rising. The U.S.

Federal Reserve reported recently that the equity in Americans' homes has risen by \$2 trillion in 2012 alone. With careful professional guidance, that benefit might be translated into a significant boost in your retirement planning.

Historically, only ten percent of retirees relocate, but baby boomers in big numbers are bucking that trend. More retirees than ever are seeing the advantages of a smaller retirement home.

Cont. on Pg. 3

Cont. From
Page 1

5 Ways You Can Find Money:

(financial security, easy retirement, perhaps a get-away home in the mountains) you need (1) to find the cash to power meaningful wealth accumulation and (2) a strategy that

eliminates waste and unnecessary losses. You need to re-examine your finances, infuse more cash to jack up your investments, and reduce the drag of unnecessary expenses.

That's not impossible. It's not even hard. It simply requires a measure of wisdom, the gumption to make wealth a real priority, and the willingness to ask for help.

Cont. on Pg. 3

Reduce Credit Costs: Pay Less Interest!

#2

If you're paying 12% to 21% on a credit card balance and have a good credit rating, you're letting your bank rob you of earning power!

Get on-line and research low-interest or zero-interest credit card offers. A quick search as of Nov. 5, 2013, shows two or three national banks offering "introductory rates" of zero percent for up to 18 months to consumers who qualify. Use that 18 months to pay off the balance; then shift dollars you were using to pay down this debt to slash more debt or power your investment plan.

To maintain a strong credit rating, never use more than a third of the credit available on your plastic cards, and pay that amount off at the end of each month. When you pay off a card, don't close it out; let the bank see that you have credit you're not using. **How much money are you surrendering needlessly through inattention to the cost of your credit arrangements?**

Recheck the Mortgage: Act Wisely Here!

#3

The investment value of a home in America has taken a beating since 2006 when the housing bust put millions of families under water, strapped into mortgage notes that suddenly loomed larger than their reduced home value. That bust contributed largely to a sickening downward lurch in the median net worth of American families -- from \$193,700 in 2007 to only \$117,900 in 2010!

Still for 60% of American families, a home mortgage represents the largest single piece of their financial profile. How you handle your mortgage will, without a doubt, work either for or against you. For example, if you've paid down your mortgage by at least 20%, are you still paying for mortgage insurance? **Is your home mortgage designed to work in sync with your retirement plan -- or are you losing money unnecessarily?**

Cont.
From
Page 2

"Can I Use My Home to Boost My Retirement?"

An Instant Infusion?

A decision to down-size, good pricing and careful shopping can offer you a number of benefits.

First, up to \$250,000 in equity

on the sale of your home (\$500,000 for a married couple) might be transferred tax-free directly into your investment strategy, providing a significant boost to your earning

power. (Check with us or a CPA to make sure that you qualify for this benefit.)

Lower Expenses?

According to the highly touted Consumer Expenditure Survey, housing costs consume 40% of the average retiree's budget. Beyond the immediate hike in your assets, a retirement decision to down-size may substantially reduce other big expenses such as your utility costs, property taxes and often exorbitant association fees.

Delayed Drawdowns?

Finally, if you can lower your living expenses sufficiently by carefully down-sizing, you may be able to decrease or delay drawing upon your retirement accounts. The longer you can hold on to your investment dollars, the more those same dollars ought to be able to grow and mature into meaningful assets.

As significant as it may be, the value of your home is still only one factor, only one piece of your overall financial profile.

The trick to retiring with real wealth lies in coordinating all of the various pieces of your profile into one harmonious machine, a strategy carefully designed to achieve your dreams. That's what we do. Call now, and let's talk.

Source: Rosato, D. "Use Your Home to Boost Retirement Savings" CNNMoney.com. 10/28/13

Cont. From
Page 2

5 Ways You Can Find Money:

Lower Insurance Costs: Don't Pay Too Much! #4

You can lose more money through simple inattention to your insurance coverages than perhaps through any other facet of your financial profile. You need insurance, but most people shovel hard-earned dollars into duplicate coverages; inefficient home, auto or life insurance; or entirely unnecessary coverages!

How much money are you surrendering needlessly through inattention to your insurance coverages? Will you let us help you review those coverages and recover hard-earned dollars?

#5 Stabilize Your Wealth Plan: Automate Your Investment!

There will ALWAYS be an attractive reason to short-change your investment plan and spend what you were supposed to invest this month on some personal indulgence. In the long run, those distractions will rob your wealth plan of vitality and short-change your dreams.

Carry your ambitions to a financial professional who will work with you to brainstorm, build and manage your wealth strategy. Then make arrangements for automatic payments to propel that strategy and fulfill your long-term ambitions.

When can we sit down together, share a cup of coffee, and set about achieving your dreams?

Source: Chatsky, Jean. "Your Money at 50" AARP The Magazine. August/September, 2013

Can Your Credit Rating Really Save You Money?



"Mr. Walsh, I take it you haven't checked your credit rating for some time?"

Achieving a top-flight credit score can save you LOTS of money. A highly respected oversight agency, the Financial Industry Regulatory Authority (FINRA) regulates America's security industry. According to FINRA, a family with an outstanding credit rating buying a \$200,000 home on Oct. 23, 2013, should save as much as \$68,311 over the course of their mortgage because that credit rating allows them to secure better terms.

How do credit bureaus gauge your worthiness?

Your credit rating is compiled from this financial information:

- ◆ **Your payment history** accounts for 35% of your score. No late payments!
- ◆ **How much you owe.** (30%) Don't use more than 30% of your credit available on your credit cards!
- ◆ **The length of your credit history.** (15%) The longer, the better!
- ◆ **Kinds of credit you have** (10%) and if you use it appropriately.
- ◆ **New credit applications.** (10%) A rush for new applications raises troubling questions.

Your credit rating is a simple symptom of financial health. Let us work with you to strengthen your entire financial universe.

Source: Walsh, Gerri. "Your Credit Score Affects Your Financial Health" FINRA and Yahoo Finance. 11/5/13



John Weyhgandt
President

Questions or Comments?
(951) 371-7608



Visit us online:
www.westernstatesfinancial.net



Western States Financial
P.O. Box 1404
Corona, CA 92878

