

WHICH IS BETTER:
INVESTING YOUR MONEY OR SELF FINANCING YOUR CARS AND
HOME IMPROVEMENTS?

This question has been the topic of many of the meetings I have had over the past month.

We have all been conditioned by the investment industry (mutual funds, broker dealers, plan administrators, etc.) and banking industry to think that investing is the only way we can build up the largest sum of money possible and reach financial security.

I thought this was true, too, until about 7 years ago!

My thinking started to change when I looked at the total cost (principal and interest) of all the cars my wife and I had purchased and the home improvements we made since we were married, and compared that number to the value of our investments.

We did not do badly with our investments. We always had a diversified portfolio and I always picked the best mutual funds I could find for our IRA's and 401k's.

We probably averaged a return of 4 or 5%, which is way above average. The problem is that we paid out or lost interest to the tune of 6 or 7% on average. Also, we never recaptured the cost of the cars or home improvements.

The bottom line for us was that we could have had at least doubled the amount of money we did have by self financing instead of investing.

In our case the difference was over \$250,000!

Through college and all my professional courses, I was never taught about the power of self-financing. I had no clue how powerful self-financing was until I met Nelson Nash, the founder of the BOY concept. I thank God every day for bringing Nelson into my life.

I am now 58 years old and have been doing BOY for almost 7 years. Granted, I don't have a ton of additional time to put money into BOY, but whatever time I have to do BOY and maximize my self-financing will be better for me than investing.

I think this is especially true given what is now happening in the stock and real estate markets. With BOY, I know what my minimum values are going to be. I am not risking my money. My money is not tied up in knots. This is a much different situation than a 401k or IRA account.

What about you?

How much have you spent on cars, vacations, home improvements and all the other things besides your mortgage that you could be self financing over the past 10 years?

And more importantly, what will you spend on these things over the rest of your active lifetime?

How much will you contribute to the profits of the banks and finance companies over the next 10 years?

Want to know more about the power of self-financing and how it can help you have a bigger pile of money later on in life? Just let me know. My job is to teach people about the power of self-financing. I will be happy to help you. Call or email us today to set up a time to talk while it is on your mind.

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