



Our belief systems continue to change as we learn new things, and as technology allows us to explore life from a different perspective.

Look at some of the common beliefs of the past that were held to be true, and turned out not to be true.

- **The earth is flat.** Christopher Columbus sailed to the new world, and proved that wasn't the case.
- **The universe revolves around the earth.** Galileo was held under house arrest with that wacky thought.
- **The most efficient way to go over the high jump bar is the scissor approach.** Dick Fosbury, and the Fosbury flop, set new world records with his opposite approach.
- **The real money in computers is in the hardware not software.** That was the original thought by IBM when they first met Bill Gates.

Do you have any common beliefs that need to be challenged about money?

Some of the common beliefs that need challenging are:

- **Increasing Rate of Return is the quickest way to increase one's wealth.**
- **The interest rate is the important factor when deciding on purchasing a mortgage.**
- **Prepaying your mortgage increases your wealth.**
- **You must reduce your lifestyle in order to save more money.**
- **You can live on less in retirement.**

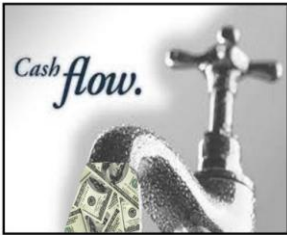


1. Financial entertainers don't always give you all the information. There are two sides to every story like two sides to every coin. Let's look at an example of incomplete information. If you have a mortgage on your house you pay interest. That is true. However, you lose interest because you do not have the opportunity to invest or save the money. The money is locked away in the house. The real issue is and the questions that need answering are "What is the most efficient use of the money? Does it make sense to have the money inside or outside the house?"

2. How much money is really in your 401K or IRA account?. Take a look at your statement. It gives you a lump sum amount. Many people perceive the amount to be all of their money. Don't forget your partner! It is the federal government. They will take their share along with interest when you start dipping into the pot.

3. Someone has to qualify to access the equity in your house. There are only two ways to turn equity in your house into cash. You must either sell the house or borrow the money. You must qualify for a mortgage. The lending institution will insist on it.

4. Do you realize everything you buy is financed? If you pay cash you lose the opportunity to invest the money, and that is the finance charge. You finance charge is whatever the money was earning for you prior to your purchase.



• **5. Our lives are governed by cash flow not assets.** I recently met with a client who's net worth was in excess of 17 million dollars. He wasn't sure of all his assets and their locations. However, when I asked about his cash flow, he produced his ledger book with his monthly requirements.

• **6. There is more to be gained by avoiding financial losses than picking apparent winners.** Ask the victims of Bernie Madoff if they would just like to have their principal returned. The consistent promised high rates of return over a long period of time were simply

unrealistic.

7. The past doesn't determine the future. The decision you make about your money determines your future. It doesn't matter what happened in the past. The past is gone. The decisions you make today are far more important in shaping your financial future.

8. When you are making decision about your money make sure the decisions work under all conditions. Your decision should stand the test of good and bad times, up and down markets, and death and disability.

9. Are you the perfect the taxpayer? You are if you are in the highest tax bracket and have no deductions.

Prepaying your mortgage doesn't increase your net worth. You are just moving assets from one part of the ledger to another part. You are taking a current asset (cash) and moving it to a long term asset (equity).

10. The key during retirement is for your money to last longer than you do. Find someone who can help make your money more efficient.



At First Benefits Group, Inc. we are financial and insurance educators.

Our approach is unique and uncommon. We teach our clients how to be more efficient with their money. We can verify that being more efficient can have a major impact on accumulating more wealth.

We start by looking at money that is being transferred unknowingly and unnecessarily from one's Circle of Wealth.

To schedule a complimentary, no obligation appointment to discuss your personal circumstances, please call our office at 941.361.3057 x4.

Sincerely,

Terry O'Brien

Financial Consulting • Life Insurance • Group and Individual Health • Dental Insurance • Vision Insurance • Disability Insurance • Long Term Care Insurance • Annuities

306 N. Rhodes Avenue, Suite 111, Sarasota, FL 34237 • 941.361.3057 • tobrien@firstbenefits.net