



Creating
A
Family
Legacy

Investment Instruments

Stocks

**Precious
Metals**

Annuities

**Precious
Stones**

**Real
Estate**

Bonds

**“Rich People Do Things
That Poor People Will Not
Do.”**

Napoleon Hill – 1883-1970

Think and Grow Rich

Real Estate

- * **Commercial**
- * **Farm Land**
- * **Residential**
- * **Senior Housing**
- * **Low Income Housing**
- * **Raw Land**

Major Concerns Before Investing

- * **Location, Location, Location**
- * **City Movement**
- * **Price vs Rent**
- * **Carrying Notes**

Real Estate Rental

Duplex Purchase Price	\$300,000
Down Payment	\$60,000
Amount Financed	\$240,000
Interest Rate	6%
Time Financed	15 years
Monthly Payment	\$2025.00 (\$24,300)
Rent	\$2,500/month (\$30,000/year)

Yearly Expenses

Taxes	\$2,400
Insurance	\$1,000
Repair	\$3,500
Management Fee	\$2,500
Total	\$9,600

Yearly Mortgage	\$24,000
Yearly Expense	\$9,600
Total	\$33,900

Yearly Profit/ Loss

Out flow	\$33,900
Rent	\$30,000
Loss	\$3,900

Tax Return

Depreciation	\$9,818
Actual Loss	\$3,900
Total Loss	\$13,718
24% Tax Saving	-\$3,292
Total Loss	\$10,426

Reality Statement

Total Loss	\$10,426
Depreciation	-\$9,818
Total Loss	\$608

Mortgage Reduction	\$10,000
Yearly Loss	-\$608
Total Gain	\$9392

Training To Make It Last

“There is only one success. . . To be able to spend your life in your own way.” Christopher Morley

Attitude

**“Financial independence begins with an independent attitude toward life.”
Julia Guth, Executive Director Oxford Club**

- A. Develop Your Goals**
- B. Focus On Goals**
- C. Reevaluate Goals**

Organizing

- A. Ways to Accomplish Your Goals**
- B. Incorporate Expertise**
- C. Set Up a Systematic Approach**

Knowledge

- A. Read books that focus on your goals**
- B. Talk less and listen more**
- C. Cautiously Experiment**

How To Be Rich by Paul Getty

Planning

- A. Develop a Procedure to Accomplish Your Goal
- B. Assess Your Risk Tolerance
- C. Work, Work Very Hard

“Where profit is, loss is hidden nearby.”

Japanese Proverb

Training Future Generations

- A. Set a Good Example by Saving Money**
- B. Encourage Your Family to Plan and Work**
- C. Determine if You Want to Control from the Grave**

“Generations pass while some trees stand, and old families last nor three oak.” Sir Thomas Browne 1605 – 1682

Examples

- A. Joseph P. Kennedy (1888 – 1969)
- B. Commodore Vanderbilt (1794 -1877)
- C. J. D. Rockefeller (1839 – 1937)
- D. John Templeton (1912 – 2008)
- E. Mayer Amschel Rothschild (1744 –1812)

“As time passes, wealth is typically wasted, diluted, taxed away or lost in some other fashion. Companies bankrupt and banks collapse. Wealth is always under attack. It takes skill and knowledge to protect it.”

Julia Guth, Executive Director Oxford Club

Timeless Rules for Investing by Steve Sjuggerud

1. An attempt at making a quick buck often leads to losing much of that buck
2. Don't let a small loss become large.
3. Cut your losers; let your winners ride.
4. Arising tide raises all ships and vice versa
5. When a stock hits a new high, it's not time to sale . . . **some** is going right.
6. Buy and hold doesn't always work.
7. Bear markets begin good times. Bull markets begin bad times.
8. If you don't understand the investment don't buy it.
9. Buy value, and sell hysteria.
10. Investing in what's popular never ends up making you money.
11. When it is time to act, don't hesitate.
12. Expert investors care about risks; Novice investors shop for returns.

Traditions of Wealth by Julia Guth