

# The Senior Focus Newsletter



Covered in this issue::

Savings Bonds

Reverse Mortgage Myths

Upcoming Seminars

401k Secrets

## Famous Quotes

"If you would know the value of money, try to borrow some."

Benjamin Franklin

"A big part of financial freedom is having your heart and mind free from worry about the what-ifs of life"

Suzie Orman



November 2008

Legacy Consultants All Stars  
William Thurman - Lead Consultant  
Scott Blair, Raymond Huff, Alex George,  
& Jim Mundell.  
836 Distribution Drive  
Beavercreek, OH 45434  
1-866-848-7688

## Savings Bonds Are a Terrible Investment Now (2008)

Although I have purchased Savings Bonds in the past because they have offered safety, tax deferral, minimum guarantees and usually rates that were at least competitive with banks, I would not buy one now. The new long-term rate on **Series EE bonds is 1.4%**. That's it, and the 1.4% is locked in and will not change. Series EE bonds still promise to return double your money in 20 years - an effective return of 3.5% - but if you take out your money early you would only earn 1.4%. In actual dollars this means if you put \$5000 into a Series EE Bond today you would get back \$10,000 in 20 years, BUT if you cashed in the annuity in 19 years and 364 days you would get back \$6,602; this is equivalent to a **68% surrender charge!**

Existing bonds have also taken a hit. Any Series EE bond purchased in the last 11 years is currently earning 2.74%.

I used to like I Bonds because they gave you a fixed rate of at least 1% plus extra interest that was index-linked to the rate of inflation. But any I bonds purchased today do not have an interest rate floor. If inflation stays low **I Bond returns could be much worse than other safe money places because the fixed rate is zero.** Today, it does make sense to buy U.S. Savings Bonds.

(From safemoneyplaces.com)



"No, THEY LEFT THE MONEY, BUT, THEY SIPHONED ALL OUR GAS..."

Get Up to Date on the latest Opportunities Available.

## Money Guard Accounts

*That act like CD's with PERKS!*

*4% Interest on 100% Liquid Funds*

*Life Insurance Value 1.5 to 2 % Higher than original deposit*

*Long Term Care Value 3 to 4 times Higher than original deposit*

**Contact one of our Agents now at 1-866-848-7688**





*Bill Thurman was born and raised in Ohio. He and his wife, Cheryl, have five children. Bill built his wealth preservation practice over the last 20 years. Early in his career, Bill made the decision to specialize in working with seniors. He is a national speaker, conducting workshops and seminars for seniors. His workshops address the special areas of concern faced by those in their "golden years" such as Medicaid planning, reverse mortgages, and not outliving your money. Bill is currently the Lead Consultant for Legacy Consultants, LLC.*

*Bill enjoys a number of activities and hobbies such as golf, spending time with his family, coaching youth football, and running the non profit foundation he started 15 years ago, The Making a Difference Foundation. He and his wife of 17 years live in Xenia, Ohio.*

## 7 Reverse Mortgage Myths!

- 1. The bank takes the house or the borrower can lose the house.** With a reverse mortgage, the borrower retains title to the home throughout the life of the reverse mortgage
- 2. The home must be paid off or be debt-free to qualify for a reverse mortgage.** Reverse mortgages convert home equity into cash. As long as there is sufficient equity in the property, the homeowner may be eligible for a reverse mortgage. In fact, many seniors use a reverse mortgage to pay off an existing mortgage in order to eliminate a required monthly mortgage payment.
- 3. When a reverse mortgage becomes due, the bank sells the home.** The borrower is in control of the home and retains title, not the bank or lender
- 4. The borrower could end up owing more than the home is worth.** Two of the great safeguards for reverse mortgages are that they are structured so that the borrower or his estate can never owe more than the value of the home upon repayment.
- 5. Reverse mortgage proceeds will impact Social Security and Medicare benefits.** A reverse mortgage will generally not affect regular Social Security payments or Medicare benefits.
- 6. Once the proceeds are received, taxes will need to be paid.** The cash proceeds from a reverse mortgage are tax free.
- 7. Reverse mortgages are only for seniors in need, or for the 'house rich, cash poor.'**

The reverse mortgage is an excellent financial planning tool that has been used by homeowners from all walks of life to enhance their retirement years.

## Worried About Identity Theft?

**LifeLock®** is a leader in proactive identity theft protection. And we back our clients with a \$1 million total service guarantee. All for just \$10 a month or \$110 annually. **(Save 10% & 20% OFF THE RETAIL COST** by using the promotional codes included in your packet.)

### How LifeLock Works:

When you enroll in LifeLock, we place fraud alerts, in your name, with the three major credit bureaus and we update them every 90 days. If anyone attempts to change your address, apply for a new line of credit or otherwise do anything requiring a credit check, the merchant is requested to contact you by phone and verify your identity. We also remove your name from junk mail lists and pre-approved credit card lists, which further protects you from ID thieves.

### What LifeLock provides:

- Requests credit fraud alerts on your behalf
- Requests free annual credit reports on your behalf
- Reduced junk mail and reduced pre-approved credit card offers
- Proactive identity theft protection
- \$1 million total service guarantee

### How to Enroll:

- Simply visit **LIFELOCK.COM** and click "Enroll Now" or call **800-LIFELOCK (543-3562)**
- Use promotional codes included in your packet in order to save 10% to 20% off the retail cost.



## Upcoming Seminars in November

**Golden Corral  
6611 Miller Lane  
Dayton, OH 45414**  
Guarantee your reservations by calling  
**1-800-358-7152**

**Tuesday, November 11<sup>th</sup>  
5:30 P.M.**

**Wednesday, November 12<sup>th</sup>  
5:30 P.M.**