



Financial FITNESS:

Characteristics of the Ideal Investment

by Thomas K. Brueckner



Think about all the things you've ever owned that made you money. Real estate, stocks, bonds, cash value life insurance, annuities, mutual funds, 401(k) plans, IRAs, CDs, savings accounts, commodities, options, collectibles, gold, REITs, even managed futures. Why did you buy them? Undoubtedly to make money, perhaps subject to a lot of risk—but to profit, not to lose. What were the characteristics of these investments that attracted you to them, their benefits, perks, advantages? Over the next two months let's cherry-pick the best attributes of each and compile a list of the characteristics of the ideal investment...

We've been polling our seminar attendees with this exercise for years. Here is a selection of their typical answers:
High Yield Potential. Everybody wants growth, although the older we get the more conservative we tend to become. Risk-

based investments are great when they succeed as hoped for, yet they're the cause of many a sleepless night when they don't. Still, everyone regardless of age should have some money in the stock market, assuming their investment time horizon is long enough, or the funds aren't critical to their retirement.

Safety/Stability/Guarantees. What else do we find in the stock market or real estate that's not so good? Their answer is either "risk" or "volatility". So what's the opposite of those? We all love the safety of CDs; we just wish they were a little higher yielding these days.

Tax Advantages. Who do at least 53% of us write a check to every year in mid-April? Ah, yes; our beloved IRS. In a perfect world, our Ideal Investment comes with some tax advantages. There's tax-free, tax-exempt, tax-deferred, etc. What if you could make use of the IRS' money, alongside of your money, as if it was your money, making you money within such an account? Better yet, what if you could do so far beyond the age of 70½, when most IRA accounts have to begin their taxable payouts? Reallocation. Here's a philosophical question for you: What are the 3 certainties of life? While we sometimes have fun with this one, the obvious answer is death, taxes, and change. Things don't always stay the same, and change is constant. Smart investors know that there are opportunities as well as risk amid such change, and that being able to adjust one's allocation to various asset classes (e.g. small-cap growth vs. large-cap value) is critical.

We have started the conversation here just as we would with our seminar attendees. We have 5 more significant characteristics to share with you next month, together with the reasons why they are important to you and your loved ones. So let me ask you this: What does the concept of the ideal investment mean to you at your age? See if you can complete the list we have already started and compare it with ours next month.

Thomas K. Brueckner, CLTC, is President/CEO of Strategic Asset Conservation in Scottsdale, a conservative wealth management firm with clients in 18 states and 6 countries. He is a 2011 Advisor of the Year national finalist, a radio talk show host, and a mentor to other advisors nationally. He may be reached for comment at go2knight.com.

CARING INSIGHTFUL **Intelligent**
Knowledgeable **FRIENDLY**
TRUSTWORTHY **Understanding**
Professional **SINCERE** **HONEST**

DON'T TAKE OUR WORD FOR IT.

In a recent survey of our clients, they used the words above to describe our staff and what it's like working with us.

At Strategic Asset Conservation, we specialize in savings vehicles and strategies that protect principal and gains during down years, and lock in growth during good years, with reasonable growth every year. Our team has expertise in the retirement and income planning needs of East Valley residents and believes that the final decision regarding your assets is always yours.

To learn more, visit www.go2knight.com or call us at (480) 661-6800 to schedule a complimentary financial review.



8800 E. Raintree Dr., Suite 220, Scottsdale AZ 85260
 (480) 661-6800 • www.go2knight.com