

THE JOURNEY CONTINUES

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“At our Firm,
Your Estate Plan
is Not Business,
it’s Personal...”



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“The best way to predict the
future is to create it.”

Peter Drucker

Happy New Year my dear Reader! I hope the end of 2020 went well for you and your family. Let us not rehash what 2020 has been like because better horizons are ahead of us. Let me start this year by making a confession to you. Ready?

Here we go! When I was young, I was never a good student! Hard to believe right? I can see some of you who know me well roll your eyes and say “No it isn’t!” 😊 But we shall not listen to such naysayers. Let’s hear it from the source itself. Me! As you know by now, I come from an immigrant family. My parents came from Iran, and to us, the United States was a big, scary place. And of all the places to land upon, they had chosen New York. As young as I was, my stimulation was on overload. Big buildings, cars and people everywhere. Non-stop activities around the clock. What was a youngster to do? I became hyperactive.

Coming from the Middle East, my parents didn’t have much endurance for the cold. So off to the West Coast we left. Then, it became about the beaches, camping and bonfires by the sea at night, and the stimulation continued. Like many foreigners, education was pounded into our minds at a young age, but my poor folks were of no help during homework time.

To make things worse, if I am to be completely honest, I will openly admit that I had a bit of a complex. We were surrounded by abundance and affluent families, but the reality at home is my parents were blue-collar workers. They considered it a privilege just to be in this type of environment. And so it was. For countless years of schooling, the aspiration for education was the only objective. This went on well into law school.

However, once into my first year of law school, also known as 1L, the mind games that had been plaguing me in my youth had to be addressed. Merely memorizing was not enough, I had to become proficient at application of knowledge. The sheer amount of student loans made this whole experience too... real. I had to push my limitations and learn new tricks. Somewhere along the fight, I stopped questioning myself. No, my confidence did not grow overnight. No, my grades did not improve in the span of weeks (over a few semesters it did though 😊!).

What changed you ask? I just became present in the moment. I simply no longer had a choice. No, I was not going to ‘hang out’ at the beach. No, the weekends were no longer my priorities for the week. I just had to focus on the here and now. If Civil Procedure was on Tuesday, well my Monday was dedicated to those cases for the next day. And that’s how I built my week. Which became my month, and eventually turned into a successful semester.

After all these years, this one simple lesson never left me – if you are going to do something, just do it well. This is your journey, focus on the task at hand; and the rest can go... elsewhere.

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SPECIAL ANNOUNCEMENT

January marks the beginning of an entirely new year, which can bring an array of endless opportunities or a long string of sorrows. Though you may think much of it depends on circumstances (i.e, Covid *cough cough*), the secret lies in the attitude. Starting from planning and all the way to effective execution, we have to take full responsibility for our actions.

Often, goals such as achieving financial stability and creating constant economic growth are on top of people’s to-do lists. While some are fortunate to witness their dreams come true, others fall into the ditches of lost hope.

But if you get professional and experienced advice, things can change. A story of someone else’s success can teach you lessons and help avoid potential mistakes. Furthermore, it can give you a roadmap of what you need to do and how the journey goes on in reality.

It trains you to fight with challenges and face hurdles while growing your self-awareness at the same time. It is making you aware of the process of getting up once you’ve been knocked down.

Today we bring you a book that can show you precisely the path you need to take if you are serious about pursuing your financial goals.

The book *How To Be Rich Like Devos* is a critical analysis of the guy Devos, a multimillionaire. This book’s review will teach you some important lessons and provide you with some essential tips regarding your financial journey.

THE BATTLE CONTINUES...

Welcome back! Let us hope your year end celebration / resting period was a better reflection of 2020. Rather, let us hope it will be a reflection of what 2021 will have to offer. Having said that, let us not fool ourselves – 2021 will remain a fight! The economic disparity will continue to widen, and it is imperative you stay on your top game to ensure your family's financial and legal future.

With this in mind, let us study the obvious, most talked about proposition that we will be facing this year, Proposition 19. See, on the surface, it sounds great. To understand why, let us look together the first portion of that law –

In theory, Prop. 19 increases the number of times that certain people may transfer their tax assessments. If a person is 55 years or older, has severe disabilities, or lost a home in a natural disaster, the person may transfer their tax assessment up to three times now (up from one).

Sounds great, doesn't it? In the past, you may have been limited to the county in which you resided, homes of the same or equal value; so the proposition broadened your ability to carry your tax basis. If it ended there, we may not have anything to worry about quite frankly. Unfortunately, the law is never quite that simple. Let us look at the other side of the coin.

Remember Proposition 13, the ability for a family to get the step-up in basis on an inherited property? Well, unfortunately, Proposition 19 will severely limit that benefit. As a matter of fact, it will considerably limit the availability of the parent-child exclusion for purposes of real estate tax assessments and the resulting property-tax consequences. Well, come February 16, 2021, the use of that inherited property will greatly determine whether you can receive a step-up in basis or not.

Anything short of making the inherited home the primary residence, you will not receive the cost basis of tax property purposes that your parents had. If the inherited property is to be used as a rental, a vacation home, or anything else; the FMV will be used as the new tax basis.

As if this wasn't enough, well, the amount of the benefit will now be limited to \$1 million. Anything above that, and the higher tax rate may apply. Naturally, this is just a broad stroke of what Proposition 19 has in store for us. The point being, 2021 promises to be a year with many changes ahead of us.

What is important to remember, is that we must remain resilient. We have a vaccine that looks promising, a stock market that seems out of control, and a real estate market that seems to grow without an end in sight. Though we want to stay optimistic, we must not let ourselves get carried away by a false sense of optimism. Experience has taught us better.

You need not worry. We will keep you in the forefront of any legal changes that comes up in the estate planning universe. We simply ask that you stay involved in your family planning. If you feel the need to simply have your estate plan reviewed or amended, you know we are here for you.

Continue to visit our website at www.assetprotectioncenter.com to look at the new educational information we will be putting out. We look forward to the coming year... together.

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Why am I sharing this story you may wonder? Because 2021 may very much look like this for many of us. Some will soar and do well, others will struggle to stay afloat. Some will blame the new regime, others will say that they were never given a chance because of the shut down. By no means am I downplaying any of these factors. But what remains is your need to address your particular life challenge, whatever that may be. Heck, as far as we're concerned, we will continue to push ourselves and provide you nothing but the best that we have to offer. We will continue to work hard, and provide you quality service. As far as the Asset Protection Center, that is what 2021 has in store. Let's go get this year together!

How To Be Rich Like DeVos by Pat Williams

How To Be Rich Like DeVos by Pat Williams is a success story composed of the life of Rich DeVos, the founder of Amway and owner of the NBA team Orlando Magic. The book features the life struggles of Rich DeVos – a man who has defeated illness, received a heart transplant, and suffered many defeats along the way. Yet he turned out to be extraordinarily successful in life.

The book is a roller coaster of emotions and a true masterpiece. Pat Williams, the author of the book, has worked with Rich for over 14 years. The journey starts with Rich DeVos as a cheerleader for his school basketball team and the lessons he learned along the way to transition into business.

The book quotes Rich DeVos's views on success in which he describes the fact that if you have become a successful person, you must give something back to society. He believes that contributing back will result in a balanced and prosperous society. This concept of working for something that is bigger than yourself is prominent among countless successful individuals. The rewards enable you to live a fulfilled life.

DeVos is renowned in this book for his standards of equality. He is known to treat everyone equally regardless of their class and status. Each chapter of the book has been based on one of the traits of Rich DeVos and a further elaboration describing how this trait helped him become as successful as he eventually became.

Moving on, we see that each chapter gives a lesson; a milestone if you will; on the road to success. Furthermore, every chapter guides you and indoctrinates you on what traits you need to possess to achieve financial immortality.

Another prominent trait of DeVos is ability to stay positive despite adversity... every single one of us can learn from that after last year. His wife says that you will never hear a word of negativity from DeVos. That is a pretty remarkable trait in light of the failures he faced along the way. Similarly, many of his traits and life's lessons are beautifully penned by Pat Williams. His journey covers all aspects of success, including financial problems, family matters, society dealing, and much more.

This is an excellent way to educate the upcoming generation, which includes... you (yes, no matter how old you are). It trains people on how to deal with all aspects of life, what area of your life can prove to be a deterrent in your journey to success, and how to modify the pain caused by failures on this path.

Whether you are struggling with your financial condition or you have achieved minimal financial stability, this book is sure to teach you loads. It is composed attractively, and the connection is strengthened by a touch of realistic emotions and a hint of tiresome struggle.

If you want to be educated on financial success, this book should definitely be your first choice.

Let Us Redefine Human Limitations

Despite the countless motivational and educational sessions you can have with someone, humans are still subject to making mistakes while pursuing their goals. Some call it human limitation. As humans, we are not designed to be perfect; we deviate from our tracks and digress towards frivolous options while undermining the crucial ones. Such ebb and flow is what constitutes a journey, a life well lived!

Overspending is one issue, and unwise spending is another. People crave to satisfy their financial fantasies, and they tend to do it as soon as they get some amount in hand. At a moment like this, ask yourself these questions? Do you really need that additional car payment? Is that latest iPhone necessary (Well, for me it is, that iPhone 12 mini is to die for people! 😊) But for many of us, the answer is usually no.

What you need to learn is how to save and reinvest what you earned in order to grow more. Otherwise, you will be spending money that you don't have on items that you don't need to satisfy superfluous cravings.

Dealing with unwise spending is a bit more challenging as the person is not aware that their money is spent on something entirely irrelevant to their goals. Learning how to avoid this will be more challenging, but it can be done if you pay attention and become intentional in your spending.

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Welcome to 2021! Let's start on the right foot this year, and begin our conversation with one simple rule – honesty. Are you ready? Here we go! We expect 2021 to be a tough year. Not because we are pessimists, but rather realists. After one of the most unusual years recorded in our history, the financial repercussions of 2020 have yet to be felt.

Armed with a strong mind, good financial principles (and legal documents!), you need not fear! Nobody said it would be easy, but you will have what it takes to get over the hurdle. On our part, we will continue to do what we love – representing you zealously, and putting in the hours.

Never feel that you are going about this alone. Please reach out when you feel secluded. The damages of this pandemic could be seen not just on everyone's health, but the mental damages it has left in its wake. There has never been a higher report of suicides than 2020, and it is crucial to do our part to not let that spread. Never be too proud to reach out!

As a family office, we are here for you and your loved ones! Let's tackle this year together!