

HOW TO PREPARE FOR THE YEAR AHEAD

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



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Packaged inside of every mistake, there lays a great lesson. And while I don't want to take the mistake into the New Year, I most certainly want to take the lesson that's packaged inside of it.

– Craig D. Lounsbrough

As we move into 2025, several key economic changes are expected to shape the landscape, influencing everything from mortgage rates and cost of living to estate taxes and broader economic policies that may be affected by political transitions. While the future holds some uncertainties, there are sound financial principles that can help individuals and businesses stay afloat and even thrive in this evolving environment.



One of the biggest factors impacting consumers in 2025 will likely be mortgage rates. Over the past few years, mortgage rates have experienced significant volatility due to global economic challenges, central bank policies, and inflationary pressures. As we enter the new year, mortgage rates are projected to remain elevated, reflecting broader inflation trends and the Federal Reserve's efforts to manage economic stability.

Higher mortgage rates have a direct impact on the housing market. Potential homebuyers may find it more difficult to qualify for loans or may have to settle for smaller homes as borrowing costs rise. Whatever your financial situation may be, we strongly encourage you to ensure you only undertake a manageable mortgage loan amount, and be ready to sustain it for a period of at least 6 months should your income stream change!

The cost of living has steadily risen over the past few years and shows no signs of slowing down in 2025. Inflationary pressures, driven by a combination of supply chain disruptions, labor shortages, and higher energy costs, continue to affect everything from groceries to healthcare. It is likely that consumers will continue to feel the pinch in their day-to-day expenses.

To mitigate these rising costs, individuals and families need to adopt strong financial habits, such as budgeting carefully and seeking out ways to reduce unnecessary expenses. Prioritizing savings, building an emergency fund, and investing wisely must remain your priority. Thus, no new cars, no new toys (except for Christmas 😊)!

As an estate planning firm, no economic discussion would be complete without mentioning the upcoming estate tax change. At the end of 2025, the current estate tax exemption is to sunset into ... the ether 😞. The Tax Cuts and Jobs Act (TCJA) of 2017 temporarily doubled the estate tax exemption, allowing individuals to pass on up to \$12.92 million (or \$25.84 million for married couples) tax-free. However, this provision is scheduled to expire at the end of 2025, unless new legislation is passed to extend it.

If the estate tax sunsets as scheduled, the exemption amount will revert to its pre-TCJA level of approximately \$5.49 million (adjusted for inflation). This change could have a significant impact on estate planning strategies for individuals with substantial wealth. To prepare for this shift, it's advisable to consult with financial advisors

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INTRODUCTION

By the time you read this newsletter, it is likely that we will have a new elected president. Was he / she the candidate you voted for, are you happy? Irrespective, it is essential to stay informed about the potential changes that could impact both the business environment and our personal lives. The outcome will shape policies that influence economic growth, taxation, and the broader marketplace, it is imperative that your business be prepared for any shifts that could arise.

On the business front, now is the time to close out 2024 responsibly, ensuring that we manage our resources wisely and set ourselves up for success for the upcoming year. Whether that means reviewing your budgets, optimizing your operations, or investing in key areas of growth, taking a strategic approach will help ensure a smooth transition into 2025. Historically, as a firm, we have used December as a time to outline the key objectives we aim to accomplish for the next year. It has served us well.

But while planning is critical, it is equally important to take time to enjoy the holiday season. The end of the year brings a chance to reconnect with family and friends, recharge, and reflect on all that you have accomplished. This balance between thoughtful preparation and personal well-being is key as we step into the new year.

2025 is fast approaching, bringing new opportunities and challenges. By staying focuxsed, enjoying the present, and preparing for what's next, we can enter the new year with confidence and optimism. Here's to finishing strong and stepping boldly into the future!

THE PATH TO CREATING WEALTH



To finish off the year on a positive note, let's talk about – wealth building, shall we?! Creating wealth is an achievable goal regardless of the economic environment. Whether the economy is booming or in a downturn, focusing on sound financial principles and cultivating wealth-building habits can set you on the path to financial security and independence. Despite changes in inflation, interest rates, or market volatility, building wealth starts with consistent actions over time. By harnessing the power of compounding interest, setting aside money from every dollar earned, developing strong wealth habits, and maintaining a low-overhead lifestyle, you can accelerate your journey to financial freedom.

One of the most underestimated but powerful tools in wealth creation is compounding interest. Albert Einstein is often quoted as saying that compound interest is the “eighth wonder of the world,” and for good reason. Compounding occurs when the interest earned on an investment is reinvested, allowing the initial investment to grow exponentially over time. The longer your money remains invested, the greater the growth, thanks to the snowball effect of compounding.

Starting early is key to maximizing the benefits of compound interest. For instance, if you invest \$10,000 at an annual interest rate of 7%, that money would grow to more than \$38,000 over 20 years. If you leave it untouched for 30 years, it would grow to over \$76,000. The earlier you begin, the less money you need to set aside each month to reach your financial goals. Even in uncertain economic times, steady contributions to a retirement account or investment portfolio can significantly increase your wealth over time.

Another powerful habit in wealth creation is consistently setting aside a portion of every dollar you earn and treating it as if it doesn't exist. Automating your savings or investments ensures that you don't have to rely on discipline alone. Once upon a time, banking didn't allow us to automate this process. Imagine a time where the internet wasn't around! Believe it or not, I come from this generation, and saving actually required us to go into the bank and actually speaking to a banker 😊. So you have no excuses!

The key to making this strategy effective is to create the habit of “paying yourself first” before you allocate funds to other expenses. Set a specific percentage, whether it's 10%, 20%, or more, and consistently save that amount every time you earn money. Over time, you'll hardly miss the money, but your wealth will continue to grow in the background. Ignoring its existence means you won't be tempted to dip into these funds for discretionary spending or non-essentials, ensuring they grow uninterrupted.

Creating wealth isn't just about saving and investing—it's about developing habits that support long-term financial success. These habits can be as simple as creating and sticking to a budget, regularly reviewing your financial goals, or continually seeking ways to improve your financial literacy. One essential habit is setting clear financial goals. Whether it's saving for a home, paying off debt, or achieving early retirement, having concrete goals helps you stay focused and motivated. Additionally, tracking your progress toward these goals can provide a sense of accomplishment and encourage you to keep going, even during economic challenges.

Living below your means is another critical wealth-building habit. It's easy to fall into the trap of lifestyle inflation—spending more as your income increases—but keeping your expenses in check allows you to save and invest more of your earnings, which is essential for long-term wealth.

One of the most effective strategies for accelerating wealth creation is maintaining a low-overhead lifestyle. This means minimizing unnecessary expenses and keeping your cost of living as low as possible. By reducing housing costs, limiting discretionary spending, and avoiding debt, you free up more money for savings and investments. A low-overhead lifestyle also allows you to save more aggressively, which can dramatically shorten your path to financial independence. If you can live on 50-60% of your income while saving the rest, you may be able to retire years, if not decades, earlier than you originally anticipated. When your savings rate is high and your investments grow through compound interest, your wealth grows exponentially, bringing financial freedom within reach much faster.

Regardless of what happens in the broader economy, you can take control of your financial future by building strong wealth habits. By leveraging the power of compound interest, setting aside a portion of every dollar you earn, cultivating disciplined financial habits, and maintaining a low-overhead lifestyle, you can create lasting wealth. To end the year on a positive note, we want to once again thank you for your incredible loyalty to us after all these years! Not a single member on the team takes that privilege for granted. Enjoy the holidays, spend time with your family, and we're looking forward to seeing you soon... Oh, and... Merry Christmas!!

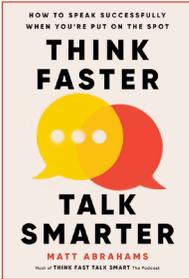
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or estate planners (we highly recommend the latter and happen to know a good firm for that! 😊) to reassess your estate plans and consider strategies such as gifting or establishing trusts to minimize potential tax liabilities.

The political landscape is another major unknown heading into 2025. With the upcoming presidential election and potential changes in the administration, economic policies could shift dramatically depending on the outcome. Key issues such as tax policy, trade agreements, and regulations on industries ranging from technology to energy could see significant changes under a new presidency.

While it's impossible to predict exactly how political changes will affect the economy, maintaining flexibility and staying informed about potential policy shifts can help individuals and businesses navigate uncertain times. Diversifying investments, staying nimble in business operations, and being prepared for policy changes are all smart strategies for managing this uncertainty.

As always, we encourage to budget and plan. Get rid of debts as much as you can, and don't get drowned in daily news. Keep your eyes on your business and your family, the rest will work itself out. And when in doubt, call us! Have an amazing Thanksgiving and an even better Christmas! We will remain open for a significant portion of the time, so don't hesitate to contact us for any of your financial and legal needs!



MATT ABRAHAMS - THINK FASTER, TALK SMARTER: HOW TO SPEAK SUCCESSFULLY WHEN YOU'RE PUT ON THE SPOT

This book sure would have been helpful when we started our career! This is an invaluable resource for anyone looking to improve their ability to communicate effectively in spontaneous situations. Drawing on his extensive experience as a Stanford lecturer and communication coach, Abrahams provides readers with a practical toolkit to navigate the anxiety and unpredictability of impromptu speaking.

Abrahams begins by addressing the most common barrier to effective spontaneous communication: anxiety. He introduces readers to a variety of strategies to manage nerves, such as deep breathing and mindfulness exercises. By helping readers calm their minds and bodies, he sets the foundation for more confident and composed speaking.

One of the book's strengths is its accessibility. Abrahams uses a conversational tone that makes complex psychological concepts easy to understand and apply. He enriches the text with anecdotes from his own experiences and those of his students and clients, which serve to illustrate his points in a relatable and engaging way. For example, he recounts how one student overcame the fear of being called on in class by using specific anxiety-reduction techniques, demonstrating the effectiveness of his methods.

The core of Think Faster, Talk Smarter is the "Think Fast, Talk Smart" methodology, which is comprised of six steps: Calm, Unlock, Redefine, Listen, Structure, and Focus. Each step is designed to help readers build their spontaneous speaking skills in a structured manner. The "Calm" step involves techniques to reduce anxiety, while "Structure" teaches readers how to quickly organize their thoughts. This method provides a clear, actionable roadmap for improving impromptu communication.

Real-world examples and case studies are woven throughout the book, providing practical insights and inspiration. Abrahams shares stories of clients who have successfully applied his techniques, such as a CEO who learned to connect with her team more effectively by managing her speaking anxiety. These narratives not only illustrate the success of the methods but also offer readers tangible examples of how to apply the techniques in their own lives.

Abrahams excels at balancing theory and practice. He delves into the psychological and physiological aspects of anxiety and communication, but always ties these concepts back to practical application. The book is rich with exercises designed to help readers practice and internalize the techniques. For instance, he suggests practicing the "ABC" method (Acknowledge, Breathe, Center) before speaking to calm nerves and enhance focus.

Despite its focus on practical techniques, the book is engaging and thought-provoking. Abrahams poses reflective questions and exercises at the end of each chapter, encouraging readers to think critically about their communication habits and consider ways to improve. For example, after discussing the importance of listening, he prompts readers to evaluate their listening skills in spontaneous situations and identify areas for enhancement.

Think Faster, Talk Smarter: How to Speak Successfully When You're Put on the Spot is an essential read for anyone looking to improve their spontaneous speaking skills. Abrahams provides a perfect blend of theory, practical tools, and real-world examples, making the book both informative and actionable. Whether you're a seasoned professional or someone who often finds themselves at a loss for words, this book offers valuable insights and techniques to help you communicate more effectively.

How To Make The Best Of The Last Two Months Of The Year!



The holiday season, particularly around Thanksgiving and Christmas, presents a unique opportunity to blend both relaxation and productivity. These festive months offer the perfect chance to enjoy time with family, make memories, and recharge, but they also present a golden opportunity for business owners and professionals to work on their businesses, rather than just in them. As client demands typically slow down, the "dead time" can be used effectively to gain clarity, strategize for the future, and address those lingering projects that often get sidelined during busier periods.

Thanksgiving is a time to reflect on the past year and express gratitude for the people and experiences that have shaped our journey. It's an ideal moment to gather with loved ones, share meals, and foster connections. Christmas adds a magical, festive spirit that encourages togetherness, celebration, and joy. However, beyond the social gatherings and seasonal cheer, this period of reduced work pressure offers a chance to step back and take stock of where your business is and where it's going. With clients and partners often taking a break themselves, the demands are lower, allowing more uninterrupted time for reflection and planning.

One great way to blend the spirit of the holidays with productivity is by taking a staycation. While it might be tempting to fully disconnect, a staycation offers a balance between relaxation and productivity. Staying close to home, without the pressure of travel, gives you a calm space to unwind but also allows the mental clarity to think about longer-term goals. It's a time to reflect on the bigger picture — revisiting business strategies, reviewing internal processes, and setting clear objectives for the upcoming year. Without the immediate stress of day-to-day operations, you can work on those essential "big picture" tasks that help your business grow and evolve.

At the same time, a staycation offers the perfect opportunity to focus on family. The holidays are about strengthening relationships with those closest to you — core family members who may have been overlooked in the hustle and bustle of the year. With fewer distractions and a calmer environment, it's easier to be present with your loved ones. Whether it's engaging in holiday traditions, playing games, taking long walks, or simply having meaningful conversations, this period can foster deeper bonds and create cherished memories.

Balancing family time with strategic work can also have long-term benefits for both your business and personal life. By taking a step back from the everyday grind, you gain perspective on your business's trajectory, potentially identifying areas of improvement, innovation, or growth. At the same time, the time spent with loved ones refreshes your mental and emotional energy, which can ultimately boost your productivity and creativity once the holiday season ends.

As you head into 2025, this approach sets the stage for a more intentional, focused year ahead. The calm pace of the holiday season, combined with thoughtful reflection and time spent with family, offers a rare opportunity to recharge while setting yourself up for success in both personal and professional endeavors. Enjoying the holidays doesn't mean putting everything on hold; it's about finding the balance between being present with your family and preparing for the future.



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As we wrap up another remarkable year, we want to take a moment to express our heartfelt thanks to you—our valued clients and readers. Your continued loyalty and trust have been instrumental in our growth, and we are truly grateful for your ongoing support.

This year has been a significant one for us, marked by both expansion and transformation. We're proud of the growth our business has experienced, from welcoming new team members to successfully moving into a larger office space that allows us to serve you even more efficiently. Our dedicated employees have worked tirelessly to ensure this transition has been smooth, and we couldn't be more appreciative of their commitment and hard work.

Looking ahead, we're excited about what the future holds. Our aim is to not only deepen the complexity and range of services we offer but also to continue delivering the high quality you've come to expect from us. As we grow, we remain committed to maintaining that personal touch and attention to detail that sets us apart.

Thank you again for being a part of our journey. We're excited to continue working with you in the year ahead and look forward to helping you achieve even greater success. Wishing you a joyful holiday season and a prosperous start to 2025!

