



## Summer Time Greetings from API!

### **Travel Tips** by Carol

When preparing financial plans, clients usually want me to reduce their travel budgets at age 85+ but I normally keep it in the budget. I recently discovered there really are no age limits to travel! You just need to recognize your limits and planning is required. I started my summer with a wonderful trip to Punta Cana, Dominican Republic. I was a little apprehensive because we were traveling with my 87 year old father in law who uses a walker and required a wheelchair at the airport and resort. Here are some tips:

1. Travel with a family member.
2. Try to get a non-stop flight. Some airlines (Southwest) allow you to book and chose disability options and others require you to contact them by phone and request assistance. We had connecting flights and each time there was a wheelchair waiting for us and they got us through security and customs with ease.
3. Realize that your vacation experience at age 60 (snorkeling, etc.) will be different than at age 87 (playing dominos, etc.) and enjoy!

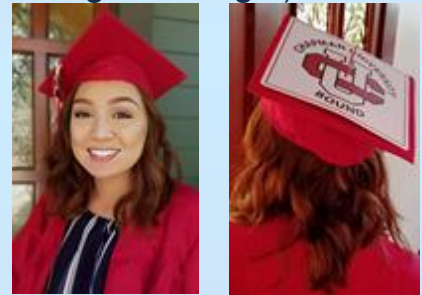
### **Transfer on Death now allowed for real estate in California** by Sandy

We usually advise our clients to see an estate planning attorney and have a trust, health care directives, wills, and especially guardianship named if you have minor children. We know clients procrastinate and intend to get around to it or can't seem to decide who will get what. On 1/1/16 A.B. 139 went into effect in California, allowing a revocable transfer on death deed (TOD). This is a quick way to transfer title of property to beneficiaries upon the property owner's death and avoid probate. When you add a person to your title on a property (elderly parent adds adult child), that makes the child an immediate legal owner. This may mean you need to file a gift tax return, since adding a joint tenant is gift in the eyes of the IRS. I would not support using a TOD if you co-own a property, such as tenants in common.

Change your mind? You file and record a revocation of revocable transfer on death deed.

**"Hold fast to dreams for if dreams die, life is a broken winged bird that cannot fly." – Langston Hughes**

### **College Planning** by Erin



My daughter Ashley graduated in May and after touring the University of Oregon in a down pour with 60 mph winds decided she couldn't leave the comforts of the sunny OC. She will be attending Chapman University as a Business Entrepreneurship Major. I am so relieved the whole college process is over and learned so much that we wish we knew a lot earlier.

*1. Getting accepted is much harder than we imagined*

My daughter was an honors/AP/IB with a long resume of extracurricular activities and impressive accomplishments outside of the classroom. She applied to 20 colleges, got accepted to 6, and waitlisted to 2.

*Continued on next page...*

### **Easier to get a mortgage with new changes** by Sandy

Equifax, TransUnion and Experian will now drop tax liens and civil judgements from consumers rating if the information is not complete. Of the 220 million American that have a profile, 7% have liens or civil judgements against them. With these removed, FICO scores could increase 12 to 20 points and make getting credit for a car or mortgage loan much easier. 20% of consumers have at least one error on their reports. In addition, underwriting criteria for debt-to-income is being raised to 50%.

### **Get updates more often** by Samantha

Did you know Asset Planning publishes a blog each week? Each week one of us blogs on a topic that we feel is relevant and helpful. We recently touched on protecting yourself during a vacation and tips on keeping your dog calm during fireworks. We encourage you to visit our website to take a look. We have recently fixed the blog subscription so you can sign up to receive our weekly blog straight to your inbox. Please take a look at [www.assetplanninginc.com/new-blog](http://www.assetplanninginc.com/new-blog).

You can also follow us on Facebook, LinkedIn and Twitter.

### **Market Trends and Outlook** by Carol

The first half of 2017 was fairly calm as stocks continue to outperform other asset classes with international stocks outperforming US stocks. The retail environment is in a constant change mode. Is the Amazon / Whole Foods merger just the beginning?

The Federal Reserve raised rates again in June – the second time this year with another increase expected this year. Mortgage rates have increased slightly but not enough to reduce home sale prices. The average savings rates at Banks are .12% but I recommend that if you have cash reserves that you look into an on-line FDIC savings account. As of today, Ally Bank and Synchrony Bank are paying 1.15%.

	YTD June 2017
60% Equity/40% Fixed	5.9%
50% Equity/50% Fixed	5.2%
Barclays US Agg Bond	1.3%
S&P	8.2%
DOW	8.0%
iShares (EFA)Foreign	12.9%

### **College...** continued by Erin

All of the colleges she applied to had record applicants this year and acceptance rates for popular majors like business were under 10%. Casting a wide net is wise.

2. *Applying is expensive and paying for expert advice is worth it*

Between SAT tutoring, application fees, hiring a college selection/application consultant, plus the costs to visit her top choices, we spent about \$5,000 just to get her into college. The consultant helped us immensely & we would have been lost without her.

3. *She could have done community college while in high school*

Unfortunately, the High School counselor didn't inform my daughter until senior year that she could have taken community college classes for dual credit during all four years of high school **for free**. This would have been much more beneficial than all the AP/IB classes she took. She potentially could have completed a lot of her college general education requirements while in high school.

4. *Scholarships*

University Scholarships are due at the same time as admission applications. Many required essays and lengthy applications. Completing these simultaneously was challenging especially since many colleges would end up not even accepting her. I can see why many students just don't apply for the Scholarships. Looking back, she would have started applications much earlier.

**Some personal updates from Carol:** I am an official empty nester: Kimberly graduated with her Masters in Communicative Disorders and accepted a job as a Speech Language Therapist with the Rialto School district! My other daughter, Kathleen is engaged! She is still living in Australia but will be married in California in 2018. And Kyle has transferred to UC Santa Barbara to complete his last two years of college. I am very proud of all their accomplishments.