

## Katie McDaniel Interview Transcript

Katie: Hello everyone. I'm here today with Richard Roll Founder of the American Homeowner Association and Founder of the Baby Boomers Retirement Network at <http://www.mybbrn.com>. Richard is a renowned financial expert and best selling author and was a key factor in implementing mortgage legislation that has helped homeowners save billions over the last 15 years. Thank you so much for being here Richard.

Richard: I'm really happy to be with you Katie.

Katie: Great, thank you. First question, how did you get started in the real estate and financial planning market?

Richard: Well, I began my career after getting an MBA, at Citibank and I got involved the consumer financial services side of the bank and became the Product Manager for Savings Products, so began to understand how the bank looked at different buckets of savings that consumers have during their life cycle. Then I was given the opportunity to help create the bank's first IRA and KEOGH programs, the KEOGH program at the time was geared to people who were self-employed or had their own businesses. So we really go into what kind of needs do people have in terms of saving at different points of their lives and also what kinds of incentives do they need to make sure that they're going to be able to have enough when the time comes.

Katie: Wow! So you got a really close in depth look then, right; you got an insiders look.

Richard: I really did and then I became involved with Hugh Downs in a publishing project in which we created a book, and a Sunday supplement on planning for retirement. So the book, called *The Best Years Book*, which is still on sale at Amazon and BarnesandNoble.com, became the best selling book of its kind and it was really the first to really tell people about the new retirement, which is something to retire to not just retire from. It went into all the financial aspects and also the lifestyle aspects because those are extremely important. When you come right down to it life is about living, it's not about money, money is a facilitator.

Katie: That's a very different way of approaching it and I think that maybe what makes it work for you so well. Most people are so focused on the financial aspect and you have another way of looking at it, it's kind of refreshing.

Richard: Well, thanks. I think that it's kind of a holistic way of looking at it but it's particularly applicable to baby boomers because they I think have a more holistic sense of life and qualitative aspects not just the quantitative financial, but that's not to say that they don't like to spend money.

Katie: That actually brings me to my next point, why baby boomers? Why is that generation any different than others before them with regard to financial matters?

Richard: Well, first of all it is the largest mature generation in history, in any country on earth and so for that alone I mean these people have had high expectations they have had a greater degree of education than anyone else in history as a generation and now they've experienced the external changes which are going to affect them for the rest of their lives. One of them is longevity and that is simply a bi-product of various improvements in diets and healthcare just sort of across the board which have enabled people to extend their lifespan beyond what it was on average in the past. So baby boomers are going to live longer but in addition to that there's been a trend away from defined benefit pension plans where people would work a certain amount of time and be entitled to a locked in pension plan that guaranteed a certain amount of income. The boomers have come in just when those things have been phased out by employers. And so unbeknownst to them in many cases the risks relating to financial security and retirement were being transferred from others such as the government which at one time had much of the risk and private employers and pensions which at one time had another chunk of the risk, really onto the shoulders of the baby boomers. So how do they deal with that?

Well, then the next thing that happens is not only were they behind on the actuarial amounts they were saving before this financial meltdown occurred but then all of a sudden they lost a substantial amount of equity in their homes and they lost a substantial amount of value in their 401Ks, IRAs and retirement savings that were in any kind of an equity market or even in the fixed income market. And so here they are and they're all dealing with a situation where their retirement savings are melting away what do they do now? So for all of those reasons it's time for people to get a grip on this and that's what we're looking to help them to do.

Katie: Great. So okay then tell us a little bit about your baby boomers requirement network. What is the main goal here? Is there one main focus or are there many different aspects of your site?

Richard: Well, it's really focused on a proven three step process that helps people narrow down their priorities so they can really sort out and target their priorities simply and easily and painlessly and then have resources to be able to understand once they know well my top priority is better and a better investment strategy or my top priority is reserve my health or to take care of my parents or maybe I had three or four top priorities, which is really more like it. You know most baby boomers or many baby boomers find themselves in this sandwich generation where they are taking care of elderly or aging parents many of whom are beginning to have infirmities and they're taking care also of children or young adults many of whom are moving back in with them, so they are really dealing with a lot of challenging factors.

Katie: Definitely. With today's economic situation would you say that the baby boomers have a losing battle on their hands though I mean we're hearing a lot about this? Do you think they can actually turn our finances around enough to have comfortable retirement or is it more a matter of blunting the damage stanching the flow just to get by at this point?

Richard: Well, I think it's tough to generalize about baby boomers because they really have many different segments they have different lifestyles, different values, they have different financial wherewithal's and different financial knowledge. But the purpose of the baby boomers retirement network with this three step program is to enable them 1) to focus in on their most pressing priorities, and basically put everything else aside and let's get smart about these and then work with the others focusing on a 10-Minute Retirement Quiz that anybody can take for free and get a very clear idea of what they're key priorities are, then they get Part 2 which is the resources to get smart about those things. What are the options, what are the issues, where do I stand and what do I do about it? And then Part 3 we help you to find resources that we have pre-screened to help you whether it's with elder care if you need that, whether it's with long term care insurance so you can compare policies from different companies in your particular situation with no obligation. You can find a trustworthy certified financial planner who works on a fee only basis in your local area that you feel comfortable with male, female, young old. We have an extensive online roster and a whole assortment of other ways that we help you take those

priorities that are unique to you and create a map that you can follow to really have the life that you want from here on out.

Katie: Wow, that's amazing. So it's kind of like your Web site is kind of a lifestyle helper. I don't know how to put it but it's well rounded it's got everything it's not just we're going to offer one thing and one thing only it's kind of counseling and direction and all that built into one it's a one stop shop, I think that's great.

Richard: Well, we focus on the 10 key questions that every baby boomer needs to ask and answer in order to make the most of the rest of their lives and it's really something that every baby boomer is going to gravel with sooner or later; everyone of those questions. And the questions include how can I not run out of money, how can I have enough money? The second question is what are the best investments for me at this stage of my life? The third is how can I have an ongoing recurring income? And again when you discover through the 10-Minute Quiz which of these are your most pressing priorities we give you the resources to how to think about that priority, those issues, and then we give you the tools so you actually can have these things done for you that you need to have done for you or you can do the things yourself that you know you need to do and we give you the tools to do it.

Katie: Okay. I'm going to admit that when I first saw your 10-Minute Retirement Quiz I didn't really believe that in that short of time you could get enough information to begin serious planning but the way that you do it, it focuses specifically on the person and takes them through the steps, and yeah, it does actually work I think that's great I wouldn't have believed it before.

Richard: Well, I can understand that, you know, we've gotten a lot of great feedback on the 10-Minute Retirement Quiz and it was really designed from my 30 years of experience in this whole area of retirement planning. And the fact is that it's one thing to sit down – well, first of all a lot of people put off planning for retirement and they put it off until it's too late which is a big mistake so we want people to get started now no matter what stage they're in or what age they are. Secondly, the fact of the matter is that in really a relatively short time rather than going through all of the process of pulling together a lot of paperwork, a lot of bank statements all of that kind of thing in a relatively short time based on what you already know we can help you identify and focus in on what your top priorities should be, that's all really you can do in 10 minutes we can help you fully understand. And that doesn't mean you discard the other

priorities if one of your priorities eventually is to travel the world you're going to still have that in your plan but that's not what necessarily you're going to work on today if it's not your top priority. What you work on today is going to enable you to do the things that you want to do like travel. So the retirement quiz in 10 minutes uses what you already know and what motivates you to enable you to get clarity and then get a clear sense of direction and a clear path.

Katie: Okay. Well, the retirement quiz itself is very personalized but do you think that every retirement plan needs to be 100% personalized or do you think there are certain universal truths that can be applied no matter whose plan it is?

Richard: Well, I think there is certain universal truth it depends on how general you get. I mean one of the universal truths is that it's never too late to plan and to get a clear sense of where you are and where you want to be and how to get there; I think that's a universal truth. Another one is it's never too early to start and related to that is the power of compound interest. The power of compound interest Einstein called the most powerful force in the universe and so you need to have that working on your behalf even if not perfectly and that means time, its means positive returns, it means avoiding losses. And the people on investment programs that haven't performed very well for anybody recently when some people who knew what they were doing continued to earn positive returns. So we try to separate the wheat from the chaff in that respect and we also tried to separate the process of getting clarity on where you are and what your plan need to look like sort of from a financial planning standpoint, separating that from decisions about investments, annuities, insurance products and so forth so that you're not prejudiced about one vendor, in essence, in terms of what you need. We think that it's very important to get a stream of ideas and also to have second opinions that are valid so that you're not just behold to the people who are – whether they are doing it with knowledge or without serving their own interest because that's how they get paid.

Katie: Exactly. Okay, well my next question was going to be if you could focus on only one aspect of financial retirement planning such as savings, extra income, investing in high return markets like private money lending and so on, what would you suggest is the most lucrative venture for increasing personal wealth and you sort of just touched on that a little bit but can you...?

Richard: Well, there are a lot of different venues and they all have their own risks and characteristics and people need to understand their own tolerance of risk that's one of the things that we talk about in the resources, again getting clarity on the priorities and how to make all of this work for you, not just your priorities but your desires and your needs and wants. The thing that I would emphasize the most is that if you can have a source of ongoing recurring income and ideally passive income, meaning you don't have to work at the counter everyday in order to get that income, that's what's going to make the difference for most people. In essence, in order to have the lifestyle that you want and to support the lifestyle you want you need to have sources of income. You're going to get a certain amount of from Social Security, and actually we have a very interesting special report on Social Security that I'll talk about in a minute that all of the listeners can get for free but Social Security is one stream. Hopefully, you'll get more rather than less from Social Security but you also want to get income from your investments and you need to get ongoing recurring from some kind of a business activity, ideally a passive business activity.

Katie: Okay. Well, I've got a bit of a non-politically correct question here, Richard. At this point in this atmosphere of the whole grim financial outlook that everybody sees in the news, is there any excuse for folks, baby boomers or otherwise, to be uninformed on their own future? I understand there's always going to be latecomers to the game but by now everyone in America should have a sound financial plan including backups to get them through, no one is beyond help. Do you agree with this statement or am I just out on my own?

Richard: No, I totally agree with the statement and the fact is that if there's any lesson that we've learned from the meltdown is that you cannot count on or rely on third party advice whether it's from the media, whether it's from brokers, salespeople or companies as the means of assuring your security in the future and that you can get where you need to get, want to get in the future. You need to rely on yourself, you need to tap into good quality sources of advice and streams of advice and information and second opinions because if you, you know what the old saying if something sounds too good to be true it usually is. And so that's where the second opinion is very valuable in saying "No, this is a good thing but you want to hedge it this way, or yes this version of it or variety is good but this version is bad." Now, you may not hear that from the first opinion.

Katie: This leads right into my next topic about money scams, I mean statistically older folks have a higher likelihood of being taken in these money scams, do you see this often in My BBRN members, and if so do you offer counseling or recovery techniques for those who have been victimized by those type of predators that ties right into what you're saying about make sure you know what's going on and be well informed?

Richard: Well, in my experience these kinds of senior type's scams take place more with seniors, and what I mean by that is people who are elderly...

Katie: Okay.

Richard: ...people who are over 65 or over 70 that's the most common victim and in many cases it's the baby boomer's parents or if a parent is widowed or a widower they are very vulnerable to this kind of thing. And I've had this experience even in my own family where my father was victimized by a scam artist promising this and that and it all sounded good and so forth and so on and he was looking for something to do he was looking for an investment to, you know, be able to occupy his time and also generate some income and it was a scam. And that's something though that happens more to I'd say the parents of baby boomers than to the boomers themselves right now. I think where boomers themselves were caught short in this way was in buying into various types of retirement investment funds basically were supposed to be sort of save or less volatile or what have you.

Katie: Okay. Well...

Richard: I was talking about a way for people to literally as much as double their Social Security income it's totally legal and it's basically without risk we discovered it and we purchased a free report that people can get free with no obligation they just have to put in their first name and an email address to get it in their email and it's called *The Secret about your Social Security* and to get it just go to [www.DoublingSocialSecuritySecret.com](http://www.DoublingSocialSecuritySecret.com) and I think they'll find that extremely interesting. And they'll also find out about our Baby Boomers Retirement Insiders Club which is a very exclusive group of people who get exclusive access to a whole host of benefits that in addition to the things we just talked about I think they'll find out everything from travel to prescriptions to home and auto insurance, a whole host of things that are - plus 12 special

reports on very, very little known but very lucrative subjects, critical subjects for people in the baby boomer age group.

Katie: Those are some great quality resources. Thank you for that. What are some realistic long term and short term goals for our listeners after listening to you and what you're saying here realistically, I mean you can save \$1 million dollars over night, what's a realistic goal to start with?

Richard: Well, I think a realistic goal is to know where you are really take the time to understand what your balance sheet, meaning your assets and liabilities are right now to pay down high interest high cost debt as soon as possible, and that means for many people cutting back spending which they have been doing. In addition to that understanding their needs, what are they going to need in the future and that's really where the site – the site Katie is right now at mybbrc.com and it's going to migrate so it will be at both mybbrc.com, Baby Boomers Retirement Club, mybbrc.com and mybbbn.com so just want to clarify that for listeners - where they can take the free quiz and begin to get on a clear path to the retirement years that they want even if they're not going to retire or they say "I don't want to retire." A lot of them they may not want to retire but they don't want to continue doing exactly what they're doing exactly where they're doing it. So we help them decide where to live, how to live, we help them decide how to spend their time, how to choose options as far as recurring income and preserve their health, which is another critical thing because Katie you know people think that money is everything but really if you don't have your health - you know, people have heard this. You know I don't know at a certain age you begin to finally recognize things you've been hearing for your whole life but never really got the relevance of it you begin to see "Oh, that's what they meant." So, you know, preserving your health is something that boomers need to really focus on because that is the source of their future, you know, enliven ability.

Katie: Absolutely, I agree 100%. So basically the next thing that they need to do right now after this call is to head over to mybbrc.com, take the quiz and get started, right.

Richard: Exactly. By the way, did you like that – what did I say enliveability? Is that a new word? You know it's time for new words, baby boomers are ready for new words, you know, the old retirement is out the window I think it's time for new words. Anybody who has suggestions

for new words that are relevant to this generation I'd be happy to hear from them at richardroll@mybbrc.com.

Katie: I wonder how many responses you're actually going to get to that. I would like to know what new words people come up with that would be great.

Richard: Well, I also – there's a blog – I have a blog at RichardRoll.com where I talk about a lot of these things and a lot of personal things also in terms of my own experiences. So we welcome people to check that out and also to add comments if they wish.

Katie: Fantastic. Richard, I think we're going to wrap up here. What final words of wisdom would you like to pass on to everybody who's listening? Anything you haven't covered? Anything you'd like to stress that you don't feel really got underlined?

Richard: I think, you know, when I did this book many years ago, 30 years ago with Hugh Downs and we called it *The Best Years Book*, I truly believe that for baby boomers the next years can be the best years of their lives and a lot of it will depend on their attitude, how they adapt, how they stay strong keep themselves strong and take the steps to really get a grip on this path and this plan for the future. It gets tougher and tougher to just sort of bump along without a plan. Now, your plan might not all, you know, get realized but having the plan, you know, I like to say *If you don't know where you're going* – and this is an old Chinese proverb – *if you don't know where you're going any road will take you there.* Thank goodness for baby boomers there will be a Social Security safety net and you'll be able to at least, you know, survive, but survive is not the objective of most baby boomers I don't think just surviving I think they really want to really live a vigorous active and a very fulfilling life with their families, with their loved-ones, with their pets, with their aspirations for travel and their hobbies and their passions. So the whole idea is make the plan easily, take the 10-Minute Quiz, get started and take the bull by the horns, you can do it and we're going to help you.

Katie: Fantastic advice. Richard, thank you so much. Everybody Richard Roll Founder of the Baby Boomer Retirement Network, thank you so much for being here and taking the time with us today.

Richard: My pleasure, Katie. I enjoyed it.