



## Financial Independence is NOT Just Finding Investments with High Cash Flow

How do you get money from investments?

Capital gains -- but only if you sell, and then there could be tax consequences. And what if the market is down when you need the money?

Dividends come from the profits of a company, but be careful that they really come from profits and not from selling off assets or borrowed money. Last year, some oil drilling and pipeline companies that had paid great dividends had to cut them. They paid out more in dividends than they earned. Then they had to cut dividends.

(<https://money.usnews.com/investing/articles/2016-01-20/are-your-oil-stock-dividends-at-risk> and

<http://www.investopedia.com/articles/stocks/091616/5-companies-whose-highdividend-stocks-are-not-worth-risk-paa-nly.asp>)

Interest payments. When interest rates are low, you're in trouble. And inflation eats away at the buying power of your money when it just sits in interest bearing accounts. Listen to "What is the best way to get out of debt" with Deacon Hayes, where we talk about bond ladders and how to build wealth when you are in debt (<http://goldsteinongelt.com/personal-finance/best-way-to-get-out-of-debt/>).

Collect rent. Watch out for the risks of trying to get wealthy in real estate.

1. You may not get what you paid for. The property could have real problems and cost you a lot to repair.
2. Tenants can be a nightmare... if you even have any.
3. Remember 2008? The housing market has a lot of risk, and if you have a mortgage, you compound your risk.

Wherever you are on the path to retirement, *The Goldstein on Gelt Show* helps you manage your money better. Download our latest episode to

- understand the basics of personal finance (budget better, save more, avoid debt),
- learn investment strategies from the world's best investors,
- improve your retirement plan, and
- build healthy financial habits.



Every show includes a discussion with an expert on how to invest for success. Host Douglas Goldstein, CFP® uses his 25 years of experience as a financial advisor to make money concepts simple to understand. Practical lessons give you tools and tips so you can make real changes. Contact Doug at [Doug@Profile-Financial.com](mailto:Doug@Profile-Financial.com) or call +972-2-624-2788.