

Average Inheritance Spent in 17 months*

Peter McClellan, Owner and Financial Planner at The 401k Latte Company

“It is important to seek counsel before making a decision to purchase something with inherited money.”

That is a startling statistic!

In 27 years as a financial planner, I have witnessed many couples work extremely hard, save diligently, and only purchase what they could afford. I have seen couples who didn't make a huge income do very well in retirement because they were careful with their money during their working years. Sadly, I have also witnessed the inheriting or rapid liquidation of that hard earned money by the children of those diligent savers and far too often I've learned later of disastrous results that followed.

Not all investments or assets can be inherited in the same way. When heirs aren't informed and decide to redeem an inherited investment, they could incur significant penalties and taxes. It is important to seek counsel before making a decision to purchase something with inherited money. The inheritance can turn from a blessing into a curse as years of diligence and patience are quickly replaced by ignorance and impulsivity.

**Wall Street Steward Newsletter 1/28/13*