

Investing Principles

When choosing a financial advisor, sharing a common set of principles and beliefs is critical to a successful relationship. As such, below are our investing principles for your review.

Purpose → Plan → Portfolio: Before establishing a portfolio, the initial focus of our conversations will be to understand your purpose (and goals) for investing. Next, we will develop a financial plan that will then guide the development of a portfolio in pursuit of your purpose with each of the following principles in mind.

Investing Principles:

We Align Your Investments with Your Time Horizon: We believe that owning a diversified portfolio of long-term investments (equities) for your long-term objectives and short-term investments (cash, bonds) for short-term objectives will offer the highest probability of achieving your goals. This alignment of investments may seem simple, but it is critical to investing success through all market environments.

We Expect Volatility: We should expect bear markets as they have historically occurred about once every 3-4 years. Despite these events, over the last 65 years, the market (as represented by the S&P 500) has grown by almost 100X, excluding dividends. The only thing that was required of investors to earn that return was simply to stay invested.

We Stay the Course: Given the performance noted above, it's clear that investing success is much more about time in the market than timing the market (i.e., the best portfolio in the world will not work if you can't stick with it.) As such, we do not chase performance or fads, nor do we react to the latest market catastrophe as those actions invariably introduce new, unnecessary risks to your financial plan. If your portfolio is aligned with your goals and time horizon, there should be few causes for change regardless of the news or fads of the moment.

We Prepare, We Don't Predict: Because we expect bear markets (we just don't know the timing of them), we purposefully prepare both mentally and financially for whatever may come next through relevant ongoing communication and easy-to-understand financial strategies so you can feel comfortable standing by your plan during stressful times.

We Manage and Minimize Expenses: We believe that a diversified portfolio of low-cost funds and ETFs will serve you best in the long run. Additionally, taxes and transaction costs can cause a significant drag on performance, so we seek to minimize these expenses wherever prudent and possible.

We Follow Our Own Advice - As the steward of many of our clients' complete financial lives, we believe that the entirety of our own investable net worth should be invested in accordance with these same investing principles. So, that's exactly what we do.

We sincerely hope that through our collaborative planning and principles-based investing philosophy, you will feel encouraged to tune out the media and enjoy life a little more.

This material has been prepared for informational purposes only and is not intended to provide, and should not be relied upon for, tax, legal or accounting advice nor is it intended to be a solicitation for business.

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