

# — THE PROSPERITY PLAYBOOK

*How to maintain and  
secure your money for  
generations to come.*



PROSPERITY ROAD

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# INTRODUCTION

## A Message from Prosperity Road

Dear Reader,

The transformation that takes place in individuals who've worked hard to grow their money is both fascinating and inspirational.

Early in the journey, the focus is on financial freedom and creating a life in which you feel in control. This, coupled with your business goals, creating an enterprise that solves a critical problem or serves an important need in the community, is the source of your drive. Then the focus shifts to accomplishing big goals and becoming who you most want to be. Finally, the most beautiful result of financial security and longevity is seeing the focus shift to family, community, and preserving the legacy you worked hard to build.

If you're here, you likely want to:

- Make the right decisions for your family and your business.
- Mitigate financial risk.
- Take advantage of financial opportunities unique to your situation.
- Preserve your money for generations and causes to come.

Those things are crucial. However, in this guide, I want to take you deeper. I want to give you real insight and strategy into creating lasting prosperity.

You will learn:

- 1 - The truth about prosperity
- 2 - Hard-to-spot missteps to avoid
- 3 - Key steps to maintain your money
- 4 - Legacy planning best practices
- 5 - Considerations to take action on

Most of all, you will discover the difference between living a financially secure life and living a prosperous life. And yes, there is a big difference.

To your prosperity,

Prosperity Road, LLC

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# THE TRUTH ABOUT PROSPERITY

**Prosperity - we all want it.**

How we go after it and what it looks like might differ, but the drive in all of us is the same.

But how do we know if we've obtained it? At what point have we achieved "prosperity"? Is it a number in an account or on a spreadsheet? Even then, is wealth really synonymous with prosperity?

Sure, plenty of milestones separate affluent groups, like the \$30 million net worth **threshold** that applies to ultra-high-net-worth individuals (UHNWI). These types of thresholds could serve as a way to define "making it." However, one could argue that money doesn't necessarily equal prosperity.

According to the dictionary, prosperity is defined as *"the condition of being successful or thriving; especially: economic well-being."*

Particularly in America, prosperity has become synonymous with wealth, but it's interesting that the original Latin meaning of the word (prosperous) simply equates to "doing well."

It infers a reality in which you are thriving. Even with growing financial resources, do you feel like you are thriving? Do you feel like you are "doing well" in all areas of your life?

**Money can create a life of more options, but does it create "wellness"?**



## THE MOTIVATION BEHIND THE AFFLUENCE

According to The Wealth Report by [Knight Frank Research](#), here's where most of UHNWIs' wealth comes from:

- The business they started - 49%
- Investment properties (residential, office buildings, and the like.) - 21%
- Investment portfolios (stocks, funds, etc.) - 21%
- Salaries - 14%

The most optimistic revelation to be learned from UHNWIs is that most are **self-made**, and many are **first-generation**. Meaning they earned their money as opposed to inheriting it.

What drove them to do so?

What is driving you to attain more money?

If you acquire the financial level you want, will you feel fulfilled?

Will it satisfy you?



## UNDERSTANDING FREEDOM

For nearly everyone building financial abundance, the desire fueling their efforts is freedom.

Freedom might look different for each person, but freedom in some form is the driving factor under all the strategies and goals.

More time to do what matters, more resources to enable our vision, more choices to do what we like, and more capacity to enable our children - and their children - to thrive.

Freedom simply means living life on your terms. In reality, however, **it doesn't mean you do whatever you want; instead, you can do what is necessary to be who you most want to be.**

That simple distinction will transform your motivation away from simply acquiring things toward a focus on establishing a legacy.

Building prosperity is not easy.

It requires discipline, perseverance, and the willingness to do what most others won't.

As you have no doubt discovered by now, reaching affluence can also be anything but simple.

## COMPLEXITIES ABOUND WHEN LIFE SHOULD BE CAREFREE

Protecting money, changing tax codes, estate planning, and lifestyle sustainability are just a few complexities that arise once you reach a certain level of wealth.

For example:

- High-income earners fall into the highest [tax bracket](#), paying a 37% income tax.\*
- [Estates](#) are tax-exempt up to **\$11.7 million** but are subject to a 40% tax after that. \*
- Above \$441,450, long-term capital gains tax is 20%. Short-term [capital gains tax](#) can be up to 37% since it is counted as income for that year. \*

\*Tax law as of 12/31/21 subject to change.



## GOALS OF THE AFFLUENT

One of the biggest differences between the financially successful and the rest is not just setting precise goals, but [setting big goals](#). Prosperity doesn't happen by accident.

As your money grows, setting the right goals can become unclear. You need clarity combined with a predictable plan. This is where a savvy financial advisor can make a world of difference.

## GROWING PROSPERITY AND THE DRIVE FOR MORE

Having more money does not mean that it is easier to manage or that your life will somehow be more carefree.

Also, according to a [study by Harvard](#), money in and of itself does not necessarily make you happier. However, having more money can lead to greater levels of happiness when it is purpose-driven.

Therefore, you want to be a good steward of your wealth and know you are making the best choices to protect the financial assets you've earned and grow it to its maximum potential. We're here to help. In the pages that follow, we'll share some key insights into protecting, managing, and preserving your finances and ultimately living a life of prosperity - one that reflects your most important goals and priorities.

Let's dive in.



# TOP MISSTEPS TO AVOID

Despite growing your financial resources into the top 1%, ultra-high-net-worth individuals can still fall victim to common, often avoidable missteps. These financial moves can be detrimental to your money's growth and even cause you to lose money unnecessarily.

Here are the eight most common ways people leave themselves financially vulnerable:

1

## FAILING TO PLAN

Every dollar needs a plan.

When individuals are handing over large sums to taxes or watching their money dwindle in the wake of an economic crisis, the response of regret is the same:

*"If only I had planned for this."*

Without a plan, your money is at the mercy of a plethora of unknowns. Get a solid plan to account for any contingencies and make the right moves to grow when markets inevitably shift.

## 2

### MAKING BUSINESS DECISIONS IN A VACUUM

We don't know what we don't know. We need a greater perspective than just our own.

As simple as it sounds, making important financial decisions on your own can result in you missing out on crucial details.

Before you make financial decisions, consult your financial advisor, your spouse, your team, and anyone else the decision directly affects.

## 3

### BEING UNDER (OR OVER) INSURED

Insurance can be a lifesaver, protecting you, your family, business, and financial resources.

However, do you have enough insurance to protect what's most important truly? What about too much insurance? Yes, that happens, too. What about the rental properties you own or side businesses you have as a hobby? Are those adequately protected?

As you advance in age and move into retirement, insurances (especially medical) can protect you from spending your hard-earned money on the unexpected.

If you lack one of these types of insurance policies, it may be time to consider it. If you aren't sure how much insurance you should have in all areas of your life, consulting with an unbiased financial professional can be helpful.

## 4

### NOT CONSIDERING TAX IMPLICATIONS FROM BUSINESS OR PERSONAL FINANCIAL DECISIONS

As your money grows, your decisions have more impact and carry more weight. This applies especially to paying taxes, and the more money involved, the more potential taxes loom.

Consider the tax implications before you make a business or personal financial decision - purchases, investments, gifts, moving money between accounts, and similar. You don't want to discover a hefty tax bill after a move when it could have been avoided with some careful tax planning.

## LACKING A TAX STRATEGY

Speaking of taxes, without a specific tax strategy in place, you could end up handing over a large portion of your money to Uncle Sam. As we discussed earlier in this guide, tax rates for the ultra-wealthy are the highest, even 40% or more in certain cases.

Tax evasion is illegal, but [tax avoidance](#) is a sound strategy. Having an experienced financial advisor on your side to help you navigate changing tax codes and unforeseen taxes can ensure you protect your wealth for yourself and future generations.

## 6

## NOT INVOLVING CHILDREN IN FAMILY FINANCES

About those future generations: a common missed opportunity among the affluent community is not involving children in the family finances.

Too often, children of well-off families aren't prepared to handle the family wealth. Aside from sound money management wisdom, it is [well-researched](#) that those who inherited their money are the least happy among the ultra-wealthy.

Why? Well, it's not so much that they didn't earn their money, but rather that they don't have a clear vision for money or an appreciation for how hard someone else had to work to create generational wealth. Beneficiaries simply won't understand what you went through to attain your financial reality unless you show them.

Getting your kids involved in the family finances will help them steward the money you give them and treat it with the same reverence that you do.



## INSUFFICIENT ESTATE PLANNING

Remember, the estate tax is 40% after \$11.7 million.

Without a smart strategy in place, you could hand over a large portion of your estate to the government instead of your family, causes, or communities that are important to you.

Taxes are just one of many aspects of estate planning.

Some other key aspects include:

- Fulfilling philanthropic goals after your death
- Moving to a different state after creating an estate plan
- Establishing health plans (powers of attorney, living wills, and advanced health care directives)
- Naming the right executor or trustee
- Having the right life insurance policies

An excellent financial advisor goes a long way in estate planning.

## AVOIDING LEGACY PLANNING

On the subject of leaving money to children, many families fail to have a proper legacy planning strategy.

Without a legacy plan, your beneficiaries may never know what your wishes were for the money you left behind or what could be possible with it. Even if you don't have specific expectations for how money is used after you're gone, sharing your vision can be helpful to those positioned to inherit it in their lifetime.

A financial advisor can assist you in setting up a legacy plan with your future goals and wishes at the forefront.

We'll dive deeper into legacy planning later in this guide.



# KEY STEPS TO MAINTAIN AFFLUENCE

Aside from avoiding costly mistakes, you need a sound strategy to maintain your affluence in the face of an uncertain future.

Let's look at the most important facets of prosperity maintenance.

## 1 HAVE A PLAN THAT PREVENTS YOU FROM GOING BACKWARD.

From a philosophical point of view, there are two types of plans:

- Those that follow a cookie-cutter wealth building strategy
- Those that follow a unique, custom strategy that aligns money with values

The right plan helps you make decisions that make your goals not just possible but inevitable. It will also help you maintain your net worth. Safeguarding your prosperity is

just as important as growing it. If history teaches us anything, the flow of money can change quickly, and the unprepared suffer the most.

Also, it's worth repeating: know all possible tax implications before you make decisions with your money. Being tax-smart is the easiest way to maintain your money and avoid giving it to the government, one of the fastest ways to "go backward."

## 2 DON'T NEGLECT THE DETAILS.

When it comes to managing prosperity, every decision carries weight, especially when it involves what ultimately happens to your money.

Consider these questions:

- What do you want to have happen to your money if you can no longer make decisions?
- What do you want your wealth to accomplish when you're gone?
- What's your vision for your prosperity beyond yourself?

Don't leave your money to others without an instruction manual. Every detail is essential.

## 3 LIVE THE LIFE OF YOUR DREAMS.

Far too often, money becomes something to be protected and guarded above being used as a tool to enable a fulfilling life.

You don't want to be frivolous, but you also deserve to enjoy your money. This is why a financial plan that prioritizes your values is so important. It doesn't put constraints on your lifestyle but rather emphasizes precisely the kind of life you want for you and your family.

## 4 DON'T GO IT ALONE.

An experienced financial advisor can help manage your entire financial life.

There are so many aspects to wealth management that you can miss, and a robust, comprehensive approach that considers every detail and implication from each decision can be invaluable to your financial prosperity.

In a world of managing risk, financial security and growth are better approached as a partnership, not a solo mission.





# LEGACY AND ESTATE PLANNING

Legacy planning is the act of creating a financial plan and life strategy that determines how your wealth will be used after death.

Legacy planning is often confused with estate planning. While estate planning involves determining what will happen to your assets and who will take ownership of them, legacy planning goes beyond traditional financial matters. It is an integral part of being a good steward of your wealth.

**You are, after all, passing on much more than money. You are leaving a legacy.**

**For instance, it may include:**

- **Values you'd like to impart on your heirs**
- **A family narrative that encompasses more than simply real estate or cash assets**
- **Charitable giving, including causes you want your wealth to empower after you're gone**



# ESTATE PLANNING ACCOUNTS FOR THE LOGISTICS

Legacy planning will make the transfer of your wealth to your loved ones more meaningful, and estate planning makes it easier. The probate process alone can take months, and legacy planning can include setting up trusts to eliminate the need for the probate process.

You will need to set up basic but important legal pieces like:

- Wills and Testaments
- Executors
- Trusts
- Tax strategies

Your Estate Plan could also include:

- A list of all your assets and where they are kept
- Whom you want to leave your property and assets to
- Exactly which charities you would like to donate to
- Medical care preferences and important decisions
- Charitable efforts like foundations or causes

Nobody wants to think about death, but your legacy is too important to leave to chance.

## NO TWO LEGACIES ARE THE SAME.

Because everyone's life and goals differ, no two legacy plans will be exactly the same. Everyone has a unique financial situation and values. This is why it is vital to work with a financial advisor to help you navigate your legacy and estate planning to ensure your financial matters are handled well. Future generations can make the most of the money you pass forward.



# OTHER CONSIDERATIONS

## UNDERSTAND YOUR MONEY STORY.

We all have powerful feelings and mindsets around money. We are not consciously aware of most of them, and many of our feelings about money result from our past experiences with it.

Many are driven by the need to protect their family over the long term. There is also a strong drive for financial independence, knowing that they have the freedom to do as they wish, including work or not. Along with freedom is often a need to feel in control, innovate, and safeguard against an uncertain future.

Understanding how you think and feel about money and why informs financial decisions. If you did not start out with much money, there could always be that lurking fear that it can all disappear one day. But

prosperity is about operating from a mindset of prosperity, not fear.

This is where a financial advisor can help you, revealing your blind spots and limiting beliefs and continuously keeping watch over your hard-earned financial situation.

## TALK TO YOUR CHILDREN ABOUT MONEY.

Many affluent people find it difficult to have open conversations with their children about money. There is a fine line between raising children to be good stewards and enabling your children, and that line is called intention.

Understand that your children may see your wealthy lifestyle as "normal" while you may see it as a privilege.

If they grow up in this environment, they may not ever realize what you went through to gain your wealth. As such, they may not know what it means to steward money well and to treat it with the same respect you have learned.

As simple as it sounds, you need to have intentional conversations with your children about money. Clearly explain to them what it took to attain your wealth. Let them know that money can either bring out the worst in people or enable the best in them.

Teach them that wealth is something to be thought of generationally and that their decisions affect those who are coming after them.

Prepare your children to be lifelong students in financial education. The more they know and understand, the more prepared they will be to make their own sound financial decisions one day.

## WEALTHY MINDSET VS. AVERAGE MINDSET.

What separates the ultra-wealthy from the average person? It is often challenging to conduct academic research on such a small group. However, some distinct discoverable traits between the two groups may contribute to building wealth.

Here are some of the most fascinating:

- They have an implicit learning style (learning by doing) vs. an explicit learning style (learning by academics/books). They take action.
- They never blame but take personal responsibility for any failure.
- They see themselves as overcomers and not victims.
- They see challenges as opportunities, not roadblocks.
- Do you recognize any of these traits within yourself? How can you pass these traits along to the next generation?

## SWITCH TO A PROSPERITY MINDSET.

**Money is hard to amass but easy to lose.**

Does that mean you should hoard your money and eliminate all risk of losing it? Should you live a guarded life, keeping yourself as private as possible?

Absolutely not. That would spell disaster in your life, family, relationships, goals, and legacy. Although building your wealth took hard work and dedication over years and even decades, it is also a powerful tool to be used to make the world a better place in the right hands.

Remember, prosperity is so much more than acquiring money and assets. Being prosperous means living a thriving, fruitful life - one that produces genuine "well-being." It is about living a life with an outward focus instead of an inward focus.



# NEXT STEPS

Managing your money is not something you should leave to chance.

It may be time to consider working with a financial advisor who understands the challenges faced by ultra-high-net-worth individuals.

Even a financially savvy individual can be blindsided by misfortune. In a world of constantly shifting markets, changing tax codes, economic crashes, and looming uncertainty, having a financial advisor on your side can safeguard your money and even grow it no matter what the future holds.

The right advisor can help you see the big picture, viewing your financial resources in conjunction with:

- Your family
- Your goals
- Your values
- Your legacy

## BEFORE YOU TALK TO A FINANCIAL ADVISOR, ASK YOURSELF THESE EIGHT QUESTIONS:

- 1 Have you ever worked with a financial advisor before?
- 2 What are you doing now to manage your money? What has been your investment experience so far?
- 3 Do you feel you're currently reaching your goals?
- 4 What are your values? Are they clear?
- 5 How do you picture your life five years from now? Ten years? Twenty? Thirty?
- 6 What changes are you expecting or worried about in the future?
- 7 What are your most pressing financial concerns?
- 8 Do you tend to be an optimist or a pessimist?

At Prosperity Road, we're focused on you, your family, and your individual situation.

We know you want to be financially secure and sure you're doing everything right to preserve your money. To do that, you need a way to successfully manage your prosperity and get the financial clarity you deserve.

### That's why:

- We are fiduciaries, which means we always work in your best interests at all times in all matters.
- We specialize in working with clients with complex financial situations like liquidity events, intergenerational wealth transfers, and tax optimization strategies.
- We completely understand your commitment to your family and why it is vital that you protect what you built for them.

Let us show you in 30 minutes how we can help.

## HERE'S HOW WE WORK WITH YOU:



### WE HAVE A MEETING.

This is where we get to know each other, understand your needs and concerns, and answer any questions you have.

### WE GET A COMPLETE VIEW OF YOUR FINANCIAL STANDING.

By collecting a little more information, we can confidently identify the unique opportunities and vulnerabilities that stand between you and the goals you want to achieve.



### WE PRESENT A PRELIMINARY PLAN.

Learn the steps to take to gain financial clarity and further your prosperity.



It's time to see what a wealth management approach built around your family values looks like. Not doing so could cost you true prosperity.

[Schedule a no-obligation 30-minute consultation today.](#)

*“Prosperity is a mindset.  
Perspective is everything.  
We offer you a different  
perspective and help you  
gain clarity and confidence  
as we navigate your path  
to prosperity together.”*



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