

ALL-STAR ADVICE 2010

Our favorite financial experts share their best tips on real estate, investing, taxes, insurance, and debt management—in their own words

JUST BECAUSE THE ECONOMIC RECOVERY IS MOVING LIKE molasses doesn't mean your personal rebound has to be sluggish. **BLACK ENTERPRISE** talked to some of the wisest financial planners, investment advisers, real estate professionals, tax accountants, and insurance agents we know to gain their best advice for the months ahead. What follows is a collection of top tips from experts passionate about providing such guidance to clients, friends, and family. Read on to benefit from their timely recommendations. ▶

As told to Renita Burns, Sheiresa Ngo & Marcia Wade Talbert



HARRINE FREEMAN
CEO and Owner of H.E.
Freeman Enterprises
Specialty: Credit & Debt

CREDIT

Exercise your right to negotiate unfair terms with banks and credit card companies.

Credit card issuers have set up lots of loopholes in response to the recent credit and debit card reform. Even responsible customers have had their accounts closed and limits decreased. But consumers can get around these loopholes. If your account has been closed or your limit reduced, and you've been making your

payments on time and in full, call the company and ask to have the decision reversed. You can usually negotiate. Always stay in contact with your creditors. If you're having a tough time paying your bills or you don't agree with any new terms, call and let them know.



GAIL MARQUIS
Vice President and Financial
Adviser at Element
Financial Group
Specialty: Retirement
Planning

INSURANCE

Look into an annuity.

A lot of people are losing their jobs and receiving severance packages. If you're one of these people, look to roll over your 401(k)s and 403(b)s into annuities, insurance vehicles that offer customers a stream of income as well as protection of assets in retirement. Annuities generally come in two types: fixed or variable. In the past, annuities didn't have a good reputation, but some annuities guarantee to double the amount you add within a designated period, usually 20 years. These products

also have a "step-up" feature, which allows you to preserve your principal and increase your initial investment and protect any gains. For example, if you add \$100,000 to an annuity, you can lock it so that if your portfolio goes down to \$50,000, you still get paid \$100,000. Also, annuities usually have holding periods from five to seven or nine years during which you are penalized for early withdrawal, but once that holding period is up you can withdraw from it with no penalties usually up to 10%.



DAVID A. LOPEZ
Managing Director of
David A. Lopez and Co
Specialty: Investing

INVESTING

Invest in undervalued stocks.

It is a good time to invest because stock prices are down right now. Because of the economic times, we are finding stocks that are very undervalued. A new or seasoned investor can buy stocks from companies that were out of their reach before, price-wise. It is a good opportunity to buy companies that will be around for the long haul such as Coca-Cola, Pepsi, and Microsoft. These companies usually

have a very high stock price [compared with their industry peers], and people would normally stay away from them, but now that stocks are undervalued it is a good time to jump on them, because at some point they are going to rebound and catch up to where they were before the recession. It comes down to researching the individual companies and not the industry, because every industry is down.