

FEATURES

East Meets West

How financial advisers help Asian Americans

By Mary M. Geong, CPA and Helen Chu, CPA

Part 1 of two parts

According to Credit Suisse's 2018 Global Wealth Report, the United States has the highest share of the global wealth at \$98 trillion. Financial advisers often look for new clients based on a person's occupation, location, age group or even marital status. However, financial advisers might consider steering their attention to an often underserved group: Asian Americans.

In a 2016 report from Prudential Financial, this group has higher incomes and more assets than the general population, and fewer than 20 percent of Asian Americans have a financial adviser.

Asian Americans make up a fast-growing segment of the United States. 2014 Census Bureau data shows that they represented 6.6 percent of the population, up from 4.5 percent in 2000. During that time, their buying power grew 180 percent, faster than any other ethnic segment in the country.

While there is opportunity to serve this segment, they do have unique needs financial advisers should know. Along with similar challenges financial planners face when working with any market segment, such as skepticism, service and trust, they should be prepared to navigate cultural differences and communication barriers.

Family first

Taking care of family members is one of the top priorities among Asian Americans. Approximately one-third of Asian Americans identify themselves as caregivers for family members other than dependent children (e.g., spouse, parent, relative). Some 20 percent of Asian Americans provide financial assistance to their relatives, versus only 6 percent of the U.S. general population. While this data may be interpreted as a burden upon these individuals, filial piety is deeply rooted in Asian culture.

This practice of taking care of and being good to one's parents and other family elders shows respect, love, courtesy, support, reverence and loyalty. In addition to taking care of family members, other examples include younger family

members giving part of their income to their parents to help out financially.

Financial security is of course one means to an end. However, Asian Americans do not view finances so simply. It's a means to pay homage, gratitude and respect to their parents before them, and to create the same opportunities for their children after them.

Since the father was the family head and the only informed person regarding his assets, the client—for the next few years—was faced with the challenge of handling the situation in the U.S. and South Korea simultaneously, while taking care of an aging mother overseas.

Thinking that the estate was secure, and the father's death was behind them, the client received an unexpected tax bill a few years later from the South Korean government on unpaid estate taxes with penalties. While the issue was eventually resolved after months of work from costly tax advisers and attorneys in both countries, the problem came back to haunt the client in more ways than one.

Buying a home is a top goal for 24 percent of Asian Americans, versus 17 percent of the general population. Additionally, it's common for families to have two or three generations living within the same household. In more traditional generations, some even come to expect the younger generation as part of their long-term care plan.

Retirement homes are not typically considered since that can be perceived as being unfilial. Thus, Asian Americans may have an internal struggle between the financial burden of health care and their filial responsibility.

Helping clients consider long-term care insurance can provide them with in-home solutions to help reduce these growing costs, as well as giving them the opportunity to take care of their loved ones.

Mary M. Geong, CPA, EA, MBA, MS Taxation, is a sole practitioner and financial adviser. Helen Chu, CFA, CPWA, CFP, is a senior wealth manager with LourdMurray. You can reach them at mmgeong@aol.com and hchu@lourdMurray.com.

Home Remodeling Tips

Keeping the crazy away during home remodeling

Sanity-saving tips on keeping your cool in the middle of a hot mess

By Philip Anderson

All those horror stories you've heard about remodeling your home... well, there's a reason. Enough so it's not uncommon for some homeowners to pack up and head for the hills during the process. But if that's not part of the vision (or budget), you can survive a home remodel with your sanity intact – it just takes a little preparation.

Get in "The Zone"

There's no way around it – construction is messy and noisy – with lots of people coming and going. Time to get in "The Zone" for crazy-free outcomes.

Create a "Safe Zone." Designate a room (or two) to store temporarily displaced items. Pack and move fragile or precious belongings along with your larger items like sofas and TV's, prior to construction, and protect your valuables from misplacement by securing them in a safe location.

Define the "Worker Zone" e.g. where workers are allowed in your home.

Determine the "Time Zone," e.g. when workers can start (and finish) work, whether they're allowed to visit your home before construction commences, on weekends, or other time limitations.

All Things Great and Small

If you have children, they'll be living through this too. A contractor should work with your schedule to minimize disruptions and keep everyone happy. Remember: unattended children and pets should be kept out of the Worker Zone at all times for everyone's safety and sanity.

The Safe Zone room might work well for your house cat, but cooping a dog up all day is not optimal, especially if the dog barks all day. Consider a pet daycare center to keep your pooch from losing its marbles too.

Dust Busting

Who you gonna call? A quality contractor will use numerous techniques to minimize dust and dirt. Dust barriers or "ZipWalls" – easily installed, sheer plastic "walls" – separate construction areas from other portions of the house. Air scrubbers and power tools with dust extractors further minimize dust while sticky mats at entries and floor paper protects carpet and flooring.

What's For Dinner?

The hub of the home goes away but you still have to eat. Pack up your kitchen, reserving the "must haves" for kitchen-less survival, and get practical with a portable electric stovetop to normalize hot meal

preparation. Lastly, don't forget to factor in dining out costs – you will be eating out occasionally.

Much Ado About Your "Daily"

To minimize disruption to everyone's grooming habits, a contractor should make sure you have at least one working bathroom. However, if you only have one, consider a short-term stay-away during the bathroom remodel phase. If you'll be staying put, be sure to pack all toiletries while keeping your necessities easily accessible.

Be a Good Neighbor

You're investing in your home and community, so it's best to take the long view. Anyone in close proximity will feel the impact of your remodeling project. Let your neighbors know when construction will begin and end. Advise them of any traffic or parking issues, and what precautions they can take to protect from increased noise and dust.

Go the extra mile and provide your neighbors with the phone number and name of the foreman or production manager.

And remember to let them know when the housewarming party starts.

Philip Anderson is the Founder and President of HDR Remodeling, an award-winning design build firm located at 2952 Sacramento Street in Berkeley. Anderson started Honey Do Repair, a handy man service, in 1987, and 30 years later his company is one of the East Bay's most sought after design build firms. For information, see <https://hdrremodeling.com>.

THE GOATS ARE COMING !! THE GOATS ARE COMING !!



The City of Piedmont is hiring goats to clear the overgrown vegetation behind the corporation yard, thereby reducing the risk of fire.

Fencing will be installed on June 12, 2019.

The goats will arrive Saturday June 15, 2019.

PLEASE DO NOT FEED THE GOATS!

They are not pets and they are not friendly.

DO NOT TOUCH THE FENCING! IT IS ELECTRIFIED.

If you have any questions or concerns please contact the

Piedmont Fire Department at
(510)420-3030.



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