**EPISODE 635**

[ASK FARNOOSH]

[0:00:30.0]

**FT:** Eric Roberge, welcome to So Money, are you ready to get on the Ask Farnoosh Hot seat?

[0:00:36.1]

**ER:** Oh yeah! This is a good one because I don't know what's going to come at me right now.

[0:00:39.6]

**FT:** I like the energy. Eric, welcome to So Money, folks, Eric will be back on So Money later on this month as a special guest. He is a multitalented, certified financial professional and has a number of interesting money stories to divulge.

We're not going to get into that right now, but as a tease I want you to tune back into so money, I mean, let's be honest, you guys listen to every single day. It's not like I really have to tell you what to do, but Eric will be on October 11th, Wednesday October 11th and in the meantime, let's get to know Eric a little bit better.

Eric, you are a CFP, your website is called Beyond Your Hammock. Okay, tell us what we need to know about you and why we should — if anyone out there is looking for a CFP or some financial guidance, what are your areas of specialty?

[0:01:32.4]

**ER:** Well, I think the first thing I'd say is that my goal is to turn the financial planning industry on its head. Everything you think you know about financial planning and financial advisers, throw it out and then come to me when you want to change your life so that you can use your money as a tool to live this incredible life going forward.

 

I help people with financial coaching, I help people invest their money, I help people really design this strategy that can take them where they want to go.

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**FT:** You sound very expensive.

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**ER:** Yeah, millions; millions of dollars.

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**FT:** Nobody has money, so how can we get to work with you?

[0:02:12.8]

**ER:** Yeah, I have several different options, depending on your income level and maybe even your asset level, there may be an option for you. Whether it's a short term, quick start program that I have for a lot of people getting started or it's a longer term plan where we invest your money because you make a six figure income. There's always something that can fit your needs.

[0:02:36.8]

**FT:** I see. I like that, I like that a lot. I know that you're a member of XY Planning Network, right? You get referrals through them and of course we've had the folks from that team on the show. I think it's a really smart way of approaching personal financial planning in the 21st century and beyond. As people are not wanting to wait until they have a million dollars in investable assets before they can start getting some financial advice. I think that's totally unfair and people like you are really democratizing it for everybody. Thanks for all the work that you do.

 

Excited to hear your take on some of these questions we've got. Questions about what to do with an inheritance, the Equifax hack which is very timely, I'm glad somebody brought up a question about that, I haven't really discussed it on the show. Also, questions around home buying. Let's get right to it.

The first question everybody, is a SpeakPipe voice mail question and as you know, you have the option of leaving me a voicemail for these ask Farnoosh Friday sessions, you can go to somoneypodcast.com and click on "Ask Farnoosh". There, you'll be prompted to leave your question either type it in or voice it in. Jules has decided to be brave and bold and leave a voice mail and it concerns an inheritance that Jules received and what is the smart way to go about managing this. Here we go, Jules, take it away.

[0:03:57.2]

**Jules:** "Hi Farnosh, I love your show and would love to get your advice on how to properly manage a bucket of money that I have currently sitting as cash in a Mira Edge brokerage account. My mom passed away last year and left me with $250,000. My current paycheck covers all living expenses including maxing out my IRA and I have some left over for savings and investments. So, I don't plan on using my mom's gift until far down the road and I'm hoping to use most of it to start a non-profit.

However, in the meantime, I will like to invest it and see it grow. I'm pretty new to investing so I'm dipping my toes into different types of investments to diversify my portfolio. But I would like to do more. Out of $250,000, I have $30,000 in a high yield savings account. I have another $30,000 in CDs. I just put $10,000 in a WealthFront account. My first question is, what do you suggest I do with the $180,000 left in the brokerage account?

My second question is, with index funds or investment platforms like WealthFront, should I use dollar cost averaging as investment strategy or should I just put a large chunk of money in right away since I have the means to do so? I've heard pros and cons about both from other people but would like to hear your thoughts as well. Thank you so much."

[0:05:19.3]

**FT:** All right Jules, thanks so much for voicing in your question. Sorry to hear about your mother passing away and what a great legacy, financial legacy that she has left you with this large sum of money and I know, Eric, you know, I'm sure you have clients who get inheritances. There's this feeling of wanting to do right by the money, right?

[0:05:39.4]

**ER:** Exactly. There's definitely an emotional tie to the money as well

[0:05:43.8]

**FT:** It's a lot of money here, we're talking a quarter of a million dollars sounds like. So far, Jules has done a lot of responsible things, $30,000 in a high yield savings account, another $30,000 in CD's, $12,000 in a WealthFront account which is an automated platform for investing.cLeaving this person with roughly $180,000, should it all just go to a brokerage account? I kind of want to know what Jules' goals are.

[0:06:13.1]

**ER:** Exactly. My thoughts are – well how old is she? What are the goals? When are they happening?

[0:06:18.5]

**FT:** Yeah. Maybe work with a financial planner? I mean, I know that sounds like a very cop out answer, "Oh Jules, just go talk to a financial planner," and we have one on the show but what would be the questions, let's do like a – if Jules was in your office, okay? And she had this situation, what are the questions that you would want to have answered?

[0:06:40.1]

**ER:** Sure. The first question is, I want to understand how old she is because that does give us some perspective on the timeframes that could be possible for things. I also want to understand what some of her short term goals are. Does she want to stay at her current job, does she want to start a business, does she want to buy a house? Because all of these things are going to have us invest or not invest that extra money.

I would say, if it does get determined that a certain portion of this money needs to be invested and she's looking to invest that money in index funds like she mentioned, the question about dollar cost averaging versus not. For people who don't know what dollar cost averaging is, you're basically setting up a consistent contribution into a brokerage account. Let's say every month, you put in a hundred dollars, your dollar cost averaging by doing that. So no matter where the market is, whether it's up or down, you're still buying in at $100 a pop.

[0:07:48.3]

**FT:** Right.

[0:07:49.4]

**ER:** This allows for, over time, assuming a growing market over the long term, it allows you to reduce your cost and increase your gains over time.

[0:07:59.1]

**FT:** I will say though, I recently came across a study, Eric, and I don't know if you're aware but there have been a little out of controversy over dollar cost averaging versus lump sum investing and that they looked at in some cases over the long run putting a large chunk of money into the market versus a little bit over time. It actually ended up being better in the long run, a better return but emotionally, I feel like that would scare the crap out of me. Putting all the money — and you have to pay attention to your emotions, right?

[0:08:36.6]

**ER:** Yeah, you ailed it and I was also going to bring that same, I don't know if it's a same study or not but I have read about the fact that they say lump sum investing is going to be better for you in the long term than dollar cost averaging. In her case, I think that if she can throw all the money in and not worry too much about it, maybe that's a good option for her?

The one thing that I would say though, if she was gung-ho about that is that we are at a market right now that is higher than it's ever been before. We're at an eight plus year bold market run so we don't know where it's going to go, it may be worth doing at least some chunking, maybe over the next four to six quarters, chunking in the money over time, just make it a short term period of time. Just so you can see what happens in case anything drastic happens.

[0:09:25.4]

**FT:** Right, and we don't also know how old Jules is. If she's in her 20's, that's one thing you can perhaps navigate all the volatility in the market and still come out ahead. If you're nearing retirement, probably not a good idea to be putting all that money in at once because you'll have a harder time recovering in the event that the stock market does go very south.

[0:09:48.0]

**ER:** I agree 100% with that.

[0:09:49.9]

**FT:** Well thanks Eric. Jules, I hope you liked that free session with Eric. If you want more of his advice, call him or let us know if you have any additional follow up questions and so far, I mean, from what we can tell, you're doing really well and you're behaving very smart with — your mom would be super proud, let's just put it that way.

She'd be really proud and I would also say Jules, you know what? Have a little fun with the money too. It's a lot of money, don't go crazy but you know what? I think that – I'm a mom and I would like that if I were to leave my children and inheritance that the money brings them joy too, you know? That they do something with it that is meaningful, that invest in themselves.

In addition to saving it, that's great but maybe, you know, Eric brought up, if you want to go start a business or go back to school or something like that. I think that's a totally commendable way to use the money in and reinvested in your own growth.

All right, we have another SpeakPipe question, this time from Dyan. It's very timely, it regards the Equifax hack, which Eric, I'm really curious to get your take on all of this and how consumers can protect themselves but here's her question.

[0:10:59.5]

**Dyan:** "Hi Farnoosh, my name is Dyan. With the Equifax hack I was wondering what steps you're taking to protect yourself? I'm reading a lot of information online about signing up for credit monitoring vs. credit freezing. There's a lot of what seems to be confusing information, at least for me. I just wanted to see what steps you're taking or advice you may have for all of us? Thank you, bye."

[0:11:26.3]

**FT:** All right. So, she wants to know what I'm doing and before I answer that, I will say that you know, Equifax has announced that they will provide free credit freezing for everybody. It's been quite a process for people to sign up because as you can imagine, there's been an overwhelming amount of people signing up. There's a bit of a back log and slow down and getting people signed up.

I wouldn't necessarily want to do the credit freezing if you're in a market for a home right now or you have to sign up for a loan of any kind. I think credit freezing, while very helpful can – Eric, would you agree? — can be kind of a burden if you have to unfreeze in any quick amount of time because you want to apply for loans. But what am I doing? I will be very honest with the audience and I will say that I'm doing only this: I am checking my accounts very vigilantly.

I'm also going to check my credit report soon. I check my credit score all the time, I can do that through my bank and so I look for – If for some reason my credit score is like a 500, I'll know something is up. But I'm not being super – I don't have this like crazy, scary knee jerk reaction to this.

Perhaps I'm naïve and I should be doing more but I trust also my financial institutions and given that this hack has gotten so much press, I feel like if, god forbid, something does happen down the road where somebody takes on my identity to open up an account or you know, this is a thing. They could also fraudulently file tax returns in your name. So it's not just that you want to be checking your credit, you want to be checking everything. You want to be monitoring everything.

But I think that Equifax has done quite the damage and if something does happen, it can be easily tied back to this and hopefully it can be resolved a lot faster than normal because banks and the IRS will be like, "Oh yeah. The Equifax thing. We got you. We got your back." That's what I'm hoping. Maybe I'm too optimistic but certainly if you are concerned, if you're not in the market for any kinds of loans or credit cards in the next six to 12 months, I would sign up for at the minimum credit monitoring, at the most credit freezing. But everybody should be checking their bank statements regularly.

Financial institutions are doing a hell of a job, I think, in contacting customers and saying, "Hey, did you spend a thousand dollars on ____ because it seems out of character for you or we're concerned that this might have come from an authorized purchaser." I get those. I get those phone calls and I'm very thankful for them. I feel good in knowing that I'm banking with reliable banks but then you know, we're all vulnerable. You've got to do your par too.

Eric, what do you think about this?

[0:14:17.3]

**ER:** I think I agree with a lot of what you were saying right there. I think there is the ability to be diligent about this is important. Getting out in front of it as much as we can because really, it did happen back in from May to July, this breach happened. So they have a few months head start on us, those hackers do. Right now, what I'm telling people to do is, yes, monitor their accounts, more than they normally would be. I would say monitor them for a year or more. Because a lot of people are saying, “Well, if these hackers are going to use your information, they might wait until the media gets by this,” right? So it’s not out in the media anymore and people are not paying attention anymore, then they hit you. Don’t just look a couple of months though, look a couple of years out or at least a year.

One other thing to do is take advantage of all the free services out there. Credit Karma is awesome, you can sign up for credit karma for free and get access to your scores in the trans union and Equifax reports on an ongoing basis. That’s an easy way to check to see what’s happening there. My credit card, like you mentioned, my credit card gives me access to Credit Wise, which is another awesome service that tells me things that are going on and they mention whether things are changing in my credit score.

So if I just pay attention to that, I’ll know if something hits, I’ll know if some company checked my credit. If some company checks your credit and you didn’t authorize them to do that, you should look into that because it may be someone trying to apply for a credit card using your information.

[0:15:53.8]

**FT:** It is very unnerving, I will say that. I think that, you know, to your point, it’s really a joint effort of you and the banks and also the credit monitoring companies to really keep an eye on everything and for more than a year certainly because listen, the hackers know that with credit freezes, they typically expire after six months, a year. People don’t renew them because they’re like, “Oh, nothing happened. I guess we’re good, we’re in the safe zone.” But that’s actually when time is ripe for them to strike when your guard is down.

One other thing that I wanted to mention about all of this is that you can go to Annualcreditreport.com. That is a site where you can download your credit report for free from each of the major credit reporting agencies for free once a year. You can decide to download all three of them at the same time or you can scatter them throughout the year but also, a good practice, if you haven’t done this yet that I think is at the minimum, something that we should all be doing is just – be aware of what is on our credit report.

 

Be familiar with it, make sure there are no mistakes and that maybe in six months you check it again just to be sure that nothing has strangely popped up on this report that you don't' recognize because at that point, it's your responsibility to correct it, you know, unfortunately. No one's going to sit – no one's going to call and be like, "Hey, I think your credit report might have an error on it."

That can be costly because if you're ever in the market for a mortgage, a car loan, or even you're getting a job and your employer wants to pull your credit report and they're like, "Wait, what's this you know, delinquent account?" which is not actually yours but was fraudulently placed on there, that could be an uncomfortable conversation with my future employer. So for all those reasons, just do the good work and be vigilant. All right, thanks Eric and thanks Dyan for your question.

Sasha, Eric, has a question about, let's see – well, the benefits of working with a financial planner and I know you're biased but let's try to be a little objective for her sake. She says she's a new listener and notices that in many episodes I or a guest will mention the benefits of working with a financial planner. What would you say are the best ways to find one and once you've found one, what questions should you ask him or her to determine if they're the best fit for you?

So, I'll let you think about that Eric and then Sasha, I'll give you how I went about at one point, identifying a financial planner for myself and my husband. I don't currently work with a financial planner. We kind of retired from that, we felt like we had gotten a lot of great advice and we wanted to do some of it on our own and who knows? In the future, we may go back to working with a planner which is kind of I think a great take away is that, you know, when you sign up to work with a financial planner it's not like this forever relationship, you don't have to work with them till you die.

It's like, sometimes a little financial planning falls in one's life and it's because, maybe with Jules situation, she got a massive inheritance or someone is trying to start a business and trying to separate the business expenses form the personal expenses, they need some guidance or, you know, they want to retire early and they want to do some aggressive saving and they want to make sure that they have some help in that way.

Depending on where you are in your life, what your goals are, and if you feel that you are unable to achieve this all on your own, either because you lack the time or the resources or both. I think in that case, a financial planner can be really helpful. Now, where do you find one? There are many places. I would first, before going to Google, I would talk to friends and family and colleagues and you know, maybe even if you're already working with an accountant or bookkeeper, these people often do work with great financial planners in tandem with them as they work on their client's ledgers and balance sheets and things like that. So. start there.

Word of mouth is gold because then you can really understand how this person works, the feedback from the people that you trust and that can be a great launching pad to then maybe make the contact and have a meeting with a financial planner. I definitely recommend speaking to at least two or three or four people before making a decision. The good news is that this person doesn't have to be in your neighborhood. Although, if you like going physically to an office, that's – there are many who are probably within your town, zip code who can be of service to you.

But then, you know, Eric I do know that you're a sort of new generation of financial planners, they work remotely. They work through Skype or Zoom or, you know, I have one friend who is a financial planner who is like a suitcase entrepreneur. She travels from city to city and still maintains her clientele. That's good news and I think that's going to save you money in terms of having to pay for a financial planner because the one I worked with, she had a very nice office in the financial district with mahogany wood everywhere and that doesn't come cheap, and I think I was paying for a little bit of that.

But some of the questions to ask your planner or like I think some red flags maybe of when maybe you shouldn't work with a particular financial planner, red flags to notice in the meeting or in the conversation is – and I have experienced this. I knew I didn't want to work with this one planner because all he kept doing was talking about how amazing his firm was and showing me returns on investments and charts and graphs and I thought that he thought I was born yesterday a little bit because I was like, "This is like a sales pitch and I'm not here to get your sales pitch, and I'm not here to really – I don't really care about that."

You know, my goals, he didn't even ask what my goals were so maybe that was the first mistake. If my goals were to just simply make the most money in the stock market, that may have been a very compelling presentation. But our goals at the time were to plan, you know, to plan our financial life together.

My husband and I, we had just merged our lives together, we wanted to have children and we knew we had gaps from college savings to insurance to all the other stuff, estate planning. We wanted to kind of make sure we were on track and we're not chasing the stock market. But this person didn't know that about us and kind of went in a wrong direction. I got a bad feeling about it and obviously didn't end up working with this person. But I did end up working with my financial planner that I ended up selecting because she asked me a lot of questions in the meeting.

She obviously cared about who we were, what our goals were and I love this question that she asked me during the meeting, which was, you know, "How do you want your money to make you feel?" You know, how is it? Basically, my answer was, "I want to never have to worry about money. I never want to have to really think about it in a stressful way." She got me you know? She works with other families where two working parents, a lot of women clients and so I felt like we were very much aligned just as human beings.

That was very important to me and we had a great run. Eric, I'll turn the mic over to you. What would be your recommendation for Sasha? She wants to find a new planner, what are the things to look for and maybe some red flags as well?

[0:23:36.5]

**ER:** Sure, I think the first thing to look for is if they are a certified financial planner or not. The CFP in my book is the thing to have after your name if you're going to provide comprehensive financial planning to clients. Because you get the education for investments and taxes and insurance and estate planning and retirement. All before you even sit down for this exam, that's a massive exam. Then have your CFP

They get the education necessary to launch into a career like this. Secondly, I think you want to ask them if they are a fiduciary for you and their clients at all times. Most advisers are not true fiduciaries, which means that they can do what they call suitable for you but not in your best interest.

[0:24:25.4]

**FT:** Oh but hold on, I think the law changed, right? Over the summer. Anyone who gives retirement advice has to be a fiduciary now.

[0:24:32.3]

**ER:** Oh that's a slippery slope.

[0:24:34.1]

**FT:** Oh, tell me everything.

[0:24:35.3]

**ER:** It's a very confusing topic right now because the rule is in transition and there is no real secure, like "this is how it is". The slippery part is, well, if you're talking about retirement plans, then yes, maybe you have to be considered a fiduciary but if you're not talking about retirement plans, you don't have to be considered a fiduciary. That's absurd, I think an adviser should always have to be considered a fiduciary at all times. That's why I said at all times because that's a specific nuance that needs to be there.

[0:25:05.8]

**FT:** Right, if they're giving you life insurance, if they're selling you life insurance, that could – they could still be getting kickbacks and commission and not disclose it and they wouldn't necessarily be breaking any rules.

 

[0:25:17.3]

**ER:** Exactly.

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**FT:** Interesting.

[0:25:19.9]

**ER:** Which it leads to the next question or a couple of questions I have here. Well, how do you get paid and why? They should be able to explain why they get paid the way they do and you have to understand how they get paid so you know where their incentives are.

[0:25:35.1]

**FT:** Right. It's such a pity that we have to ask that question, but you're right, it's just unfortunately there isn't a lot, even to this day, regulation and the financial services industry is not what you think it should be. It's not a given that the people you're working with are working in your best interest. Solely in your best interest. So you have to be kind of the jerk that's like, "How much are you getting paid? Or how are you getting paid," you know?

It may seem inappropriate to ask because you wouldn't ask that normally of anybody like how do you make your money? It seems a little inappropriate but please, don't feel bad asking this question and if it does feel a little awkward, just be like, "Listen, I know this may come off as strange but everyone I talk to says I need to ask this question." They should understand where you're coming from, right? This should come to no surprise to any financial adviser why you're asking them this question.

[0:26:35.7]

**ER:** Yes, exactly and if you asked the question and there's a negative response to that question, move along quickly because every advisor should expect that that question is coming at them at this point.

Like you said, put it on somebody else, "I read this article in the Wall Street Journal."

[0:26:49.6]

**FT:** Yeah, Farnoosh and Eric said we had to ask this question. Blame us, throw us under the bus, I am happy to do it.

[0:26:57.1]

**ER:** Can I add just one more thing?

[0:26:59.2]

**FT:** Yeah please.

[0:27:00.0]

**ER:** Because this question here is more personal and more about my life here, so asking them the types of clients that they work with and what types of services they provide them is very important because what you really want to do and at this point there are so many types of advisers out there, you should be able to find somebody that works with people just like you.

If you are a married couple, 35 years old, making great incomes with two kids, well the adviser that you work with should be working with the majority of their clients should be just like you and if they're not, there is someone else there that will be able to provide you with that kind of service. So make sure that who they work with is the type of person that you are as well.

[0:27:41.4]

**FT:** Yes, thank you for adding that. Very important, yeah you want to make sure that they have experience, hopefully they have some experience working with other people at your life stage with similar goals.

Marissa has a question about medical school debt. Who doesn't have medical school debt? If you're a doctor, chances are your carrying some loans around but the good news is hopefully your salary is affording you the opportunity to pay off those bills timely and without so much stress but she says, "If my fiancé has mounds of medical school debt" and she says a $150,000 to be exact, which I don't think is unusual, "Will it be harder for us to buy a house in the future? We do have great credit," she says.

So Eric obviously lenders are going to look at that closely but I think it is not going to be considered as scary to them and as risky as if you may have in credit card debt, right? And most importantly Marissa if you and your husband are applying together or he's just applying for the loan, I don't know what the plan is? But make sure that your income or that you're sort of savings and your assets exceed that $150,000 figure. So debt to income is an important ratio that lenders look at when they are considering how much to loan you, whether to loan you any money and the interest rate attached to that.

Your credit score is also important and it's good news that you have a great credit score. That will be very helpful but you know, he's got a $150,000 in medical student debt and hasn't done a job yet and you are applying for a home, my guess is that you are not going to get much of a – you are not going to have any banks to really consider your loan. But if he's working and you're working and this is the only debt that you have and maybe you got some savings as well, I don't think that is going to be a big red flag. What do you think Eric?

[0:29:39.2]

**ER:** I would agree with you there, certainly if you both have a job that is going to look a lot better for you then if one or both of you don't have a job. The student loans are definitely something different than the credit cards. If you have a $150,000 in credit cards, good luck on getting a loan but if you have a $150,000 in loans because you went to medical school that is a positive thing in my book and I think the banks will look at that the same way.

I right now I think when you understand, what you two talked about Farnoosh, the debt to income ratio I think that is a big one. I think understanding how much debt service you have each month, so how much you have to pay in debt payments each month, asked and paid to your income coming in is one because they are going to look at, "Okay well if they paid X amount per month in student loans and they're going to add this mortgage for X amount or Y amount."

The total debt that they have to pay compared to their income coming in is going to be a huge factor. So I think more so than the actual amount of debt on the balance sheet, the amount of cash flow impact is going to be one that they look at.

[0:30:49.0]

**FT:** Well speaking of cash flow impact and student loans, our final question is from Teresa and it tackles both of these things. So just a little bit of Teresa she writes in and she says she's 40 years old, she's single, she works a full-time job with good benefits. Currently Eric she is finishing her master's degree and she is having a great time with. She loves school, she's been energized by her research and is considering going on to get her PhD.

She can still work full-time and even get some tuition assistance if she pursues this doctorate degree but she is still worried about the cost. It's going to still involve taking out some student loans. So she asks, "Is it foolish to take on student loan debt in my 40's?" and she says that in the end this doctorate level degree is going to allow her to pursue research and teaching but the thing is none of those areas are necessarily lucrative.

So it's not like she's going to get this degree and then end up making so much more money that it's going to be a wash, right? That she might have to struggle a little bit or re-jig her finances to make ends meet. I mean I love that she's having such a great time, I don't want to rain on her parade and say, "No don't go into debt to get this" I mean I think she has to do the math and figure out what is the maximum amount of debt that she would be able to take on.

That wouldn't necessarily derail her, her finances or her lifestyle right? Because hopefully she's also got some saving or maybe you can negotiate for some more tuition assistance but I think the more you can bank on paying for this yourself and certainly maybe student loans will play a role but if you can diminish that role as much as possible, the better. I don't think it's foolish necessarily to take on debt in your 40's as long as you have a plan to pay it off. What would you tell her?

[0:32:49.1]

**ER:** Yes, I do agree that if she can pay if off in a relatively short term period of time then that might be an option. These questions always come up in my work with clients and a lot of times, they want to go to the numbers first but often I say, "Hold on, let's back track a little bit and understand what you are really doing here and what could be added to your life from a positive perspective if you do this thing."

She mentions in her comments that she's been energized by her research, that's awesome and it's happening now. So the question is what gets added if she goes to get a doctorate? Does she access better research opportunities that energize her even more or is it just going to be more of the same where she's still energized? What is she going to get because she is not going to get any more money so what does she get if she goes to school?

It sounds like what she is doing right now is perfectly fine and she's excited about it. So I don't know that it's necessary. We don't know the details of course but from the likes of it, nothing might change.

[0:33:55.0]

**FT:** That's a really good point. Yeah, Teresa, what do you anticipate experiencing when you go on to take these doctorate courses? And here's the other thing, I mean she assumes that this will lead to more research in teaching but I think people with PhD's are well equipped to work in the private sector and making a lot more money. Don't down sell your degree and think like, "Well I am still going to make very little money in research and teaching."

I mean if that's what you actually like to do, that's one thing but if you are concerned about making more money, I would say why not cast a wider net when it comes to the job field and see if there are – I don't know exactly what field she's studying but there is certainly companies out there that do internal R&D and research and perhaps she can apply what she's learning in school in the private sector in the corporate world.

And at least for a little bit so she can feel like she's making a little bit more money to pay off those loans faster but don't assume that you are going to live the life of a pauper when you come out of getting your master or rather your PhD. But I like what you say too Eric about understanding what's ahead and whether that is really going to be worth it for her, as exciting to her.

Eric you've been wonderful and I look forward to airing our one on one later on this month. That is going to be October 11th everybody. Stay tuned for Eric Roberge on So Money talking about all his money failures and successes and habits and all the good stuff.

Thank you so much Eric for stopping by, was this fun? Do you like this?

[0:35:34.8]

**ER:** You're welcome. Yeah these things, these questions are stuff I talk about all the time. So I love doing this to a broader audience. It was great, thank you very much.

[0:35:42.1]

**FT:** You're welcome, you've been a great partner. Have a great weekend.

[0:35:44.4]

**ER:** You too.

[END]