



Guiding you on the road to retirement...



THE HFG NEWSLETTER

SECOND QUARTER 2019

GET YOUR "HOUSE" IN ORDER BEFORE YOU RETIRE

“Does this spark joy?”

Millions of people are asking themselves this question about their homes and possessions thanks to Marie Kondo and her wildly popular decluttering philosophy.

Once the kids are moved out, it's just you, your spouse, and whatever is still boxed up in extra bedrooms and the basement. Whether you're looking for joy or just a little less space and stuff to manage, you might be thinking about decluttering and “downsizing” into a smaller home before you retire.

But sometimes less can be more: more hassle, more complicated, and more expensive. Before you and your spouse order that dumpster and make a down payment on that condo, consider these important pros and cons of downsizing.

PRO: Make a change while you can still enjoy it.

The younger you are during a downsize, the less help you're going to need clearing out what you don't want and relocating. And a clean, organized home can be a great “blank slate” as you start easing

into your new life. You might even organize a move around interests you want to pursue in retirement, like a community with golf and tennis facilities, or a burgeoning foodie hotspot with an exploding restaurant scene.

CON: You might make a change you don't both enjoy.

Couples need to be very clear with each other about their expectations for what life is going to be like in retirement, and how each of you want to spend your time separately and together. A downsizing that moves you to a new town, away from friends, family, and familiar comforts, can go from exciting to exasperating very quickly if both spouses aren't committed to adventuring together. One spouse might be happily teeing off while the other is puttering around the house bored silly.

And while a smaller house without kids and clutter might mean more room for you and your spouse, it's still going to be closer quarters than you're used to. Is less space going to provide you both with enough personal space?

PRO: Simplified living.

A smaller home means less upkeep. If you buy, you'll probably pay less in taxes than you did at your larger house. With less space to heat and cool, and no kids soaking up extra water, food, and electricity, your monthly bills might go down. If your smaller house is relatively new, it might require less upkeep and age well right along with you.

CON: Simple isn't free.

There's a pretty good chance your current furniture isn't going to fit or fit in at your new house. Our old stuff is never as valuable to resellers as we want it to be, so you'll probably end up dipping into your nest egg to buy new furnishings. Anything you don't want to get rid of you're going to have to store, either in that beautiful, empty basement, or at a storage facility you'll have to pay for. If you move to a different state, your smaller home might come with higher taxes. What you save on taxes buying a condo might be offset by association and communal maintenance fees.

(HOUSE continued on page 2)

(HOUSE continued from page 1)

PRO: Living the best life possible with your money.

The best reason to consider downsizing doesn't really have anything to do with decluttering. It's not about managing space or what to do with all your possessions.

No, the reason to downsize is because that smaller home you're thinking about will allow you to live the life you want to live in retirement. It's because that home is going to give you the space to do the things you want to do with the people you love, while minimizing the things you don't want to do anymore.

Does that idea spark joy?

Then let's talk. Come in and tell us why you're thinking about downsizing. We'll run some numbers and discuss how a new, smaller home could open a big new world of possibilities for you and your spouse.



Adam Freeland

Adam Freeland
President

RECESSION POSTPONED

BY BRYCE HARRISON AND PAUL SMETON)

Following the financial press can leave one confused, stressed, and worried about the future. When you really think about it, the job of the press is to stir up emotions to get you coming back for more. That is why we see dramatic headlines warning of catastrophic events in the financial markets so often. Our goal in writing these articles is to cut through the noise and deliver a more realistic outlook.

Less than two months ago, conventional wisdom thought the US economy was in real trouble. Many economists had lowered estimates for first quarter economic growth to near zero. Now, in a matter of weeks, the economy has proven them wrong as shown by the reports of key economic data. In April, payrolls beat expectations signaling job growth. New claims for unemployment insurance hit its lowest levels since 1969! Claims usually start to creep up before a recession starts; no sign of that now. More solid news from the auto industry in March showed auto sales increased 5.3%. If you expect a recession to start soon, this data does not support it. None of these reports say the economy is booming but it certainly is not leaning toward a recession any time soon.

As of this writing, the US and China are working to negotiate a long-term trade deal. The US announced new tariffs on Chinese imports and China responded with tariffs of their own. Many fear this will send us into a trade war. But the fact of the matter is, no one benefits from restricting trade and the US has enormous economic leverage over China. Last year we exported \$180 billion in goods and services to China, which is 0.9% of our GDP. Meanwhile, China exported \$559 billion to the US, which is 4.6% of their economy. If our economy takes a hit due to tariffs, China's will get hammered. If the trade war is prolonged, US companies will look to move supply chains out of China into places like Mexico, Vietnam, or keep production in the US. This would devastate the Chinese economy for decades. China needs to be able to trade with the West. In the end, we all want free trade but China is much more vulnerable than we are.

Should you have any questions about how best to handle market volatility or have questions about any other financial topic, please feel free to reach out to your advisor at 410-838-2992.



THE NEXT PICASSO?

Harford Financial Group was excited to partner with "Yaymakers" for an evening of artistic creativity! Jessica Mattmuller led a group of budding artists in painting their own beautiful masterpieces. It was no surprise to HFG that our clients are beyond talented! Just look at some of their work! The event filled quickly so keep an eye out for any upcoming Paint Night events!



GONE FISHIN'!



It's no secret that Harford Financial Group is a family who enjoys working and playing together. This was evident when the men of HFG (Adam Freeland, Bryce Harrison, Erik Keller, Paul Smeton, and the one-and-only Ed Simon) ventured out to sea on a recent fishing excursion to the Susquehanna. They had a phenomenal time and couldn't wait to share their day with everyone!

The boys were up at the crack of dawn and hit the water while most of us were still in bed! While each was successful in reeling in their own blue catfish, it was our Paul Smeton who caught the biggest one at a whopping 14 pounds!

To say the day was a success would be an understatement! Their time spent on the water was filled with laughs, memories, and an abundance of catfish!



***Public Service Announcement:
No financial advisors were harmed
in the making of this article*

HFG IN THE COMMUNITY



One of Harford Financial Group's 2019 goals is to increase our community charity efforts. On May 31st, our team rolled up their sleeves and spruced up the grounds of a local charity that is near and dear to our hearts, Harford Family House.

To quote their vision and mission, Harford Family House, Inc. is committed to ending homelessness for families with children and unaccompanied young adults in Harford County, MD. Through housing, support, and resources, Harford Family House, Inc. helps families and unaccompanied young adults who are experiencing homelessness transition into stable/permanent housing.

If you wish to make a donation to Harford Family House, Inc., they are always in need of the following items:

- White Vinyl mini blinds (sizes 30 inches, 39 inches or 47 inches in width).
- Tall kitchen trash cans and bags
- Brooms, dustpans, and mops
- Boxes of multipurpose latex gloves
- Hefty black trash bags
- Cleaning supplies such as Lysol wipes, Windex, bathroom and toilet cleaners, Mr. Clean or Pin Sol
- Toilet paper
- Paper towels
- Pampers (various sizes)
- Gift cards to Target, Walmart or Shoprite for \$10 to \$25 each. This allows the family to purchase pantry staples to get them started when they arrive.

Last year, 88% of the families exiting the program went on to safe, stable, permanent housing. Additional information on this phenomenal organization can be found at website <https://harfordfamilyhouse.org/>.

SAVE THE DATE!

Join us for the Harford Family House Boots and Bowties 30th Anniversary Birthday Bash!

WHEN?

Friday, September 6th, 2019 6:00pm to 10:00pm
(VIP Event 5:00pm-6:00pm)

WHERE?

Falling Branch Brewery - 825 Highland Rd - Street, MD

REGULAR TICKET: \$100

VIP TICKET: \$150 Includes access to pre-event beer pairing, preferred parking and reserved seating.

Tickets can be purchased at <http://bit.ly/bootsandbowties2019>
or by calling 410-273-6700

Sponsorship opportunities available!

CLIENT SPOTLIGHT: PAM BURTON

You would never know by admiring the tremendous artwork by local artist, Pam Burton, that she only began her painting career less than fifteen years ago! Her creative journey began with a class at Harford Community College and has blossomed ever since. Pam works primarily with oils and strives to tell, or enhance, a story with every stroke of her brush. This passion for storytelling was evident in a memory Pam recently shared with us. When her mother was diagnosed with dementia, she could only remember her husband as a young man. Pam drew inspiration from her mother and created the beautiful painting below for her. As you can see, both of her parents are depicted as their younger selves during WWII and their love story can be heard loud and clear.



When Pam is not busy creating her next masterpiece, she enjoys spending time with her husband, Larry, and daughter, Amber. She can also be found tending to her garden, diving into a good book, or chowing down on some good 'ol Maryland steamed crabs! A fun fact about Pam is that she was once an Artillery Weapons tester! All of this, mixed with her favorite Dirty Harry quote, "Go ahead, make my day," makes Pam one strong and fascinating woman!

Pam's art portfolio can be viewed on her website, <https://pamelaburtonart.com>

CLIENT SPOTLIGHT: GLENN KAHL

Glenn Kahl, resides in Joppa, MD with his wife, Loretta. Together they have two daughters and three grandchildren. Glenn was a steel worker for forty-six years and, if this weren't impressive enough, he also spent three years in the submarine service! Glenn considers his time on the submarine to be one of his proudest accomplishments.

Since retirement, Glenn now spends his time taking part in an array of activities such as hunting, fishing, traveling, card playing, and wood working. With so much to keep him busy, one has to wonder where he finds the time to paint such beautiful pictures as shown below! Glenn has been perfecting his artistic craft over the past fifteen years. You can certainly get a sense of his love and appreciation for nature! To say he is talented would be quite the understatement!



CLIENT SPOTLIGHT: MATTHEW SMIDT

Harford Financial Group recently had the pleasure of spending the day with Matthew Smidt, son to long time clients, Regina and Robert Smidt. Matthew is a 2019 graduate of The John Carroll High School and will be attending Bryant University in Rhode Island in the fall where he will major in finance. He aspires to become a business analyst and for his senior project, Matthew chose to spend the day at HFG to gain additional insight into the world of financial investing.

Matthew has demonstrated exceptional academic success during his time at John Carroll. He was a member of both the National and Spanish Honor Society, and was chosen to participate in a Shadow Day at Pay Pal in his Junior year. As a senior, Matthew was selected to represent Harford County as a Maryland Page. He enjoys volleyball and lacrosse and even volunteers his time as a coach for the Bel Air Rec Council. As if this weren't impressive enough, Matthew was also heavily involved in John Carroll's Mock Trial team, FCA leadership team, Patriot Hospitality Group, and tutoring program.

Harford Financial Group wishes Matthew all the best in his future endeavors!

Disclosures:

- Clients included within the newsletter were selected based on recent life events.
- Diversification and asset allocation strategies do not assure profit or protect against loss.
- it is not known whether the listed clients approve or disapprove of Adam Freeland/Melissa Mullan or the advisory services provided.



Harford Financial Group
Retirement Income Specialists

836 South Main Street • Suite 105 • Bel Air, MD 21014 • 410-838-2992 • www.HarfordFinancialGroup.com

All investing involves risk. Depending on the types of investments, there may be varying degrees of risk. Investors should be prepared to bear loss, including total loss of principal. The S&P 500 is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. Market indexes listed are unmanaged and are not available for direct investment.

Registered Representative, securities offered through Cambridge Investment Research, Inc., a Broker/Dealer, Member FINRA/SIPC.
Investment Advisor Representative, Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor.
Cambridge Investment Research, Inc. and Harford Financial Group are not affiliated.

HarfordFinancialGroup.com