

Slow and Steady Investing Builds a Comfortable Affluence

Decades of steady and conservative investing have allowed Abigail and Dorothy to build a sizable nest egg for a comfortable and active retirement. Following a philosophy of always and automatically saving first, and only spending what is left. The couple also, admirably, carries no debt-with their home mortgage paid off long ago.

For almost 25 years, they have shared their lives, residing in a comfortable mission-style bungalow in a northern suburb of Chicago. They met as social activists during the late 70's, through involvement with NOW (National Organization for Women), while pushing for the passage of the ERA (Equal Right Amendment). They rose to high state level office, and became friends with important social and political figures of the time, including Betty Freidan and Senator Paul Simon.

Dorothy, whose presence is quiet and centered, is a practitioner of yoga, teaches High School Honors English, and is about 10 years away from retirement. Prior to teaching, Dorothy worked in IT for major corporations, a career she found financially rewarding, but lacking in social reward.

Abigail, more emotional and effusive, recently retired from her career as a speech pathologist in elementary schools, and today she dotes on her 2-year-old grandson, who lives with his parents in the same town. "He is a linguistically advanced child, who expresses concepts beyond his age," she states glowing, "and I'm not just saying that because he's my grandchild."

While in IT, Dorothy had the good timing to purchase their home outside Chicago, prior to housing prices shooting through the roof. Today, as in most affluent suburbs of Chicago, homes surrounding theirs are being torn down, and replaced with monolithic houses on smallish lots. These are readily selling for \$1.5 Million+, even during this challenging housing market, primarily because of the excellent school district, bustling downtown and "small town feel" of its neighborhoods. "Those homes are utter monstrosities," Abigail declares emphatically, pointing across the street and out her side windows. "They are ostentatious blights on the neighborhood, changing the character of this town for the worse!" As she speaks, one can see echoes of her activist days, when she was a sought after and forceful public speaker. The visual effect on the neighborhood is rather comical—with blocky, monolithic, three story dwellings, crammed onto tiny lots, next to one-story bungalows on expansive lots.

Something affluent suburban America is seeing more and more, as housing stock is upgraded, and newly affluent urban dwellers seek better public schools for their young children. Abigail and Dorothy regularly receive offers from developers eager to purchase their home as a tear-down, because it sits on a lot-and-a-half.

Despite how the increasing conservatism of the town tends to clash with their liberal sensibilities, they have no plans to sell or move. Both have amassed sizable retirement portfolios, consisting of their state teacher's pensions, as well as fully-contributed IRAs, and steady investing in brokerage accounts. Dorothy's brother, a successful financial advisor, has offered solid and conservative investment advice, over the years, to their separate accounts.

Both women sit down with him yearly, to make sure they are on target. Abigail, who is a doting and nurturing parent, came to the relationship with two daughters from a previous marriage, and she has encouraged her daughters to become attentive and responsible investors, going to far as to send them to classes, and even setting up brokerage accounts and IRAs to start them off.

Her actions have met with some success, though not as much as she hopes for. "I really do worry about my girls," she confides, "but I've taught them how to be independent and strong, and to stand on their own. What they do with that is up to them." Abigail and Dorothy enjoy traveling, primarily in the US, and mostly to visit family around Salt Lake City, where Abigail grew up and Arizona, where Dorothy's parents winter. Each summer they also enjoy a trip together, as well as with close friends.

This year they plan a tour through wild Alaska. "There are no roads in some of the places we are going," Dorothy laughs, "I don't know how we're going to get back!"

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