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Build Your Wealth



Thanks for being here this evening. We are live from coast to coast and several countries are with us this evening. Thank you



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For those joining us for the first time! Thank you



WELCOME TO OUR WEALTH BUILDING JOURNEY.

Building wealth is a marathon, not a sprint. It takes time, effort, and discipline to save money, invest wisely, and make smart financial decisions.



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The "secrets" of wealth building aren't arcane knowledge held by a select few. They are, in fact, a collection of **fundamental principles and consistent habits** that, when diligently applied over time, lead to financial growth and security.

These principles aren't about finding a magic bullet or getting rich quick. Instead, they focus on:

Discipline: Consistently sticking to a financial plan, even when it's challenging.

Patience: Understanding that wealth accumulation is a long-term game, not an overnight sensation.

Knowledge: Continuously learning about personal finance, investing, and economic trends.

Proactive Planning: Taking deliberate steps to manage money, rather than letting it manage you.

The "Secrets" of Wealth Building: Proven Practices and Strategies



To master the wealth-building journey, you have to move past "saving" and start "owning." While saving is about preservation, wealth building is about **multiplication**.

The foundational guide rests on three pillars:
Optimization, Acquisition, and Protection.

1. Optimize Your Cash Flow (The Engine)

- Wealth isn't built on what you make; it's built on what you *keep*. You cannot build a skyscraper on a swamp; you need a solid foundation.
- **The Gap:** Your wealth-building potential is the "gap" between your income and your expenses. To master this, you must either widen the gap (increase income) or tighten the seal (lower expenses).
- **The Velocity of Money:** Get your money moving. Idle cash in a standard savings account loses value to inflation. Master the habit of moving money from your checking account to an **income-producing asset** the moment you get paid.

2. Aggressive Asset Acquisition (The Fuel)

- This is the core of the journey. You transition from being a consumer to being an **owner**.

True wealth comes from owning things that pay you while you sleep.

- **Paper Assets:** Stocks, bonds, and mutual funds. These are the most accessible entry points.
- **Real Estate:** Historically, this is the primary vehicle for Black wealth in America. It offers tax benefits, leverage (using the bank's money to grow yours), and equity.
- **Intellectual Property/Business:** Owning a business or a piece of a business. This allows for uncapped income potential compared to a fixed salary.

3. Protection and Estate Planning (The Walls)

Mastery means ensuring your hard work isn't wiped out by a single event or lost to the government when you pass.

- **Insurance:** Life, disability, and liability insurance aren't "extra" expenses; they are the guardrails for your wealth.
- **The Trust/Will:** In our community, far too much wealth is lost to "heirs' property" issues or probate court. Mastery involves setting up a **Living Trust** to ensure your assets transfer seamlessly to the next generation without the state taking a cut.

The Wealth Formula

In its simplest mathematical form, the journey looks like this:

$$W = (I - E) \text{ times } R^t$$

Where:

- W = Wealth
- I = Income
- E = Expenses
- R = Rate of Return (Investment growth)
- t = Time (The most powerful variable)

The "Mindset Shift"

The final piece of the foundation is moving from **Linear Income** (trading hours for dollars) to **Residual Income** (investing dollars to get more dollars). Mastery is reached when your investment income exceeds your living expenses. At that point, you are no longer working for money; money is working for you.

Of those three pillars—Optimization, Acquisition, or Protection—which one feels like it's currently the "missing link" in your personal financial plan?



Jonas Oware:

Congratulations once again on your admission to Yale Class of 2030!



Introducing our Co-Host: Jonas Oware

Our co-host—a man who perfectly embodies the intersection of elite execution, relentless discipline, and academic brilliance: **Jonas Oware**.

Jonas doesn't just understand what it takes to build a high-performance foundation; he has lived it at the highest levels. Graduating with the highest honors from the historic Long Beach Poly, Jonas managed a trifecta that very few individuals on the planet ever achieve. While maintaining absolute academic excellence, he dominated on the hardwood as a commanding 6-foot-10 Division I center, ultimately signing with one of the most prestigious Ivy League powerhouses in the world—**Yale University**.

Balancing the intense academic rigor of an Ivy League track with the grueling, unforgiving schedule of an elite college athlete requires a rare kind of focus. It speaks volumes about his work ethic, his strategic mind, and his unshakeable discipline.

When it comes to breaking down complex systems, executing under pressure, and mapping out a winning blueprint for your financial future, there is no one better to have in your corner. Bringing that Ivy League intellect and championship-level drive to our financial infrastructure strategy, please welcome **Jonas Oware!**"



DISCLAIMER

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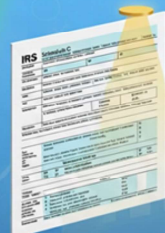
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Resolve Your Unfiled Taxes and Reclaim Your Peace of Mind

We often find that one of the heaviest financial burdens a person can carry is the weight of unfiled tax returns. Whether it's been one year or several, the best time to address it is always right now.

If you or someone you know has unfiled taxes, we are here to help you navigate the process. Our team specializes in helping individuals and small business owners catch up on their filings, minimize potential penalties, and ensure you are in full compliance with the IRS.

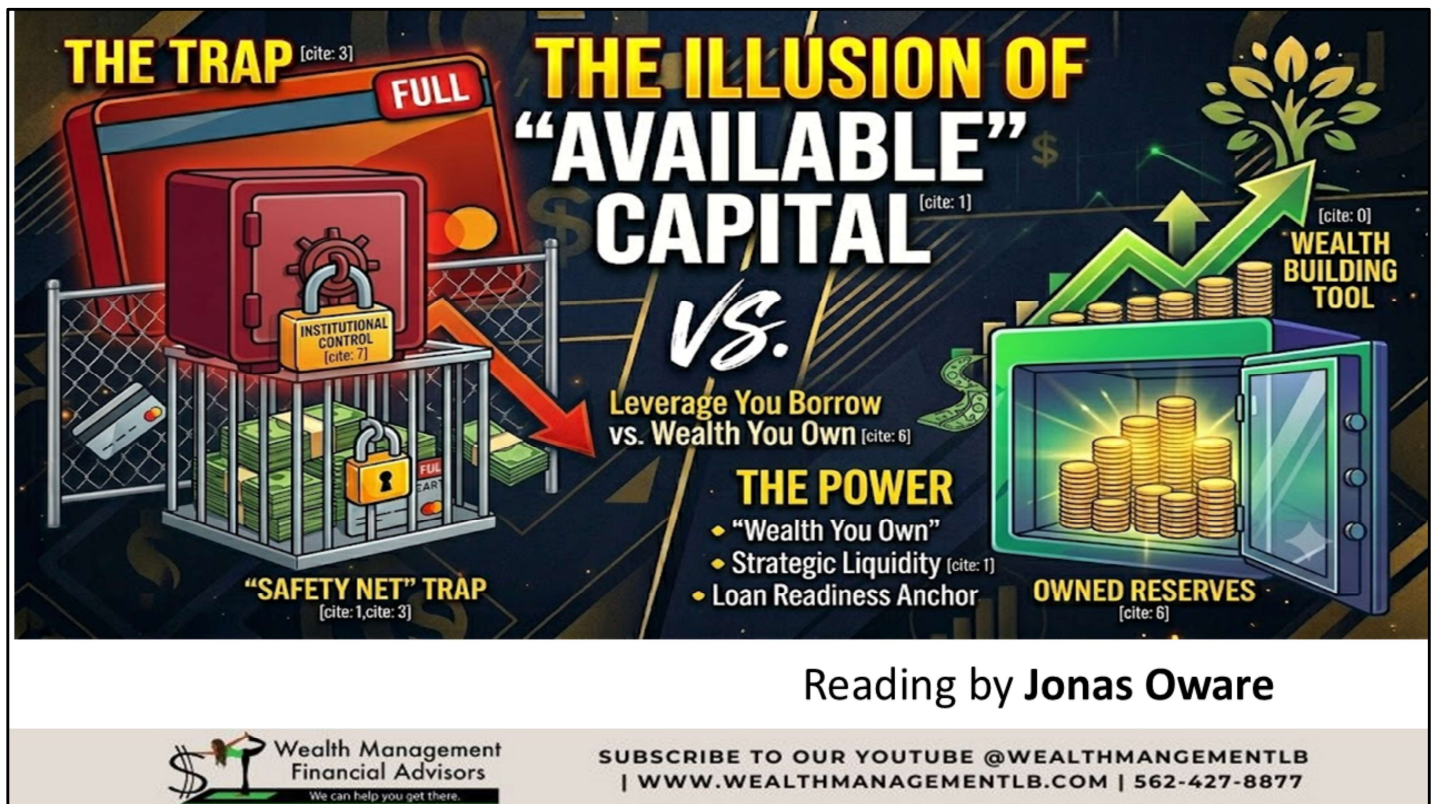
Filing back taxes isn't just about paperwork; it's about clearing the path for your future financial goals—whether that's building wealth, securing a loan, or simply enjoying the peace of mind that comes with being up to date.

If you're ready to get this off your plate, please reach out to schedule a consultation. Let's work together to get your records current and your finances back on track.

Call today! 1-562-427-8877

The IRS is much friendlier to those who come to them than those they have to hunt down.





The Domino Effect: What Really Happens When You Max Out Your Credit

It is one of the most pervasive mental traps in modern personal and business finance: you open an app, log into your dashboard, and see a crisp, clean number staring back at you.

"Credit Limit: \$25,000. Available Credit: \$25,000."

To the untrained eye, that screen represents \$25,000 of emergency backup cash, a financial safety net, or a pool of capital waiting to fund your next big move. But this perspective is a dangerous mirage. It relies on a fundamental misunderstanding of financial engineering known as **The Illusion of "Available" Capital**.

When you treat a credit limit as if it were cash in the bank, you set yourself up for a rude awakening. The moment you push a credit card to 100% utilization, you pull a lever that triggers a silent, destructive, and deeply interconnected chain reaction.

This is the financial **Domino Effect**—and here is what really happens behind closed doors when you max out your credit.

Domino 1: Shattering the Illusion of "Available" Capital

To understand why the dominoes fall, you must first shatter the illusion.

Available Capital is wealth you explicitly own. It is the liquid cash sitting in your checking account, your business reserves, or your money market funds. When you deploy your own

capital, your asset balance changes, but your structural risk remains zero. You owe nothing to anyone, and your financial infrastructure remains entirely under your control.

Credit, on the other hand, is a tool for *leverage*. It is not your money; it belongs entirely to a financial institution.

When you confuse the two and max out a credit card, you aren't just spending money—you are radically transforming your balance sheet from an asset-focused foundation to a liability-heavy cage. You have traded your freedom for an institutional debt obligation, and the banking algorithms will immediately punish you for it.

Domino 2: The FICO Score Cliff-Dive

The moment your credit card statement closes at 100% utilization, the first visible domino falls: your credit score takes a massive hit.

Under the FICO scoring model, **Amounts Owed** (which is heavily dictated by your debt-to-limit utilization ratio) commands a massive **30% of your total score**. The algorithm looks at your utilization in two ways: across all your cards combined, and on *individual* cards.

You might think, *"I have a total of \$100,000 in credit across five cards, so maxing out this one \$10,000 card means my overall utilization is only 10%. I'm safe."* **The reality is: you aren't.** The FICO algorithm severely penalizes individual maxed-out cards. Pushing a single card to its ceiling flags you as a high-risk borrower. Almost overnight, your score can drop anywhere from **30 to over 100 points**, instantly freezing your institutional loan readiness for mortgages, commercial loans, or auto financing.

Domino 3: The Trap of "Balance Chasing"

Let's say you realize your mistake. Your credit score has dropped, your available credit is at zero, and you decide to do the responsible thing. You scrape together \$3,000 in cash and make a major payment to give yourself some breathing room. You expect your available credit to bounce back to \$3,000.

Instead, you fall victim to an institutional trap known as **Balance Chasing**.

When credit card issuers see a borrower max out a card, their internal risk algorithms go on high alert. They assume you are facing financial distress. To mitigate their own exposure, the moment your \$3,000 payment clears, the bank automatically slashes your overall credit limit by that exact same amount.

Your balance drops from \$10,000 to \$7,000—but your credit limit is lowered to \$7,000, too.

Mechanically, **you are still at 100% utilization**. The bank has swallowed your cash, wiped out your liquidity, left you with zero available credit, and kept your credit score pinned to the floor.

Domino 4: Cross-Issuer Contagion

If you think the damage is contained to the one card you maxed out, you are underestimating how interconnected the modern banking system truly is.

Major credit card companies do not just look at your credit report when you apply for a card. They run automated "**soft pulls**" on your credit profile every single month to audit your financial health.

Imagine you max out your card with Bank A. Within 30 days, Bank B—where you hold a completely separate card with a pristine \$20,000 limit that you rarely use—runs its monthly soft check. They see the massive red flag on your report from Bank A.

Bank B doesn't care that you've always paid *them* on time. They only see that you are exhibiting high-risk borrowing behavior elsewhere. To protect themselves, Bank B preemptively slashes your credit limit or freezes your account entirely. This is **Cross-Issuer Contagion**—a financial domino effect where a fire in one corner of your portfolio burns down your entire credit architecture.

Domino 5: The Interest Rate Spiral

As your credit limits vanish and your utilization remains maxed out, the final domino drops: the cost of your debt skyrockets.

Many credit card agreements include clauses that allow lenders to adjust your Annual Percentage Rate (APR) based on your risk profile. If you trigger universal risk flags across the bureaus, your interest rate can instantly spiral from a standard 15% to a punishing penalty rate of **29.99%**.

When you combine a 30% interest rate with a credit limit that is being aggressively chased downward by the bank, you enter a compounding debt spiral. Your hard-earned cash flow is entirely consumed by servicing minimum payments, leaving you with no capital left to invest or scale your wealth.

How to Stop the Dominoes: The Recovery Plan

If you find yourself caught in this cycle, traditional financial advice like "just spend less" isn't enough; you have to outsmart the banking algorithms. You can halt the domino effect by executing three tactical adjustments:

Deploy the Micropayment Strategy: Credit bureaus don't record your balance on your due date; they take a snapshot on your **Statement Closing Date** (20–25 days *before* your payment is due). Make weekly or bi-weekly payments so your balance is reported as low as possible to FICO.

Isolate individual Maxed Cards: Don't spread your extra cash evenly across your debts. Focus entirely on pushing the card closest to 100% capacity down below **50%**, and eventually below **30%**. This clears the individual max-out flag and yields the fastest credit score rebound.

Dilute Your Risk (The Ceiling Strategy): Log into your accounts that are in excellent standing

with low balances and request a credit limit increase. As long as it is a **soft inquiry** (which carries no credit score penalty), an increased limit expands your overall credit ceiling, instantly diluting your utilization percentage without costing you a single dollar.

The Bottom Line

Credit is a powerful psychological and operational tool. When used surgically, it provides immense leverage to scale your life and business. But the moment you buy into the illusion of credit as "available capital," the institutional machinery will turn against you. Protect your infrastructure, respect the algorithms, and never let the first domino fall.



The Debt Snowball

How it works: You pay off your accounts from the **smallest balance to the largest balance**, regardless of the interest rate.



The Debt Avalanche

How it works: You put all extra capital toward the account with the **highest interest rate**, while paying minimums on the rest.



During the core of the presentation last week, we compared the two most famous debt-paydown frameworks against the reality of credit crunch. we covered between the traditional Debt Snowball vs Debt Avalanche



"So, which one wins? As a financial professional, I will tell you a secret: the math doesn't matter if the behavior stops.

The best system is the one you can consistently execute for 12, 18, or 24 months.

If dropping a \$500 medical bill or a small retail card to zero gives you the fuel to keep going, choose the Snowball.

If watching interest charges drop on your highest-APR business line keeps you motivated, choose the Avalanche. Pick your play, commit to it, and don't look back."

THE DOMINO EFFECT: WHAT REALLY HAPPENS WHEN YOU MAX OUT YOUR CREDIT

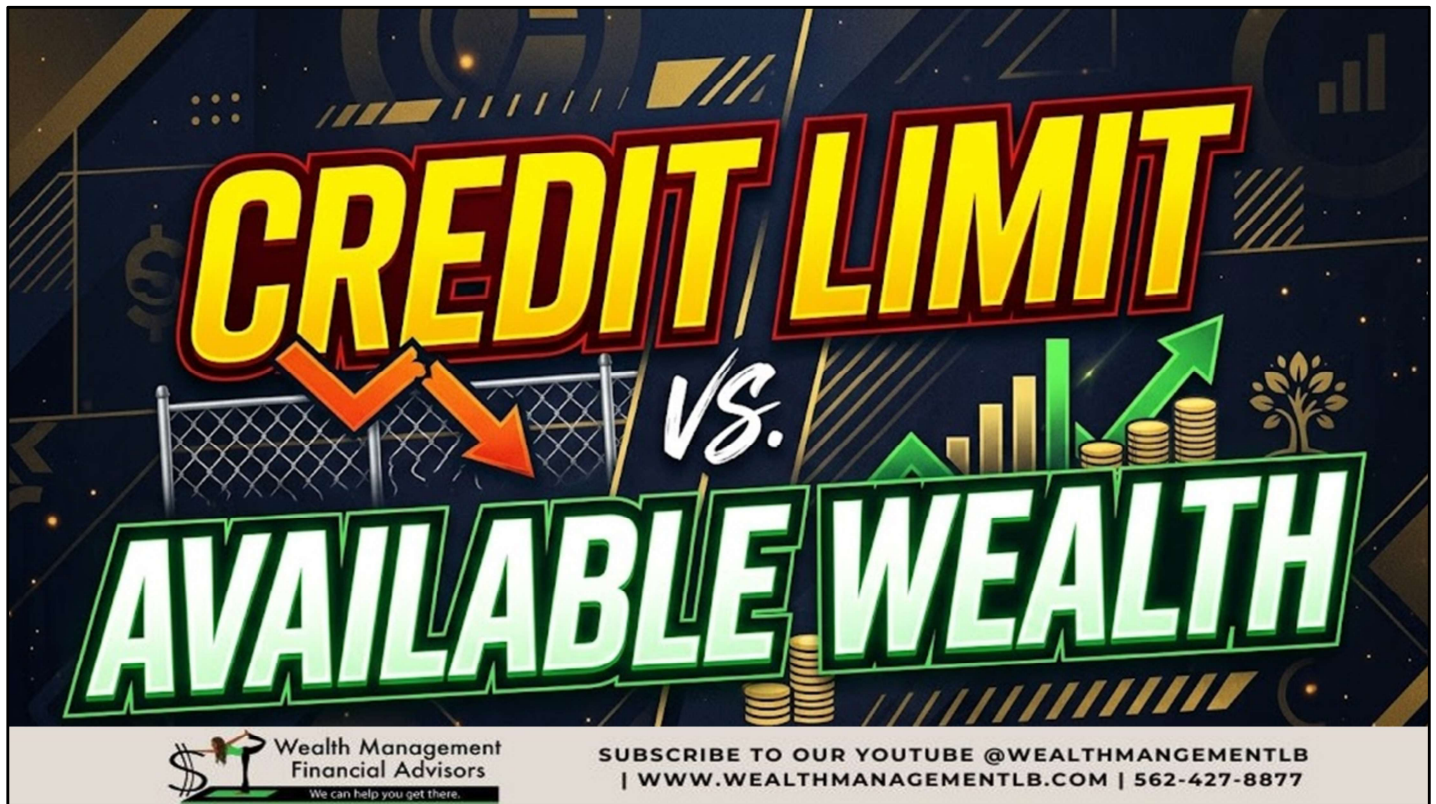
Speaker Notes:

"Welcome, everyone, to tonight's masterclass. I am incredibly excited you are here, because today we are tackling a topic that sits heavily on the shoulders of so many brilliant, hard-working people: what it truly means to be *maxed out*.

If you've felt like you are running at 100 miles an hour on a financial treadmill—working harder than ever but standing completely still—you are not alone. Tonight, we are stripping away the anxiety and the noise. We aren't here to lecture you; we are here to give you an operational playbook to stop playing defense, break the cycle, and take back control of your capital. Let's get to work."

It's Not Just a Low-Income Issue

A critical misconception is that this cycle only affects those with low wages. In reality, "**lifestyle creep**" and high debt loads trap high earners in the exact same loop. Whether someone makes \$40,000 or \$250,000, if their fixed commitments mirror their take-home pay, they are equally vulnerable to a sudden disruption in income.



Credit Limit: This is your **borrowing ceiling**. It is lender-owned leverage representing the maximum amount a bank allows you to borrow. It is *not* your money—it is a debt obligation waiting to happen, and maxing it out destroys your credit score.

Available Wealth: This is your **owned liquidity**. It represents your actual deployable assets (like cash in your checking account or liquid reserves). Deploying it carries zero debt risk, creates no monthly obligations, and signals true financial stability to institutions.

⚠ Operational Warning: > **Credit limit is lender-owned leverage, not wealth.** If you treat your credit limit as an extension of your available wealth and max it out, bank algorithms will instantly reclassify you from an asset to a liability, destroying your institutional loan readiness.

Leverage is a strategic tool, not an income extension.

The psychological trap of the "safety net" limit.
The **psychological trap of the "safety net" limit** is the dangerous belief that an untouched \$10,000 or \$25,000 credit card limit is the same as having \$10,000 or \$25,000 in emergency

cash.

It is a trap for two simple reasons:

It isn't your money: Spending cash reduces your savings but keeps your net worth stable. Spending credit instantly creates a high-interest liability.

The net can be pulled at any time: Because banks constantly monitor your credit profile, if they see you hit hard times, they can unilaterally slash your unused limit or freeze the card entirely.

Shift from wealth-building mode to survival mode.

Shifting from wealth-building mode to survival mode means you stop using your money to make more money (leveraging capital for growth) and start using all your energy just to keep your head above water (defending against financial collapse). Here is the quick breakdown of the shift:

Wealth-Building Mode (Offense): Your cash flow goes toward investments, scaling a business, or expanding your credit ceilings. You control the narrative because you have low utilization and strong liquidity.

Survival Mode (Defense): Your credit is maxed, your score is tanking, and banks are slashing your limits. Now, 100% of your liquid cash flow is aggressively sucked up just to pay high interest rates and minimum payments—leaving you with zero capital to actually build wealth.

 **The Takeaway:** In wealth-building mode, your money works for **you**. In survival mode, you work entirely for the **lender**.

THE MATH BEHIND THE CREDIT SCORE CLIFF

Amounts Owed: The second-largest factor in your score (30%).

The 30% Myth vs. The 10% Reality: Optimization happens under 10%.

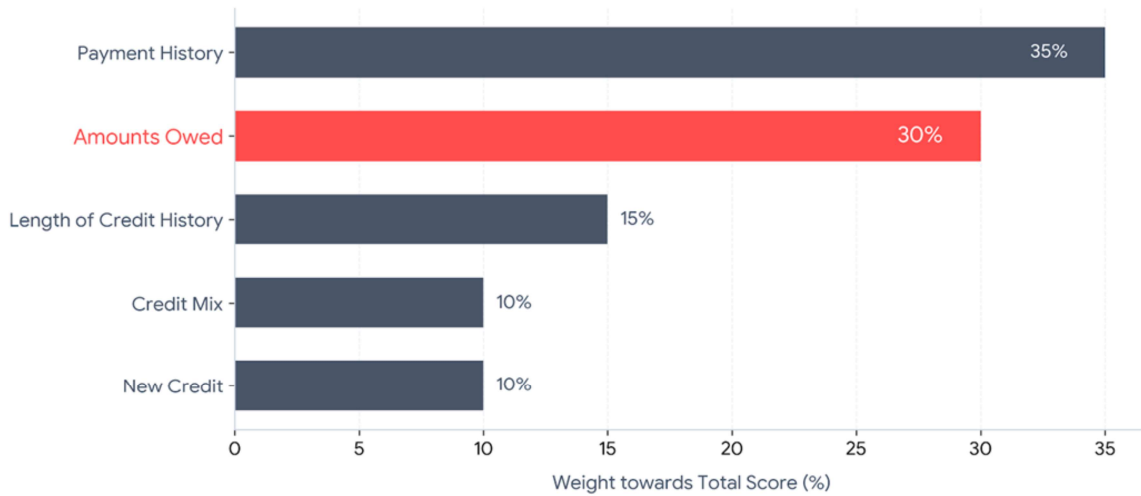
Per-Card vs. Total Portfolio: The danger of the isolated max-out.

"Let's look at the hard math. Your FICO score is calculated using five distinct buckets. The largest is payment history at 35%. Right behind it, at 30%, is 'Amounts Owed'—which is primarily driven by your credit utilization ratio.

There is a persistent myth out there that as long as you keep your balances under 30%, you are perfectly fine. That is a baseline for average credit, not a baseline for wealth building. True score optimization happens when your utilization sits **under 10%**.

When you max out a single card, two things happen. First, your total portfolio utilization spikes. But second, and more critically, the algorithms penalize you for *individual card* utilization. Even if your overall utilization across five cards is low, if one specific card is sitting at 95% or 100%, a risk flag is immediately tripped. Your score can plummet anywhere from 30 to over 100 points in a single billing cycle, depending on your starting baseline. The algorithm doesn't care that you have the cash in the bank to pay it off next week; it only reads the reported snapshot."

FICO® Score Components Breakdown





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REALITY: WHAT MAXING OUT YOUR CREDIT CAUSES



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THE INSTITUTIONAL BACKLASH (HIDDEN STRUCTURAL COSTS)

Balance Chasing: The mechanical lowering of your ceiling.

Cross-Issuer Contagion: How Bank A affects Bank B.

The Interest Rate Spiral: Triggering universal default clauses.

Most people assume the only consequence of a maxed-out card is paying interest on that balance. The reality is far more invasive. We have to talk about institutional risk mitigation.

Banks are constantly running soft inquiries on your credit profile behind the scenes. If you max out a card with Issuer A, Issuer B sees that behavior on your credit report within 30 days. They get nervous. To protect themselves, Issuer B might quietly reduce the credit limit on the card you *aren't* using.

Even worse is a phenomenon called '**Balance Chasing.**' Let's say you realize your card is maxed at \$10,000, so you make a strategic \$2,000 payment to bring it down. Instead of leaving your limit at \$10,000, the bank immediately slashes your limit down to \$8,000. They follow your payment down to minimize their exposure. Suddenly, despite paying thousands of dollars, you are still sitting at 100% utilization. You are trapped at the bottom of the credit score cliff, and your available revolving capital has vanished."

⚠ OPERATIONAL WARNING

[cite: 13]

THE ILLUSION OF “AVAILABLE” CAPITAL

[cite: 13]

CREDIT IS LENDER-OWNED LEVERAGE, NOT WEALTH.

[cite: 13]

**IF YOU MAX IT OUT, THE BANK ALGORITHM WILL
RECLASSIFY YOU FROM ASSET TO LIABILITY,
DESTROYING YOUR INSTITUTIONAL LOAN READINESS.**

[cite: 13]

**FICO
SCORE
CLIFF**

[cite: 7]

**BALANC
CHASING**

[cite: 7]

**INTEREST
RATE
SPIRAL**

[cite: 7]

**FICO SCORE
CLIFF**

[cite: 7]

**WEALTH
BUILDING
HALT**

[cite: 7]

SUMMARY: HOW TO FIGHT BACK

Analyze your used credit individual debits
card utilized by the empty cards
are the **TOP PRIORITY**. [cite: 13]

THE CAPITAL & OPPORTUNITY COST

The Funding Bottleneck: A maxed personal credit profile completely halts institutional loan readiness and commercial asset positioning

Debt-to-Income (DTI) Distortion: Skyrocketing minimum monthly obligations.

The Loan Readiness Trap: Why commercial lenders pull back.

Symptom vs. Foundation: The friction of treating credit as permanent capital.

This is where the damage hits your actual business operations or real estate investments. When you are positioning yourself for major capital—whether that is an SBA loan, a commercial line of credit, or asset-based financing—lenders look at your infrastructure.

A maxed-out personal credit card spikes your Debt-to-Income (DTI) ratio because your minimum required monthly payment balloons. Even if you are operating a highly profitable business, a compromised personal credit score strips away your institutional leverage.

If a prime real estate deal or a business acquisition opportunity emerges next month, you cannot move quickly. You lose access to low-interest, institutional leverage right when you need it most. Money is energy, and carrying these maxed-out balances creates massive operational friction.

You stop playing offense because you are constantly forced to play defense."

THE TACTICAL BLUEPRINT: REVERSING THE DAMAGE

1. Deploy the Micropayment Strategy: Immediate Action.

Do not wait for the monthly due date. Pay bi-weekly or weekly to match your cash inflow. Credit bureaus capture data on the **statement closing date**, not the payment due date.

2. Execute Strategic Isolation: Month 1.

Target the single card that is closest to 100% capacity first, regardless of the interest rate. Bringing an individual card below 50%, and then below 30%, removes the primary algorithmic penalty.

3. The Soft-Inquiry Dilution Method: Month 2.

If your repayment history is flawless, request credit limit increases on your *other*, un-maxed cards. This instantly expands your total credit pool and dilutes your overall utilization ratio.

Speaker Notes

"If you are facing a maxed-out profile, you need a precise, sequence-driven extraction plan.

First, stop waiting for the monthly due date to make a payment. Lenders report your balance to the credit bureaus on your **statement closing date**—which occurs roughly 20 to 25 days *before* your actual due date. By utilizing the Micropayment Strategy—paying down the balance weekly or bi-weekly—you ensure that the snapshot sent to the bureaus is artificially lower, immediately relieving score pressure.

Second, isolate the worst offender. Don't spread your extra cash evenly across three cards.

Focus entirely on bringing the card that is at 100% down to a safer threshold.

Third, use the dilution method. If you have other accounts in excellent standing, log in and request a limit increase. As long as it is processed as a soft inquiry, this instantly



🔑 Breaking the maxed-out cycle isn't just about getting back to a zero balance. Zero is not the finish line. The true objective is **agency**—restoring your financial margin so you can deploy it on offense.

Imagine taking the \$1,000 or \$2,000 a month you used to hand over to credit card companies and retaining it. Now, that capital can be systemized.

You can funnel it into business equity, use it to ensure your company is permanently 'loan-ready' for expansion, or invest it into strategic real estate opportunities. You transition from working for your money to making your money work for your life."

INSTITUTIONAL DISCIPLINE & OPEN Q&A

Credit is the infrastructure of financial freedom.

Master the statement closing dates.

Floor open for strategic questions

"To wrap up: credit is not a safety net; it is institutional infrastructure. Treating an open line of credit like cash is an expensive mistake that ripples through your entire financial portfolio, choking out loan readiness and capping your growth.

By managing your utilization with strict discipline, monitoring your statement dates, and maintaining a clean infrastructure, you preserve your ability to scale whenever an opportunity presents itself.

I want to thank you all for your time today. Let's open up the floor to your questions regarding utilization formulas, statement closing cycles, or capital positioning."



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**What would you
like to share with
me?**



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