

EPISODE 758

[ASK FARNOOSH]

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FT: You're listening to So Money, everyone. Happy Friday. It's Ask Farnoosh Friday. I'm your host, Farnoosh Torabi. We have a ton of good questions today, including where to invest a 100 grand, how to minimize moving costs if you're moving across the country, and my advice for the best ways to start a blog. It is just me today solo, no co-host. Sorry, that means that we need more co-hosts. I have a few lined up for the future, but just couldn't get it together this week to have a co-host for a bunch of reasons; I was traveling, there were some technical difficulties, and honestly, not enough people are asking to co-host.

I mean, I don't think I'm that intimidating. I would love to hear from you. Just go to somoneypodcast.com and click on Ask Farnoosh and there you can let me know if you'd like to co-host, or obviously can go on Instagram, because that's where everybody's hanging out these days. I've been trying out the IG TV a little bit. I wish I could be a little bit more consistent with the videos, but I got a lot to do. How do these people find the time to be on Instagram and Twitter and Facebook and be posting on Instagram and be talking on Instagram, and by the way running a business and having a family? I mean, I'm just not that efficient, I guess. I don't like outsourcing my social media.

Do you know, remember when Twitter did that Twitter purge not too long ago? The goal was to identify all of the fake followers people had and purge them, and I think Donald Trump lost a ton of people, hundreds of thousands, and so did the co-founder of Twitter by the way. It equalizes the playing field now. I lost about 500 Twitter followers out of over 30,000, so I think that's not a bad fraction. It's about a percent. I did see other colleagues in the personal finance base lose many more, because that's the name of the game with social media being so prevalent and all eyeballs on social media, there's a lot of pressure to keep up your numbers. People buy followers, or they do things that I don't consider very ethical to boost their subscribership. I'm just trying to do it organically and I was actually surprised that I didn't have more bots, because there's so many fake accounts on Twitter. How could you not?

We have a question today from somebody who is interested in taking on an online persona and building her online brand. Maya writes and she says, “Hey Farnoosh, I'm an MBA student and a dedicated listener. Recently, I've taken my finances very seriously and I believe I'm growing to be very financially savvy.” All right, Maya high five. I figured, I mean, you're getting your MBA. You probably got your ducks in a row, or attempting to.

She said, “I want to start a blog in a way that other young women can understand. What are your views on blogging?” She says, “I'm not a financial expert, but I am growing to be one. Would I be jumping too fast into the blogosphere?” I don't think so. I don't think so at all. I mean, here's the thing about trying to be a content creator online is I think you need to be prolific. You want to have some consistent schedule of posting. I think it's totally fine to be out there, even if you're not an expert to be sharing your journey, sharing your trials and tribulations, your discoveries. I think that that's what ultimately people come to blogs for is to see a little bit of the behind-the-scenes, to learn something, to connect with the blogger.

Maya, I think that if you're just yourself and you're raw and you're real and you announce this blog and you write the why of the blog, which is that you're trying to get your financial life together and wanted to build a community around that, and so maybe every Monday or every day depending on how consistent you want to be, you'll have something new to share. Eventually, maybe others will contribute to this community. I would say, before you start blogging and you buy a URL and you come up with your content calendar and all good stuff, I think it's important to just sit down and think about what is the goal of this blog? What do you want this blog to ultimately do for you, for readers?

You're in MBA school, create a business plan for the blog. We've had so many people come on this show who have started recreational blogs, and because they were consistent and dedicated and kept not only their goals in mind, but also the interests of their readers, they were able to grow these blogs into full-fledged businesses that became platforms for them to get book deals and taught speaking engagements and create products to sell to their fans.

Not to get ahead of ourselves, but I think it's really exciting for someone – I can tell I'm really excited for you that you want to do this. There's a lot of ways to put yourself out there as a

content creator and a thought leader, a blog is definitely one way. Personally, I don't have the bandwidth, or frankly the desire to write so much all the time. I would rather do a podcast. I'd rather maybe do videos. I like to write, but I like to write longer pieces, and I think having a daily cadence would really burn me out. I don't do a blog per se.

Think about that too, like do you really want to do the blog because you really enjoy writing and you really are excited about sharing something consistently through print? Others would say, "You know what? For me, it's video. I'm going to do a YouTube channel, or I'm going to do an Instagram story. I'm going to go really, I'm going to double down on Instagram story, or IG TV." They're saying now that that's going to take over YouTube. Time will tell.

You know what I'm saying, right? Think about the platform itself and does it really speak to your strengths and your interests? There's a lot of bloggers out there and it may seem like that's the way to go if you want to create a following, but it doesn't have to be. You could just start a really cool Instagram page to start, and then build that out.

Thank you for knocking on my door Maya, asking me this question. I'm very honored that you wanted to pick my brain and keep me posted. I mean, I think you got a lot going on with the MBA and doing your own financial life thing, but I think now is the time to think about being entrepreneurial and a blog is a great way to do that.

Okay, next question is from Christine on Instagram, speaking of Instagram, Christine and I were chatting on Instagram. By the way, Instagram is the best way to reach out to me these days. Pretty much on there as much as everybody else, and I tend to get the direct messages quickly. The trick to getting my attention on Instagram is to follow me first and then send me a message, because if you're not following me, then your question, or your comment does get a little buried. I may not get to it right away.

Christine asks, and we were chatting, she and I. We're from the same neighborhood in Pennsylvania growing up. She's planning to move from New York to Denver; seems to be a really hot place to move. She says, "Any tips to be mindful of spending when you are moving? I'm anticipating lower housing and living costs in Denver, but definitely anxious about all the

money you spend moving, even though I'm not planning to buy a lot of furniture or bring furniture, I am planning to buy a car though, which will be new for me.”

Christine I think, let's say step one is to talk to your future employer if you have one there if that's the reason for your move and say, “Hey, I'm moving across a lot of states. Do you have any program, or budget, or reimbursement plan for new employees to help them with their moving cost?” Or at least once you arrive in Denver, can they help set you up? Maybe pay for some of your adjusted living expenses.

Step two is if this isn't happening for a while, if you've got a few months to plan for this trip, start saving. If you've got some money, save more. Having an anticipated move can mean a lot of unanticipated expenses, right? You don't know what's going to be on the other side of this move. Let's hope that everything lands there, arrives in one piece on time. To the extent that you can buy some insurance to protect your belongings as you're moving them across country, whether that's through the moving company, or a third party do that, because I've heard so many crazy stories.

Along those lines, make sure you vet the moving company. It is worth the money to pay a little bit more for a reputable moving company. Companies that say, “We only take cash,” or that maybe seem – you get that feeling. You're like, “I don't know. They're really cheap, so I really want to use them, but their website looks really shoddy and they've got a couple of questionable reviews on Yelp.” I think when you're moving and it's your valuables and your belongings and you're hiring a moving company, just do your due diligence at the very least. Talk to a few people who've used them, go online, check the Better Business Bureau, get everything in writing.

When we we were moving, just within Manhattan many years ago, or maybe it was Manhattan to Brooklyn, I can't remember. We moved a couple times. The moving company, they give you an estimate on the phone and they come to your house and it's twice as much. You just need to budget for a little bit more than what you think you have to spend and invest more in a reputable moving company. You say you're not taking a lot of furniture, so that's great. Really think about how –

I mean, the best way to save is to think about what you don't need to take with you, because the more you have to take, the more you have to pay to get it there. Think about what you can sell potentially and take that money to use towards your moving expenses. Then I know this is a really big trip. It's not like you're just moving from a few blocks down the street so friends can help out. If you have friends there locally who could help you unpack, who could help you get settled in, that could be a great way to save as well. Obviously, you would give them lunch and dinner and whatever else, but it would be a lot cheaper than maybe extending your hours with the movie company to have them help you unpack.

All right, Christine. Good luck. I'm excited for you. Please stay in touch on Instagram. Then also on Instagram, I'm not Instagram bias here, but this is where people are reaching me. By the way, there's this new feature on Instagram, if you if you do Instagram story, you can actually include a little ditty that says, "Here, ask me a question. Type in your question right here." Occasionally, I've been doing that and answering people's questions through the story. If your question is really urgent and you can't wait for a future Friday episode, maybe just do that and call it a day. I look forward to it.

All right, Ben on Instagram says, "My wife and I saved up over \$200,000 to put towards a purchase of another home. We've all but given up on the house search for now though. Where should we park the cash? We're not in any rush to move."

Well, listen there are a lot of really good CDs right now that are offering close to 2%, at least 1.5% for 12 months or 24 months. You can go online and find them. There's tons of search sites like Bankrate and nerdwallet.com where you can search by interest rate. The longer you want to save and the more money you're saving through these CDs, the higher the interest rate generally speaking. I just opened one up and I parked a six-figure amount, not 200,000, but close to it. I'm excited, because in a year, or maybe it's a year and a half, I'm going to make a few thousand dollars just by keeping it there. This is not money than I need for a while.

That's my one caveat to what I just said, Ben, is that if you do need this money. I know you're not in any rush to move, but let's say you do need this money in the next year, because your dream home came on the market, you want to have this money somewhere relatively liquid and also relatively safe, right? We always say the rule of thumb is if you need to have money, if you

need to have the cash within the next five to seven years, don't put it in the stock market, because there could be a crash, there could even be just a really bad day. You'll lose 15%, or you lose 10% and it could take a year or so to catch up. If you need it in six months, then you've lost money. That's why.

If you don't need this money for 10 years, I would say put it in an index fund, or an ETF, low fee. If you do need it in the next three to five years, which sounds like that could be your timeline, I'm guessing, but it sounds like it's not going to be 10 years, but probably in the next 18 months to three years, you'll find this dream home and move, or you'll get more excited again about the house hunt. Then put it in I would say a CD, or just in the bank, because it sounds like this is a relatively short-term goal. This is not money that you want to risk. You've done a really good job of saving that \$200,000. Let's keep it together, okay?

Okay and by the way, I went to an open house over the weekend not because we're ready to move, but because I'm obsessed with real estate. My husband and I on Sunday we were like, we have to get – the kids have to nap. It just has to happen, because we really wanted them to get to bed at a reasonable hour at night and just we had a lot to just do. We wanted the break frankly. We wanted them to nap.

We got them in the car and we started driving and they fall asleep. It's great. Of course then we're stuck in the car, but we got salads and we read our news. Then I said, "You know what? It's Sunday, let me check streeteasy.com and see if there are any open houses." There was one around the corner, so I went in and checked it out, but it was not – it was newly townhome. Oh, my gosh. It had this beautiful kitchen, great fixtures. The developer and the architect really put some thought behind the design. I really appreciated that.

The bathrooms were teeny tiny. So small. Our bathrooms aren't huge, but if I'm moving and I'm paying more money, I want a bigger bathroom. I want a double sink y'all, that's like big goals, #goals. Double sink in my master bathroom. What else? A washer and dryer. It's the little things. Yeah, maybe a little green in the backyard. A backyard would be great too. That's believe it or not, not easy to find in Brooklyn, at least in our 5-mile radius. As long as the kids are taking naps in the car, I'll be able to go to these open houses.

All right, and the last questions from Stacy, and she says, “My husband and I are looking to sell our apartment building that we've owned since 2006. I wanted to know where to invest a \$100,000.” I guess, it's going to be their equity. This is a tough question. I mean, I don't know much about Stacy, or her husband, or their goals, and I will say that if you are interested in selling your apartment to buy another apartment, then that's where I would put the money. I would put it towards the down payment and the moving costs for the new home.

I mean, that's what we're planning to do in the event that we move, we're going to sell this place, take out the equity, put it towards the next home. That's the first thought. Second thought is, well, think about what do you want to do in the next five years that could benefit from this \$100,000? I'm totally thinking outside of the box here, but maybe start a business, start a family, maybe expand your family, buy investment property. There's so many things that you can do with this money. I like the idea of investing it, if you don't need it as a rainy day, or other kinds of basic stuff. Make sure you have your life insurance plan and your health insurance and your disability insurance and home insurance. Obviously, I assume you have all that.

Boring stuff first, now we can have fun and invest this money. I would also look at your retirement accounts. Do you feel like you have enough saved for the future? If not, maybe that's where you allocate some of this money. Not in any order of importance or hierarchy, given that I don't really know your situation and your background, but this could be money that could go towards your next home, whether that's your primary residence, or an investment property.

You could put that towards retirement if you have to maybe catch up a little bit there. It could go also towards a business expanding your family, that always comes in handy having cash. Let me know if you have any specific questions around this, or if you heard what I had to say and you were like, “Nope, none of that.” Here's a follow up question, all right? Stacy Oh, I'm going to encourage you to get back in touch with me if you want.

All right, I'm going to go to Instagram right now live and pick a question from the stash. I know, I said that was my last question, but I lied. Here's a question from Lauren. She says, “Hey, Farnoosh. My name is Lauren and I'm a big fan of So Money. I was interested in learning about your podcast accelerator that you mentioned on your show. Could you tell me more about what

you would be going over and how many hours per week it would require? Thank you for all that you do.” Well, thank you so much Lauren. I hope others have this same question.

For a while now, I've been quietly not so quietly promoting my podcast accelerator program. A lot of people for many years now since I've launched the show and it's taken off have come up to me asking for advice on how to launch their podcast. I've been happily giving tips and tactics and strategies and connecting people to all sorts of resources and other people who can help them move their podcasts down the line.

Then I finally just decided, you know what, I have a little bit of time and I'd love to take on a select number of people to really help them guide their podcast development. It's a 12-week program. Every two weeks, you're going to get new assignments, worksheets, materials. We keep you accountable, so every two weeks you'll have a coaching call. There will be a Facebook group. I'm going to do a lot of lives in the Facebook group. All of the advice, all of the strategies, all the worksheets is my stuff. You're going to be able to see the behind the scenes of how I do my podcast, and you're going to get direct advice from me.

For that, it's not going to come super cheap, if you're looking for a program that's a few hundred bucks, they are out there, this isn't the program. I wanted to create something that was super VIP. It's really a coaching program and it's an accelerator. Lauren asks how many hours per week would it require. I launched my show in 12 weeks and I gave myself what I thought was a fair amount of time, and so I'm modeling it after that. I do believe that if you go at the pace that I suggest that you'll get there, and we're going to help you. We're going to make sure you launch in 12 weeks, and some people are going to work faster and some are going to work a little bit slower some weeks, but we'll make sure that in the end, you'll have a show by week 12, which is really exciting.

If you're going to be in the September program, which is we're enrolling now, you'll have your podcast by January of 2019. For a lot of people, that is a bucket list goal. It's a big New Year's goal, so we want to help you get there. That's what it is. This is So Money podcast accelerator. If you're interested, you can go on Instagram and send me a direct message. It's very hush-hush at the moment.

I'm working on the sales page, but I feel like I'm already getting a lot of traction just sharing it on the podcast and talking to people one-on-one and through referrals. Go on Instagram, direct message me, tell me you're interested, send me your e-mail and I will shoot you some information and how to apply. We're enrolling people for the next month, so feel free to get in touch between now and the end of August and hopefully we'll have our class figure it out by then. Hopefully I'll be doing this every 12 weeks for the future, for the foreseeable future. If you're interested in working with me, this is something that I've always wanted to do, had to figure out the right program fit for me, but also that I felt was high-quality, high touch.

A podcast is not just a hobby for me, obviously it's become a business, it's become something that I've leveraged to build my brand and get lots of opportunities. I want that for people. If you just want to do this podcast because it might be fun and you want to impress your friends, which is totally legit. I encourage you and I applaud that. Do that, but I don't think this is the program for you. People who want to apply for this program, you're someone who wants to start a podcast as an extension of your business, of your brand, you see it as a maybe a launching pad to achieve some of the goals that you want to achieve in your career and in your business, so if that's you, then we should talk. I hope I didn't talk your ear off too much about it.

That's all I'm going to say about the podcast accelerator. Go on Instagram, direct message me, or send me an e-mail farnoosh@farnoosh.tv. All right, thanks to Stacy and Ben, Christine, Maya and Lauren for your questions today.

I'm sorry we didn't have a co-host. Listen, if you want a co-host with me, we can get this going. Just e-mail me, farnoosh@farnoosh.tv, send me a direct message on Instagram and let me know you want a co-host and we'll get the wheels turning. Thanks for tuning in everyone and I hope your weekend is So Money.

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