

# Nobody Wins the Waiting Game: AnnuityAdvantage.com Founder Ken Nuss Encourages Tentative Investors to Leave the Sidelines

Data argues for greater fixed annuity participation among retirees and pre-retirees

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MEDFORD, Ore., Sept. 24, 2013 /PRNewswire/ -- CEO and Founder of AnnuityAdvantage.com Ken Nuss understands why many people are hesitant to commit their money to a longer-term investment vehicle such as annuities. Interest rates have receded from the levels of years past, and many believe that more lucrative rates are just around the corner. Therefore, dormant investors are playing a waiting game, keeping their money in savings and money market accounts until the arrival of an arbitrary target interest rate. The problem with this strategy is that by default, waiting has a built-in loss; in fact, waiting can be an expensive proposition.

According to Nuss, who founded AnnuityAvantage.com in 1999, fear is the prime mover for these sidelined investors. "While it's true that rates are currently low by historical standards, it simply doesn't make economic sense to stay away from longer-term fixed annuities when interest earnings can be dramatically improved over savings and money market accounts. Higher rates may eventually come, but in the meantime, those hopeful and sidelined investors are essentially throwing away lost interest earnings every day. What's worse is that many of these investors have already been waiting for a long time and losing out on a lot of potential income."

Nuss continued: "Human nature dictates that financial decisions are often emotionally driven rather than data driven. But in the context of fixed annuities, the data paints a clear picture. It's almost always better to commit to a fixed annuity at today's interest rates, rather than to wait on some arbitrary future interest rate that may or may never come. Of course, every individual's circumstances are different and need to be analyzed on a case-by-case basis."

Crunching some theoretical numbers highlights what financial advisors mean when they talk about "The Cost of Waiting." Today's typical savings and money market accounts earn about 0.25%. Putting \$100,000 into a currently available seven-year annuity paying 3.25% would guarantee an account value of \$125,092 at the end of the term (assuming no withdrawals are taken). Keeping that same money in savings for an extra two years (earning the standard 0.25%) would require a five-year annuity to pay 4.46% just to achieve the same value at the end of seven years.

Now consider waiting three years: a four-year annuity would have to return a somewhat remarkable 5.53% to break even with the seven-year scenario. In short, playing the interest rate waiting game is a kind of passive gambling in which investors most often lose. But unlike Las Vegas, there's no "house" taking the money - it's simply never earned in the first place.

Helping retirees and pre-retirees maximize their interest earnings is just one of the many benefits provided by AnnuityAdvantage.com. For those ready to get off the sidelines and start making their money work for them, the site offers details on a robust selection of fixed-rate, equity-indexed and multi-year guaranteed annuities.

## About AnnuityAdvantage.com

Founded in 1999 by veteran financial and retirement planner Ken Nuss, AnnuityAdvantage.com is the leading online provider of fixed-rate, equity-indexed, and immediate income annuities. Consumers planning for retirement have come to rely on AnnuityAdvantage.com for individualized, expert recommendations and guaranteed, high-value annuity products that have been thoroughly screened by Nuss and his staff. The company's client-centered approach allows consumers to

find the best mix of annuity products for their unique needs from the hundreds of annuities available through AnnuityAdvantage.com. There are no fees for the service.

Nuss is an active member of the National Association of Insurance and Financial Advisors (NAIFA), the National Association for Fixed Annuities (NAFA), and the National Ethics Association (NEA). He holds an Oregon insurance consulting license, along with an individual producer license in all 50 states and the District of Columbia.

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