

# YOUR MONEY

# POOR, POOR RICH

## Hitting the big lottery can be more damaging than usual money troubles

BY ROBERT DOMINGUEZ  
NEW YORK DAILY NEWS

**PITY THE POOR** person who ends up winning the Mega Millions lottery with a staggering prize of more than a half-billion dollars.

Yes, we said "pity." While everyone dreams of hitting the jackpot, financial planners agree that coming into a sudden windfall — be it from a lottery, inheritance, divorce settlement or lawsuit — can be just as stressful as a sudden loss of income or savings.

"Everyone perceives winning the lottery as being the best thing that can happen to someone," says New York-based certified financial planner **Judy Haselton, CEO of Harmony Financial Advisors** and an adviser with the Sudden Money Institute.

"But it's a drastic change in somebody's life that alters their identity."

Fortunately, just about everyone reading this won't have to suffer through the stress and life-altering changes that come with having the lucky numbers in Friday night's Mega Millions drawing — and making it halfway to Forbes' World's Billionaires list overnight.

But just in case, here's some expert advice on how to cope when a huge wad of dough suddenly falls into your lap.



You're in the money! Don't let it put you in the poor house. Follow some basic common sense. Photo by Dreamstime

Take the time to absorb what happened. "The first step is to identify what's important," says **Haselton**. "You don't need to make major decisions right away. Take the time to let it all sink in. We found that many winners were sleepless for weeks after finding out about the windfall, and you

make bad decisions when you're not clear-headed."

Don't rush into making big buys. That huge new house and fancy sportscar can wait, says **Bradford Pine, CEO of Bradford Pine Wealth Group**.

"Money can change you, and those around you," he says. "Take

about six months to digest what's happened before making any big purchases. It's amazing how many people go bankrupt after a big win."

Don't let friends and relatives spend the money for you. Not only is your long-lost cousin and best friend from second grade

bound to come out of the woodwork, some will offer "advice" on how to best invest your windfall.

"You shouldn't listen to relatives about businesses you should start," says **Karen Altfest**, principal advisor of **Altfest Personal Wealth Management**. "They're often very high risk and not likely to succeed."

**Haselton** says her firm prepares clients with a script in order to deal with those people looking for a handout.

Get a good financial planning team in place. "Seek out three people: a wealth adviser, an estate attorney and a Certified Public Accountant," says **Pine**: "They can help you best manage your winnings for present and future needs and most importantly, help you claim your funds in the most advantageous way."

It's okay to spend — within reason. "If you want to keep your wealth, only spend or give away the appreciation and/or interest earned, not the winnings/principal," says **Pine**.

"It's exciting to get a windfall," adds **Haselton**. "And it's okay to have a reason to spend it — as long as you don't jeopardize your long-term financial well-being."

With **Phyllis Furman**  
rdominguez@nydailynews.com