

Hustles: Part III of Many



The Home Redecoration Hustle

There are 3 issues to beware of:

- 1) Once you start, you can't stop. Your spouse says "I would like to buy new curtains for the boy's room." As you are shown samples in catalogues and on various websites, you think "Curtains. They looked OK yesterday. What happened? Who notices curtains? Have you ever walked into a home and said 'Those are the most magnificent curtains I've ever seen'? Do you admire someone more because of their curtains?" But you say "Sure."

Two weeks later, the curtains are up, and you tell your spouse they look nice. Without skipping a beat, they say "We haven't done anything to the boy's room since they were little. They're in junior high now. Our boys are young men." You're thinking that the posters on the wall of Rambo blazing away with a .50 caliber machine gun and Tom Brady throwing a touchdown pass were quite appropriate, but apparently not. You're told "I think we need to redecorate their room."

Now the bed spreads and sheets don't go with the curtains, so you buy new ones. Then the walls need to be repainted, and of course, you need new carpets. As they say on the TV commercials "But wait, there's more." Now the hallway looks stale and dated. If you don't watch out, changing just 1 thing, to use a medically-related term, leads to a positive feedback loop, which can eventually cost you tens of thousands of dollars. Or maybe metastasis might be a more appropriate term.

- 2) Avoid an interior decorator. No matter what they say, the final result will reflect their tastes much more than yours. Furthermore, every option recommended will be the most expensive. Rather than just repainting a room, you hang \$30 per foot wall paper. And if you are really lucky, you'll find out that the couch and wing chairs can be redone in the same pattern as the wall paper (be reminded that you buy all of the wall paper, at a markup, through them). Then every flat surface must have at least 1 knick-knack, none of which are true collectables, and have no resale value.
- 3) All of this talk of avoiding extra expenses aside, if a major redecorating or home addition is indicated, the worst thing you can do is a cheap job. It could actually decrease the value of your home. If you do something, do it right. Have a budget and stick to it (Good luck. I'll lay 3 to 1 odds you'll go over by at least 25%). It also must fit with the style of your home. If you have an elegant, 100 year-old home with hardwood floors, crown plaster molding and detailed wood work, don't ruin it with a glass and steel tribute to modern art.

A scam is when someone purposefully and dishonestly takes something from you. A hustle is more nuanced. It is more commonly due to naiveté and lack of knowledge, with some seduction added in to exploit your ego. This is not high finance, its real life. Avoiding a hustle will save you money and embarrassment.

The Glitzy, High-End Destination Hustle

Let's start with art. The works of living artists for sale at a gallery are typically marked up 100%. The list price is \$10,000: the artist gets \$5,000, the gallery gets \$5,000. At glitzy, high-end destinations such as Maui, Las Vegas and Manhattan (New York City, not Kansas), the markup is typically 200%. The piece is listed at \$12,000. The artist gets \$4,000, the gallery \$8,000. This applies as much, or even more so, to antiques and other collectables. For example: Rare books can be marked up 5 to even 10 times what you would pay for them at auction.

I've written before in these pages about a wedding as an investment. No matter how much you spend, it will not insure happiness, nor will it increase the gifts you receive. People are going to give what they are going to give. Considering that half of first marriages end in divorce, 50% of people will later wish they had their money back. Since many will honeymoon in just such high-end destinations, don't double-down on your potential misfortune by buying terribly over-priced art, jewelry, or other collectables.

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