

Your Legacy

After ensuring a successful retirement for yourself, planning for loved ones, special causes, and future uncertainties



Legacy Plan

Balancing retirement income, longevity, beneficiary goals, and life changes

When people initially start saving for retirement, they are typically focused on making sure they will have enough money to provide them with sufficient lifetime income when they retire. Their initial goal is typically not focused on leaving money to their beneficiaries, because when they are young and start saving, they might not even have any beneficiaries yet! But as people get older, they might get married or find a significant other, they might have kids, and even grandkids, and as they get closer to retirement age, many find they are worried about being able to leave money to their beneficiaries. In other cases, people decide they'd like to leave money to a worthy charitable cause.

We have found that the overwhelming vast majority of retirees want to do these four (4) things with their money. We call it the BIG 4:

1. Save up as big a pile of assets for retirement as possible.
2. Use their pile of assets to create income for as long as they live to maintain their desired lifestyle.
3. Have the total value of their assets (net-worth) grow, or worst case stay level, over time as they use their assets for income.
4. Leave the remaining assets to their beneficiaries, aiming to provide them with at least as much as they had when they began their retirement.

We have found over 90% of retirees or people planning for retirement want to attain the BIG 4!

The other 10%

So, 90% of retirees want to have a plan that allows them to achieve the Big 4, but what about the other 10%? What if people don't worry about passing assets on to beneficiaries, and/or they don't have beneficiaries? Why should they worry about the value of their remaining assets they still have in the future?

We answer this question three (3) ways:

#1 – Let's say you feel like you want to use your very last one-dollar (\$1) on the day you die. There is nothing wrong with feeling this way, and it is achievable through a simple math calculation. So, to use you last one-dollar (\$1) on the day you die, you simply need to provide us with one piece of data: you need to tell us the day you plan to die. And to date, no one has ever provided us with the date they plan to die, so this method because of lack of data can't be used.

#2 – Not only do you not know how long you will live, you don't know for sure when something will happen in your life that could require a large sum of money to keep you and/or your family safe, secure, and on track. What if there is a need for major uncovered medical expenses or long-term care in the future, and you've used up all your assets, what would you do then? The answer is simple, you can't do anything to solve the future unplanned for problem. If you have a large amount of assets remaining, you have far more flexibility and a significantly higher probability of weathering a financial storm.

#3 – Plan for yourself, and your retirement financial security first, and by doing so, you will have assets remaining in the future, and by accident you may be able to leave your beneficiaries a significant legacy. So, think about it, if you can live a comfortable and successful retirement, if all your wants and needs have been met, if you've done everything you have wanted to do in retirement, are you OK if "by accident" you leave your beneficiaries a lot of money? Sound pretty good, huh?

The dilemma of preserving retirement assets for beneficiaries

We have found many retirees don't want, or are afraid, to use their retirement accounts and portfolio assets for income because they think there won't be much left in the accounts by the time they die to pass on to their beneficiaries. If you build a plan to maximize the income from your assets, it's true some of your asset values could decrease or be used up entirely. But you also have to remember the reason you saved the money for in the first place was to ensure yourself a secure and wonderful retirement. While you are living in retirement, you have to remember the assets are not owned by your beneficiaries, your assets are owned by how successful you want your retirement income plan to be. When you die, that's when the assets belong to your beneficiaries. This isn't saying to not worry about your beneficiaries, it's simply saying you have to worry about your financial security first. The creators of this program understand the deep need to leave assets to beneficiaries, we all want to, and we all know if we create a plan that provides a high level of retirement success probability for ourselves, we will also have a high probability of leaving a sizable legacy to our beneficiaries. Many retirees, and advisors, see the dilemma of creating a high level of retirement income off your assets as a huge obstacle in preserving retirement assets for beneficiaries, they feel the two (2) goals are mutually exclusive. We feel quite the opposite, we feel with planning you can have both, as we stated in the previous paragraph. And if you want to leave a specific amount of assets to beneficiaries, you may want to explore using a life-insurance policy to not only guarantee a certain amount of money will pass to your beneficiaries, but if planned properly, can also pass on an income tax-free, estate tax-free, and probate-free basis.

Holistic approach to retirement planning and asset preservation

That's why we believe the key to building a meaningful legacy is to take a holistic approach to retirement income planning. The way to do this is to first make sure you as the retiree have enough income to create your desired lifestyle for life. Then secondly, you need to look at **all** of your assets you may be able to pass on to beneficiaries in the future, not just your portfolio, but all of your assets. All of your assets include, but are not limited to your: portfolio, IRAs, bank accounts, annuities, real estate, businesses, trust accounts, collectibles, precious metals, etc.

The following analysis is titled "LEGACY PLAN" and has two (2) sections:

1. Under the dark blue "LEGACY PLAN" banner, the left side section is titled in green "INCOME FROM ASSETS". This section has two (2) columns.
2. Under the dark blue "LEGACY PLAN" banner The right side section is titled in purple "HYPOTHETICAL ESTATE VALUE ANALYSIS". This section has four (4) columns.

Income from assets: "Your Side"

The left side section of this analysis titled "INCOME FROM ASSETS" is what we call "Your Side", meaning it's what you get. This section shows that you are going to use your assets to create a substantial amount of income to allow you to have enough money to live the retirement you planned for. This section is saying, and showing, you don't have to go without, you don't necessarily have to give up on the things you want in life, to be able to pass on money to your loved ones, because you will pass on money to your loved ones as a natural part of the plan.

Projected income withdrawals from assets throughout retirement

The first column in the "INCOME FROM ASSETS" section shows how much income you are planning to take out of your assets each year, not including income from pensions, Social Security, real estate, etc. The second column in this section shows the cumulative amount of income you are projected to have taken out of your assets at the end of any given year. In **2022** you are planning to take out \$54,000 of total income from your assets with the cumulative income being \$54,000 because this is the first projected year of your retirement. Then, in the year **2042** when you are age **85**, you are planning to take out \$42,306 of total income from your assets that year, with the cumulative income being \$1,032,099, meaning by **2042** you have taken out \$1,032,099 of income from your assets.

Remaining estate values: the side for your beneficiaries

The right-side section of this analysis titled "HYPOTHETICAL ESTATE VALUE ANALYSIS" is what we call "Your Beneficiary Side", meaning it's the amount of your Legacy that your beneficiaries are projected to receive after you pass away. This section shows the projected future value of all your assets increased with stated annual illustrated growth rates, then reduced for all the distributions you are projected to take out in lifetime retirement income

distributions. This illustrates the total potential assets you could leave to your beneficiaries.

Net portfolio value after income and growth

The first column in the *"HYPOTHETICAL ESTATE VALUE ANALYSIS"* section is titled *"Portfolio Value Net Of Income At 4.0%"*. This column shows the total value of your portfolio assets, at the end of any given year, excluding bank and real estate assets, after taking out the annual income distributions shown in the right-side section titled in green *"INCOME FROM ASSETS"*, and after earning the 4.0% annual hypothetical rate of return. We use what we feel is a conservative hypothetical growth rate of 4.0%. If you actually earn more than a 4.0% average annual return, you will have more assets left for your beneficiaries, if you actually earn less than a 4.0% average annual return you will have less assets left. So, for example, the values of your portfolio at different ages net of income distributions and after the assumed 4.0% hypothetical growth are:

	Annual Income	Cumulative Income	Remaining Portfolio Value
Age 65	\$54,000	\$54,000	\$2,296,320
Age 75	\$48,825	\$581,340	\$2,876,639
Age 85	\$42,306	\$1,032,099	\$3,692,707

The most important lessons to learn from this column

1. You don't have to earn a high rate of return such as 8%, 10%, or 12% to make your plan work successfully, this column is only assuming a hypothetical 4.0% annual return.
2. To succeed in retirement, the one thing you can't ever let happen is suffer large losses to your assets and expect your plan to work.
3. It's OK to use your assets to create income, and then spend the income if you want to, because your plan shows at the 4.0% conservative hypothetical asset growth rate net of the income you are projected to take out, you would still have \$3,692,707 of portfolio assets remaining at age 85 that you can leave to your beneficiaries.

Net bank values after income and growth

The second column in the *"HYPOTHETICAL ESTATE VALUE ANALYSIS"* section is titled *"Bank Values Net Of Income At 1.0%"*. This column shows how much money you are projected to have in liquid bank type savings, at the end of any given year, assuming you earn an average 1.0% annual hypothetical bank interest rate, with any planned deposits and withdrawals. This column will take into account projected future bank saving deposits and projected bank withdrawals, showing estimated bank values of:

	Bank Values Net Of Income At 1.0%
Age 65	\$190,000
Age 75	\$96,332
Age 85	\$106,410

Real estate values

The third column in the *"HYPOTHETICAL ESTATE VALUE ANALYSIS"* section is titled *"Real Estate Values At 1.5%"*. This column shows the hypothetical value of your real estate assets, at the end of any given year, based on an average annual appreciation rate of 1.5%, producing estimated real estate values of:

	Real Estate Values At 1.5%
Age 65	\$3,045,000
Age 75	\$3,533,847
Age 85	\$4,101,173

Net worth based on hypothetical values and income distributions

The fourth column in the **"HYPOTHETICAL ESTATE VALUE ANALYSIS"** section is titled **"Projected Total Asset Values"** and shows the total of the three (3) previous columns including your Portfolio Values, your Bank Values, and your Real Estate values based on these hypothetical average annual returns:

1. Portfolio Values Net Of Income **4.0%**
2. Bank Values Net Of Income **1.0%**
3. Real Estate Values **1.5%**

This column shows your total estimated **"Net Worth"** based on the hypothetical values at the end of any given year, reduced for all income distributions, helping to give you an idea of what you may have available for yourself for unplanned expenses such as long-term care expenses, to help fight out-of-control inflation, or how much you may be able to leave to your beneficiaries and/or charities. This column shows the total estimated values of all your assets, at the end of any given year, after taking out the total income distributions shown in the column titled **"CUMULATIVE INCOME FROM ASSETS"**, and after earning the stated hypothetical annual returns. If you earn more than the stated hypothetical returns, you will end up with a higher amount of assets, and if you earn a lower return you will end up with less assets. Your analysis shows **"Projected Total Asset Values"** of:

	Projected Total Asset Values
Age 65	\$5,531,320
Age 75	\$6,506,818
Age 85	\$7,900,291

Achieving retirement success and leaving a lasting financial impact

The following single-page LEGACY PLAN analysis is an extremely powerful tool helping to educate you on your total retirement income plan. This page can provide the necessary information to help you shed old school thinking so that you have the opportunity to create a plan to attain all of your retirement income and legacy goals. The two (2) simple things this analysis displays are:

1. The income you plan to receive each year and the cumulative total from your assets throughout your retirement.
2. How much money is potentially left in any year for your use or that can be left to your beneficiaries and/or charities.

This analysis is created to help teach you some important issues regarding how you can plan for total retirement success, and helps you understand the important concepts your plan focuses on such as:

- It's OK to spend the income that is being generated from your assets.
- It's OK to not spend the income from the assets and save it, invest it, or gift it.
- Your plan shows you don't have to necessarily earn a high rate of return to make your plan work, but you do have to make sure you do not suffer large losses during retirement. Large losses could destroy your opportunity for financial success.
- If you implement a plan to create a high level of lifetime income, do everything you can to avoid large losses while earning moderate returns without taking excessive risks, you can potentially live the retirement you dreamed about and still leave your beneficiaries or charities a considerable amount of money.
- Leaving money to your beneficiaries and/or charities can be a formal part of the actual plan or just what happens as part of your plan. Meaning you can plan to leave a certain amount or just plan to leave whatever is left.

Income plan recommendations are based on stated client goals and needs for risk, budget, income, fees, legacy, etc. There is no guarantee that recommended assets will perform as desired, assets might not make money and could lose money. There is no guarantee recommended assets will provide income as desired, income could change or terminate, unless a contractual guarantee is provided in a legally enforceable written annuity contract issued by an insurance company, with the guarantees subject to the claims paying ability of each insurance company. Consult with your professional financial, tax, investment, and legal advisors. Past performance is not a guarantee of future results. Any hypothetical income examples or illustrations are hypothetical, and thus not guaranteed.

Legacy Plan								
Income from Assets					Hypothetical Estate Value Analysis			
Year	AI	Angie	Annual Income From Assets	Cumulative Income From Assets	Portfolio Values Net Of Income At 4.0%	Bank Values Net Of Income At 1.0%	Real Estate Values At 1.5%	Projected Total Asset Values
2022	65	65	\$54,000	\$54,000	\$2,296,320	\$190,000	\$3,045,000	\$5,531,320
2023	66	66	\$53,820	\$107,820	\$2,344,680	\$179,900	\$3,090,675	\$5,615,255
2024	67	67	\$53,645	\$161,465	\$2,395,156	\$169,699	\$3,137,035	\$5,701,890
2025	68	68	\$53,476	\$214,941	\$2,447,827	\$159,396	\$3,184,091	\$5,791,314
2026	69	69	\$53,312	\$268,253	\$2,502,776	\$148,990	\$3,231,852	\$5,883,618
2027	70	70	\$53,152	\$321,406	\$2,560,089	\$138,480	\$3,280,330	\$5,978,898
2028	71	71	\$52,998	\$374,403	\$2,619,854	\$127,865	\$3,329,535	\$6,077,254
2029	72	72	\$52,848	\$427,251	\$2,682,167	\$117,143	\$3,379,478	\$6,178,788
2030	73	73	\$52,702	\$479,954	\$2,747,123	\$106,315	\$3,430,170	\$6,283,607
2031	74	74	\$52,561	\$532,515	\$2,814,824	\$95,378	\$3,481,622	\$6,391,824
2032	75	75	\$48,825	\$581,340	\$2,876,639	\$96,332	\$3,533,847	\$6,506,818
2033	76	76	\$48,080	\$629,420	\$2,941,702	\$97,295	\$3,586,855	\$6,625,851
2034	77	77	\$47,357	\$676,777	\$3,010,118	\$98,268	\$3,640,657	\$6,749,043
2035	78	78	\$46,657	\$723,434	\$3,082,000	\$99,251	\$3,695,267	\$6,876,518
2036	79	79	\$45,977	\$769,411	\$3,157,464	\$100,243	\$3,750,696	\$7,008,403
2037	80	80	\$45,318	\$814,728	\$3,236,632	\$101,246	\$3,806,957	\$7,144,834
2038	81	81	\$44,678	\$859,406	\$3,319,632	\$102,258	\$3,864,061	\$7,285,951
2039	82	82	\$44,058	\$903,464	\$3,406,597	\$103,281	\$3,922,022	\$7,431,900
2040	83	83	\$43,456	\$946,920	\$3,497,667	\$104,313	\$3,980,852	\$7,582,832
2041	84	84	\$42,872	\$989,793	\$3,592,986	\$105,357	\$4,040,565	\$7,738,908
2042	85	85	\$42,306	\$1,032,099	\$3,692,707	\$106,410	\$4,101,173	\$7,900,291
2043	86	86	\$41,757	\$1,073,856	\$3,796,988	\$107,474	\$4,162,691	\$8,067,153
2044	87	87	\$41,224	\$1,115,080	\$3,905,994	\$108,549	\$4,225,131	\$8,239,675
2045	88	88	\$40,708	\$1,155,788	\$4,019,898	\$109,634	\$4,288,508	\$8,418,041
2046	89	89	\$40,206	\$1,195,994	\$4,138,880	\$110,731	\$4,352,836	\$8,602,446
2047	90	90	\$39,720	\$1,235,714	\$4,263,126	\$111,838	\$4,418,129	\$8,793,092
2048	91	91	\$39,249	\$1,274,963	\$4,392,832	\$112,956	\$4,484,401	\$8,990,189
2049	92	92	\$38,791	\$1,313,754	\$4,528,203	\$114,086	\$4,551,667	\$9,193,955
2050	93	93	\$38,347	\$1,352,102	\$4,669,450	\$115,227	\$4,619,942	\$9,404,618
2051	94	94	\$37,917	\$1,390,018	\$4,816,794	\$116,379	\$4,689,241	\$9,622,414

Your Legacy

Supplement Beneficiary Transfer Analysis

Hypothetical analysis of portfolio values at
different return rates

Beneficiary Asset Transfer

The following analysis titled “*BENEFICIARY ASSET TRANSFER VALUE ANALYSIS*” is the first of three (3) sections for back-up information to the previous section titled “*LEGACY PLAN*”.

Growing and preserving your portfolio

In the right-side section of the “*LEGACY PLAN*” titled “*HYPOTHETICAL ESTATE VALUE ANALYSIS*”, the first column is titled “*Portfolio Value Net Of Income 4.0%*”. As described previously, this column shows the total of your portfolio assets, at the end of any given year, excluding bank and real estate assets, after taking out the annual income distributions shown in the right side section titled in green “*INCOME FROM ASSETS*”, and after earning the 4.0% annual hypothetical rate of return.

Analyzing beneficiary asset transfer

The following analysis provides a broader view of hypothetical outcomes using different portfolio return rates. This “*BENEFICIARY ASSET TRANSFER VALUE ANALYSIS*” left side section has eight (8) columns showing multiple scenarios of remaining portfolio values based on multiple hypothetical annual asset growth rates of -1.0%, 0.0%, 1.0%, 2.0%, 3.0%, 4.0%, 5.0%, and 6.0%.

This analysis is important because your portfolio growth rate is not guaranteed and is hypothetical, and it's educational to see the effect on portfolio values, after taking out income distributions, with assets at different return rates.

As an example, your remaining hypothetical asset values are projected as:

	-1.0%	0.0%	1.0%	2.0%	3.0%	4.0%	5.0%	6.0%
Age 65	\$2,185,920	\$2,208,000	\$2,230,080	\$2,252,160	\$2,274,240	\$2,296,320	\$2,318,400	\$2,340,480
Age 75	\$1,579,710	\$1,788,660	\$2,020,544	\$2,277,553	\$2,562,061	\$2,876,639	\$3,224,068	\$3,607,351
Age 85	\$1,002,467	\$1,337,901	\$1,755,072	\$2,271,714	\$2,909,103	\$3,692,707	\$4,652,957	\$5,826,140

Understanding variations and potential outcomes

The 4.0% column numbers from the “*BENEFICIARY ASSET TRANSFER VALUE ANALYSIS*” were used in the first column of the “*HYPOTHETICAL ESTATE VALUE ANALYSIS*” on the right-side section of the “*LEGACY PLAN*”.

There is no guarantee your assets will earn 4.0%, and there is no guarantee your assets will earn on average every year between -1.0% and 6.0%, as you could suffer larger losses or make larger gains, so your actual results will vary and will be different.

Assessing asset withdrawals and accumulated income

This “*BENEFICIARY ASSET TRANSFER VALUE ANALYSIS*” right section has two (2) columns showing for any given year the annual income you are planning to take out of your assets and the cumulative amount of your income distributions.

For example, the projected annual and cumulative income distribution values at different ages are:

	Annual Income	Cumulative Income
Age 65	\$42,000	\$42,000
Age 75	\$48,825	\$461,340
Age 85	\$42,306	\$912,099

Ensuring financial security regardless of market returns

Since a fixed index annuity with a lifetime income rider is part of your plan, one of the important areas to understand is that regardless of the actual rate of return your fixed index annuity earns, regardless of stock market crashes, even if the annuity value goes to \$0, your lifetime guaranteed income would continue for as long as you live, and if married and a joint lifetime income payout was chosen, for as long as your spouse lives.

Your plan has the following amounts of guaranteed lifetime income included in the plan:

	Annual Guaranteed Income	Cumulative Guaranteed Income
Age 65	\$0	\$0
Age 75	\$0	\$0
Age 85	\$0	\$0

Income plan recommendations are based on stated client goals and needs for risk, budget, income, fees, legacy, etc. There is no guarantee that recommended assets will perform as desired, assets might not make money and could lose money. There is no guarantee recommended assets will provide income as desired, income could change or terminate, unless a contractual guarantee is provided in a legally enforceable written annuity contract issued by an insurance company, with the guarantees subject to the claims paying ability of each insurance company. Consult with your professional financial, tax, investment, and legal advisors. Past performance is not a guarantee of future results. Any hypothetical income examples or illustrations are hypothetical, and thus not guaranteed. Income tax rates, tables, standard deductions, rules for itemized deductions, rules for taxable income, can and will change. Your income tax dollar amount and effective tax rate could be higher or lower. Your budget could be higher or lower, affecting your net monthly excess income. There is no guarantee a specific amount of money will be left to your beneficiaries at any given time due to financial variables including but not limited to return rates, losses, fees, amount of income, budget, budget changes, income taxes, etc. You could lose more than -1.0% per year and you may not make 6.0% per year.

BENEFICIARY ASSET TRANSFER VALUE ANALYSIS

Year	AI	Angie	Asset Values Earn -1% Net Of Income	Asset Values Earn 0% Net Of Income	Asset Values Earn 1% Net Of Income	Asset Values Earn 2% Net Of Income	Asset Values Earn 3% Net Of Income	Asset Values Earn 4% Net Of Income	Asset Values Earn 5% Net Of Income	Asset Values Earn 6% Net Of Income	Annual Income From Plan Assets	Total Income From Plan Assets
2022	65	65	\$2,185,920	\$2,208,000	\$2,230,080	\$2,252,160	\$2,274,240	\$2,296,320	\$2,318,400	\$2,340,480	\$42,000	\$42,000
2023	66	66	\$2,122,659	\$2,166,180	\$2,210,143	\$2,254,547	\$2,299,393	\$2,344,680	\$2,390,409	\$2,436,580	\$41,820	\$83,820
2024	67	67	\$2,060,203	\$2,124,535	\$2,190,182	\$2,257,159	\$2,325,480	\$2,395,156	\$2,466,202	\$2,538,630	\$41,645	\$125,465
2025	68	68	\$1,998,540	\$2,083,059	\$2,170,193	\$2,259,997	\$2,352,524	\$2,447,827	\$2,545,962	\$2,646,983	\$41,476	\$166,941
2026	69	69	\$1,937,656	\$2,041,747	\$2,150,170	\$2,263,059	\$2,380,548	\$2,502,776	\$2,629,883	\$2,762,012	\$41,312	\$208,253
2027	70	70	\$1,877,539	\$2,000,594	\$2,130,108	\$2,266,345	\$2,409,578	\$2,560,089	\$2,718,167	\$2,884,111	\$41,152	\$249,406
2028	71	71	\$1,818,175	\$1,959,597	\$2,110,001	\$2,269,854	\$2,439,637	\$2,619,854	\$2,811,028	\$3,013,700	\$40,998	\$290,403
2029	72	72	\$1,759,554	\$1,918,749	\$2,089,845	\$2,273,586	\$2,470,753	\$2,682,167	\$2,908,689	\$3,151,223	\$40,848	\$331,251
2030	73	73	\$1,701,663	\$1,878,046	\$2,069,634	\$2,277,541	\$2,502,952	\$2,747,123	\$3,011,385	\$3,297,152	\$40,702	\$371,954
2031	74	74	\$1,644,491	\$1,837,485	\$2,049,363	\$2,281,719	\$2,536,263	\$2,814,824	\$3,119,365	\$3,451,986	\$40,561	\$412,515
2032	75	75	\$1,579,710	\$1,788,660	\$2,020,544	\$2,277,553	\$2,562,061	\$2,876,639	\$3,224,068	\$3,607,351	\$48,825	\$461,340
2033	76	76	\$1,516,314	\$1,740,580	\$1,992,189	\$2,274,062	\$2,589,401	\$2,941,702	\$3,334,787	\$3,772,828	\$48,080	\$509,420
2034	77	77	\$1,454,267	\$1,693,223	\$1,964,280	\$2,271,239	\$2,618,305	\$3,010,118	\$3,451,801	\$3,948,999	\$47,357	\$556,777
2035	78	78	\$1,393,534	\$1,646,566	\$1,936,799	\$2,269,074	\$2,648,797	\$3,082,000	\$3,575,402	\$4,136,483	\$46,657	\$603,434
2036	79	79	\$1,334,081	\$1,600,589	\$1,909,731	\$2,267,559	\$2,680,905	\$3,157,464	\$3,705,896	\$4,335,936	\$45,977	\$649,411
2037	80	80	\$1,275,876	\$1,555,272	\$1,883,057	\$2,266,686	\$2,714,655	\$3,236,632	\$3,843,607	\$4,548,055	\$45,318	\$694,728
2038	81	81	\$1,218,886	\$1,510,594	\$1,856,763	\$2,266,448	\$2,750,076	\$3,319,632	\$3,988,876	\$4,773,580	\$44,678	\$739,406
2039	82	82	\$1,163,080	\$1,466,536	\$1,830,832	\$2,266,838	\$2,787,199	\$3,406,597	\$4,142,059	\$5,013,293	\$44,058	\$783,464
2040	83	83	\$1,108,427	\$1,423,080	\$1,805,250	\$2,267,850	\$2,826,055	\$3,497,667	\$4,303,533	\$5,268,027	\$43,456	\$826,920
2041	84	84	\$1,054,899	\$1,380,207	\$1,780,001	\$2,269,477	\$2,866,678	\$3,592,986	\$4,473,694	\$5,538,664	\$42,872	\$869,793
2042	85	85	\$1,002,467	\$1,337,901	\$1,755,072	\$2,271,714	\$2,909,103	\$3,692,707	\$4,652,957	\$5,826,140	\$42,306	\$912,099
2043	86	86	\$951,103	\$1,296,144	\$1,730,448	\$2,274,556	\$2,953,366	\$3,796,988	\$4,841,760	\$6,131,446	\$41,757	\$953,856
2044	87	87	\$900,780	\$1,254,920	\$1,706,116	\$2,277,999	\$2,999,506	\$3,905,994	\$5,040,562	\$6,455,634	\$41,224	\$995,080
2045	88	88	\$851,472	\$1,214,212	\$1,682,062	\$2,282,037	\$3,047,563	\$4,019,898	\$5,249,847	\$6,799,822	\$40,708	\$1,035,788
2046	89	89	\$803,153	\$1,174,006	\$1,658,274	\$2,286,667	\$3,097,577	\$4,138,880	\$5,470,123	\$7,165,193	\$40,206	\$1,075,994
2047	90	90	\$755,798	\$1,134,286	\$1,634,740	\$2,291,886	\$3,149,593	\$4,263,126	\$5,701,923	\$7,553,001	\$39,720	\$1,115,714
2048	91	91	\$709,384	\$1,095,037	\$1,611,446	\$2,297,690	\$3,203,654	\$4,392,832	\$5,945,808	\$7,964,578	\$39,249	\$1,154,963
2049	92	92	\$663,887	\$1,056,246	\$1,588,382	\$2,304,077	\$3,259,809	\$4,528,203	\$6,202,368	\$8,401,334	\$38,791	\$1,193,754
2050	93	93	\$619,284	\$1,017,899	\$1,565,535	\$2,311,044	\$3,318,106	\$4,669,450	\$6,472,221	\$8,864,766	\$38,347	\$1,232,102
2051	94	94	\$575,554	\$979,982	\$1,542,894	\$2,318,590	\$3,378,594	\$4,816,794	\$6,756,020	\$9,356,460	\$37,917	\$1,270,018

Your Legacy

Supplement Liquid Bank Analysis

Analyzing the availability of liquid funds
over time

Liquid Bank Analysis

The following analysis titled “*LIQUID BANK ANALYSIS*” is the second of three (3) sections for back-up information to the previous section titled “*LEGACY PLAN*”.

This analysis, for any given year, shows your hypothetical projected liquid bank account:

1. Balance at the start of the year.
2. Additional deposits made during the year.
3. Withdrawals made during the year.
4. Annual interest earned.
5. Balance at the end of the year.

Based on an annual interest rate of 1.0% your hypothetical liquid bank account balance values are shown as:

	Liquid Bank Account Balance
Age 65	\$190,000
Age 75	\$96,332
Age 85	\$106,410

Income plan recommendations are based on stated client goals and needs for risk, budget, income, fees, legacy, etc. There is no guarantee that recommended assets will perform as desired, assets might not make money and could lose money. There is no guarantee recommended assets will provide income as desired, income could change or terminate, unless a contractual guarantee is provided in a legally enforceable written annuity contract issued by an insurance company, with the guarantees subject to the claims paying ability of each insurance company. Consult with your professional financial, tax, investment, and legal advisors. Past performance is not a guarantee of future results. Any hypothetical income examples or illustrations are hypothetical, and thus not guaranteed. Income tax rates, tables, standard deductions, rules for itemized deductions, rules for taxable income, can and will change. Your income tax dollar amount and effective tax rate could be higher or lower. Your budget could be higher or lower, affecting your net monthly excess income. There is no guarantee a specific amount of money will be left to your beneficiaries at any given time due to financial variables including but not limited to return rates, losses, fees, amount of income, budget, budget changes, income taxes, etc. Bank rates can change at any time. There is no guarantee your bank assets will earn the 1.0% return every year as illustrated.

LIQUID BANK ANALYSIS

Year	Start Of Year Asset Value	Additional Asset Deposits	Income Withdrawal	Hypothetical Projected Growth At 1.0%	End Of Year Asset Balance
2022	\$200,000	\$0	(\$12,000)	\$2,000	\$190,000
2023	\$190,000	\$0	(\$12,000)	\$1,900	\$179,900
2024	\$179,900	\$0	(\$12,000)	\$1,799	\$169,699
2025	\$169,699	\$0	(\$12,000)	\$1,697	\$159,396
2026	\$159,396	\$0	(\$12,000)	\$1,594	\$148,990
2027	\$148,990	\$0	(\$12,000)	\$1,490	\$138,480
2028	\$138,480	\$0	(\$12,000)	\$1,385	\$127,865
2029	\$127,865	\$0	(\$12,000)	\$1,279	\$117,143
2030	\$117,143	\$0	(\$12,000)	\$1,171	\$106,315
2031	\$106,315	\$0	(\$12,000)	\$1,063	\$95,378
2032	\$95,378	\$0	\$0	\$954	\$96,332
2033	\$96,332	\$0	\$0	\$963	\$97,295
2034	\$97,295	\$0	\$0	\$973	\$98,268
2035	\$98,268	\$0	\$0	\$983	\$99,251
2036	\$99,251	\$0	\$0	\$993	\$100,243
2037	\$100,243	\$0	\$0	\$1,002	\$101,246
2038	\$101,246	\$0	\$0	\$1,012	\$102,258
2039	\$102,258	\$0	\$0	\$1,023	\$103,281
2040	\$103,281	\$0	\$0	\$1,033	\$104,313
2041	\$104,313	\$0	\$0	\$1,043	\$105,357
2042	\$105,357	\$0	\$0	\$1,054	\$106,410
2043	\$106,410	\$0	\$0	\$1,064	\$107,474
2044	\$107,474	\$0	\$0	\$1,075	\$108,549
2045	\$108,549	\$0	\$0	\$1,085	\$109,634
2046	\$109,634	\$0	\$0	\$1,096	\$110,731
2047	\$110,731	\$0	\$0	\$1,107	\$111,838
2048	\$111,838	\$0	\$0	\$1,118	\$112,956
2049	\$112,956	\$0	\$0	\$1,130	\$114,086
2050	\$114,086	\$0	\$0	\$1,141	\$115,227
2051	\$115,227	\$0	\$0	\$1,152	\$116,379

Your Legacy

Supplement Real Estate Analysis

Viewing real estate as an asset for your
retirement and a legacy for your
beneficiaries

Real Estate

The following analysis titled "REAL ESTATE ANALYSIS" and "REAL ESTATE VALUE ANALYSIS" make up the third of three (3) sections for back-up information to the previous section titled "LEGACY PLAN".

Harnessing real estate in retirement planning

The majority of plans we see that have been put together by other advisors do not include real estate. For whatever reason, the plans do not include the income from investment real estate as a cash flow source for retirement income and do not include the real estate values as a net worth component and potential legacy asset. The reason for the exclusion could be what many retirees have told us, that their previous advisors told them to sell their real estate and invest it elsewhere. Or, previous advisors did not want to project values on assets they did not manage.

Unlocking the power of real estate

The following page of this report is titled "REAL ESTATE ANALYSIS" and provides an overall view of your real estate assets. We have found a large percentage of retirees have actually done quite well with their real estate as a portion of their assets, using it to create the opportunity for net income and asset growth with potential appreciation. The "REAL ESTATE ANALYSIS" accounts for your primary residence and any investment real estate you own. Each property is shown individually and as a total of all properties. The "REAL ESTATE ANALYSIS" breaks down areas including but not limited to: values, mortgage balances, assumed appreciation, equity, expenses, rent, and net income. Key data points for your "REAL ESTATE ANALYSIS" include:

\$3,000,000	Total real estate values
(\$500,000)	Less total mortgage balances
\$2,500,000	= Net equity
\$11,500	Gross monthly investment real estate rent income
(\$2,550)	Less monthly investment real estate expenses
\$5,050	= Net monthly investment real estate income
\$60,600	= Net annual investment real estate income

Real estate in legacy planning

The second page of this section is titled "REAL ESTATE VALUE ANALYSIS" and shows, for any given year, the projected hypothetical values of the real estate you own. The analysis shows the starting year real estate values, adds in annual hypothetical estimated real estate appreciation of 1.5%, and the ending year hypothetical real estate value. Your hypothetical estimated real estate values are:

	Real Estate Value At 1.5% Annual Appreciation
Age 65	\$3,000,000
Age 75	\$3,481,622
Age 85	\$4,040,565

Income plan recommendations are based on stated client goals and needs for risk, budget, income, fees, legacy, etc. There is no guarantee that recommended assets will perform as desired, assets might not make money and could lose money. There is no guarantee recommended assets will provide income as desired, income could change or terminate, unless a contractual guarantee is provided in a legally enforceable written annuity contract issued by an insurance company, with the guarantees subject to the claims paying ability of each insurance company. Consult with your professional financial, tax, investment, and legal advisors. Past performance is not a guarantee of future results. Any hypothetical income examples or illustrations are hypothetical, and thus not guaranteed. Income tax rates, tables, standard deductions, rules for itemized deductions, rules for taxable income, can and will change. Your income tax dollar amount and effective tax rate could be higher or lower. Your budget could be higher or lower, affecting your net monthly excess income. There is no guarantee a specific amount of money will be left to your beneficiaries at any given time due to financial variables including but not limited to return rates, losses, fees, amount of income, budget, budget changes, income taxes, etc. Real estate may lose value, may not provide any income, and will have significant value, income, and expense deviations over time. There is no guarantee your real estate will earn an average annual appreciation rate of 1.5% every year, because real estate can lose value which would result in a negative annual return rate.

REAL ESTATE ANALYSIS				
Item Description	Personal Real Estate	Investment Real Estate		Total Real Estate
	222 B Street Residence	123 A Street Rental	333 Commercial Commercial	Total Investment Real Estate
Property Fair Market Value	\$1,000,000	\$500,000	\$1,500,000	\$2,000,000
Annual Appreciation	1.5%	1.5%	1.5%	—
Mortgage Balance	—	\$200,000	\$300,000	\$500,000
Net Equity	\$1,000,000	\$300,000	\$1,200,000	\$1,500,000
Mortgage Rate	—	3.50%	4.00%	—
Year Mortgage Paid Off	—	2035	2041	—
Monthly Principal & Interest Payment	—	\$1,200	\$2,200	\$3,400
Annual Payment As A Percent Of Loan	—	7.20%	8.80%	8.16%
Monthly Gross Rent	—	\$3,500	\$8,000	\$11,500
Annual Gross Rent Increases	—	2.00%	2.00%	—
Monthly Real Estate Taxes & Insurance	\$750	\$300	\$1,500	\$1,800
Additional Monthly Expenses	—	\$400	\$850	\$1,250
Monthly Net Income After Expenses	—	\$1,600	\$3,450	\$5,050
Annual Net Income After Expenses	—	\$19,200	\$41,400	\$60,600
Net Income As Percentage Of Equity	—	6.40%	3.45%	4.04%
				2.42%