



# Interim Report No. 1

**Prepared for:**

Fred and Mary Sample

**Date prepared:**

11/10/2023

## Client Report

Please note that this Report provides projections based on a minimal amount of information supplied by you, your current financial position and the assumptions shown below.

A review of this report can be carried out once a suitable Investment Vehicle has been selected.

## Assumptions

Inflation Rate p.a.	3.00%
Superannuation Growth Rate p.a.	7.00%
New Investment Income Rate p.a. (from net investment income balance)	5.00%
Investment Growth Rate p.a.	7.00%
Existing Mortgage Interest Rate p.a.	6.09%
New Mortgage Interest Rate p.a.	6.09%
Contribution to Strategy per week	\$200

## Financial Freedom Goals

Years to Stop Work	10
Annual Income Required (Today's Dollars)	\$110,000

## Current Assets

Cash	\$3,000
Personal Residence	\$750,000
Investment Property Portfolio	\$0
Superannuation	\$360,000

## Current Liabilities

Mortgage	\$540,000
Investment Loans	\$0
Personal Loans	\$0
Credit Cards	\$0

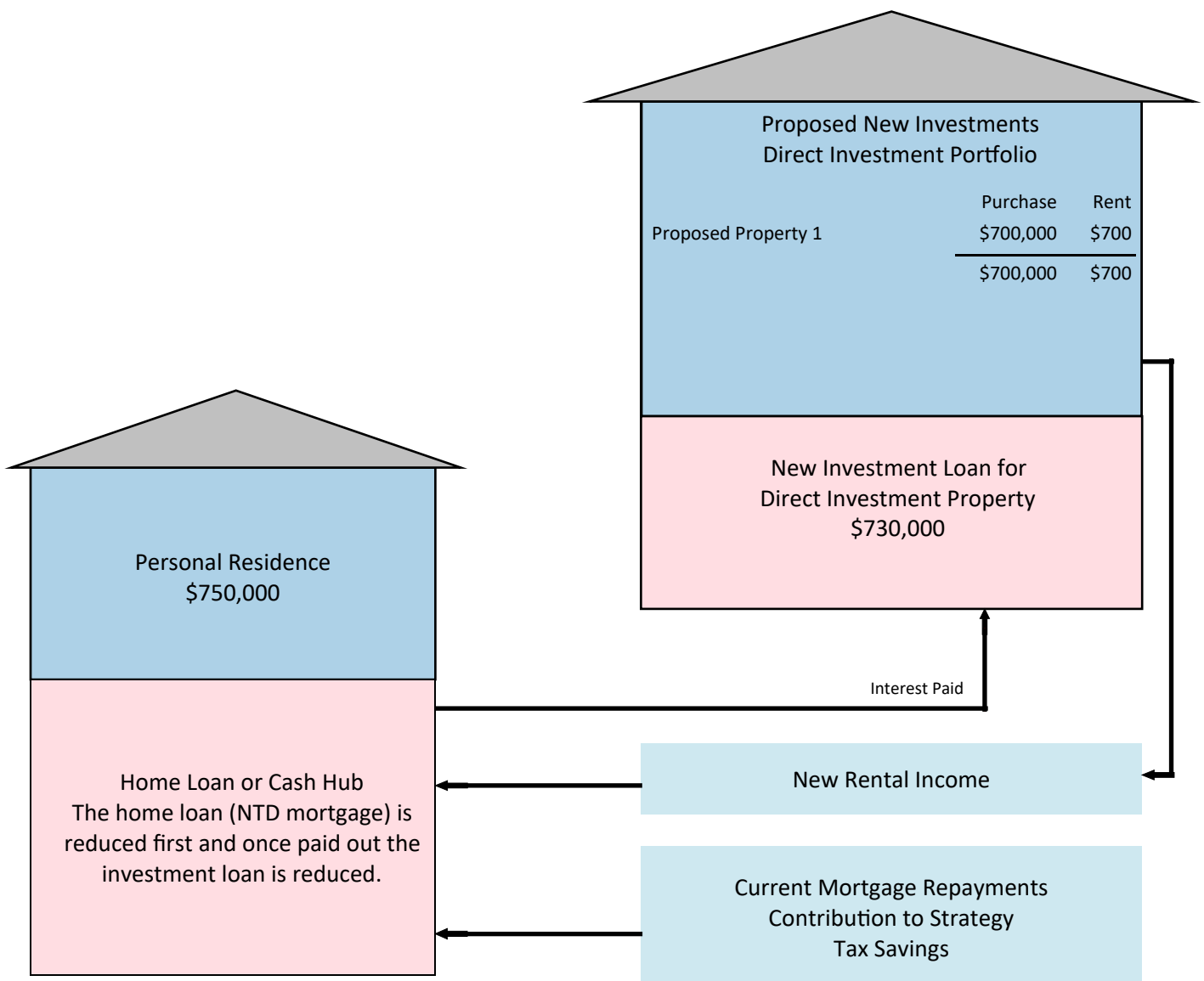
## Current Income

Fred current age 53	\$100,000
Mary current age 52	\$75,000
Rental Income per week	\$0

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COMPLETE FINANCIAL SOLUTIONS

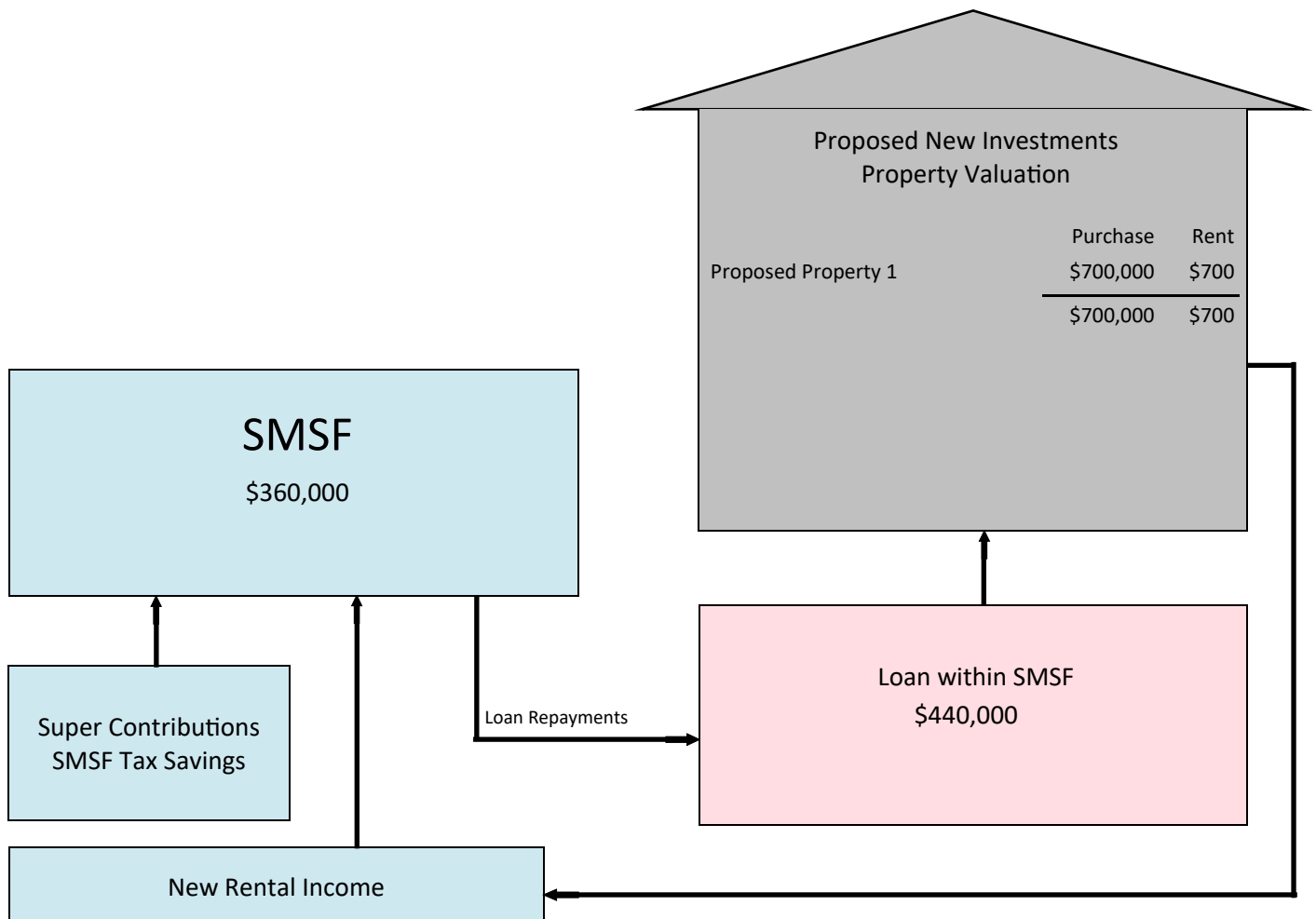
New Investment Loan (including costs, stamp duty etc)	\$730,000
New Investment Loan Interest	\$44,457
Landlord Insurance	\$770
Building Insurance	\$0
Body Corporate Fees	\$3,000
Rates	\$1,300
Rental Management Fees	\$1,820
Building Allowance Depreciation	\$14,000
Fixtures and Fittings Depreciation	\$0



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New Investment Loan (including costs, stamp duty etc)	\$440,000
SMSF Establishment Fees	\$5,500
New Investment Loan Interest	\$26,796
Landlord Insurance	\$770
Building Insurance	\$0
Body Corporate Fees	\$3,000
Rates	\$1,300
Rental Management Fees	\$1,820
Building Allowance Depreciation	\$14,000
Fixtures and Fittings Depreciation	\$0



## Results and Projections

Tax position before and after Advice

<b>Fred Existing</b>	
Gross Income	\$100,000
Existing Rental Income	\$0
Total Deductions	\$0
Taxable Income	\$100,000
Tax and Medicare	\$24,967
<b>Net Income</b>	<b>\$75,033</b>

<b>Fred New (50% ownership for Tax savings)</b>	
Gross Income	\$100,000
Existing Rental Income	\$0
<b>New Rental Income</b>	<b>\$18,200</b>
Existing Deductions	\$0
Landlord Insurance	\$385
New Investment Loan Interest	\$22,229
Building Allowances	\$7,000
Fixtures and Fittings Depreciation	\$0
Building Insurance	\$0
Body Corporate Fees	\$1,500
Rates	\$650
Rental Management Fees	\$910
<b>Salary Sacrifice Super Contributions</b>	<b>\$0</b>
Total Deductions	\$32,674
Taxable Income	\$85,527
Tax and Medicare	\$19,973
<b>Net Income</b>	<b>\$65,553</b>
<b>Tax Savings</b>	<b>\$4,993</b>

<b>Mary Existing</b>	
Gross Income	\$75,000
Existing Rental Income	\$0
Total Deductions	\$0
Taxable Income	\$75,000
Tax and Medicare	\$16,342
<b>Net Income</b>	<b>\$58,658</b>

<b>Mary New (50% ownership for Tax savings)</b>	
Gross Income	\$75,000
Existing Rental Income	\$0
<b>New Rental Income</b>	<b>\$18,200</b>
Existing Deductions	\$0
Landlord Insurance	\$385
New Investment Loan Interest	\$22,229
Building Allowances	\$7,000
Fixtures and Fittings Depreciation	\$0
Building Insurance	\$0
Body Corporate Fees	\$1,500
Rates	\$650
Rental Management Fees	\$910
<b>Salary Sacrifice Super Contributions</b>	<b>\$0</b>
Total Deductions	\$32,674
Taxable Income	\$60,527
Tax and Medicare	\$11,256
<b>Net Income</b>	<b>\$49,270</b>
<b>Tax Savings</b>	<b>\$5,085</b>

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## Mortgage Comparison



Years saved off NTD Mortgage	6 years
Interest saved	\$156,562

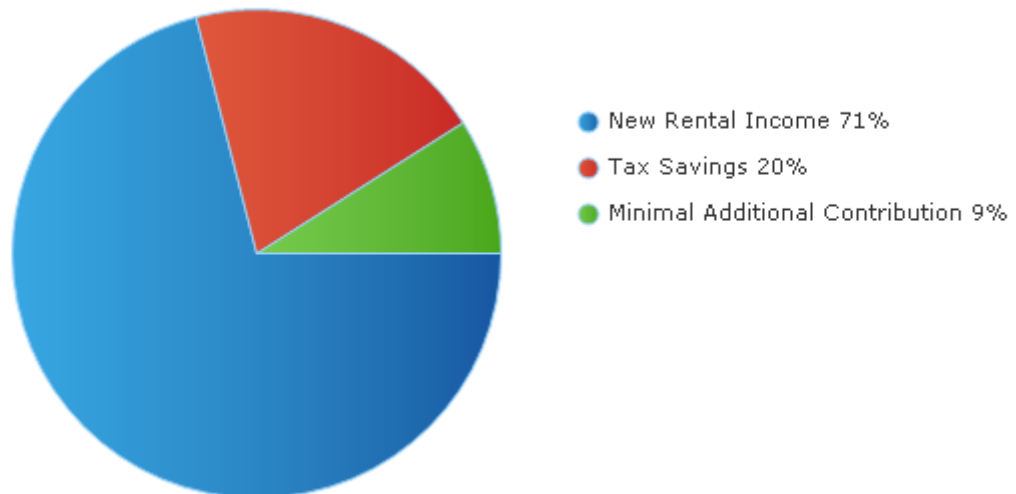
The strategy shows a great reduction in not only time to repay your mortgage but a fantastic saving in interest over this period. Once the mortgage (non-tax deductible) is repaid, we have shown your current mortgage payments that are no longer required to repay the mortgage as well as the continuing contribution to the strategy reducing the new investment loan.

Current Projections	Now	Year 1	Year 2	Year 3	Year 4	Year 5
Required Income	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806	\$127,520
Current Investment Mortgage Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0
Current Investment Portfolio Balance	\$0	\$0	\$0	\$0	\$0	\$0
Current Super End Balance	\$360,000	\$405,798	\$454,801	\$507,234	\$563,338	\$623,369
Current Personal Mortgage Closing Balance	\$540,000	\$531,780	\$523,043	\$513,755	\$503,883	\$493,390
Total Current Retirement Net Portfolio	-\$180,000	-\$125,982	-\$68,242	-\$6,521	\$59,455	\$129,980
New Super End Balance	\$325,000	\$399,148	\$478,485	\$563,377	\$654,211	\$751,403
New Investment Mortgage Closing Balance	\$730,000	\$730,000	\$730,000	\$730,000	\$730,000	\$730,000
New Investment Portfolio Balance	\$700,000	\$749,000	\$801,430	\$857,530	\$917,557	\$981,786
New Personal Mortgage Closing Balance	\$540,000	\$526,090	\$511,305	\$495,589	\$478,884	\$461,127
Total New Retirement Net Portfolio	-\$245,000	-\$107,943	\$38,610	\$195,318	\$362,884	\$542,062

## Direct Investment Cashflow Analysis

Income p.a.		Expenditure p.a.		Shortfall p.a.
New Investment Income	\$36,400	New Loan Interest	\$44,457	
Tax Savings	\$10,079	New Direct Property Costs	\$6,890	
Total Income	\$46,479	Total Expenditure	\$51,347	-\$4,868

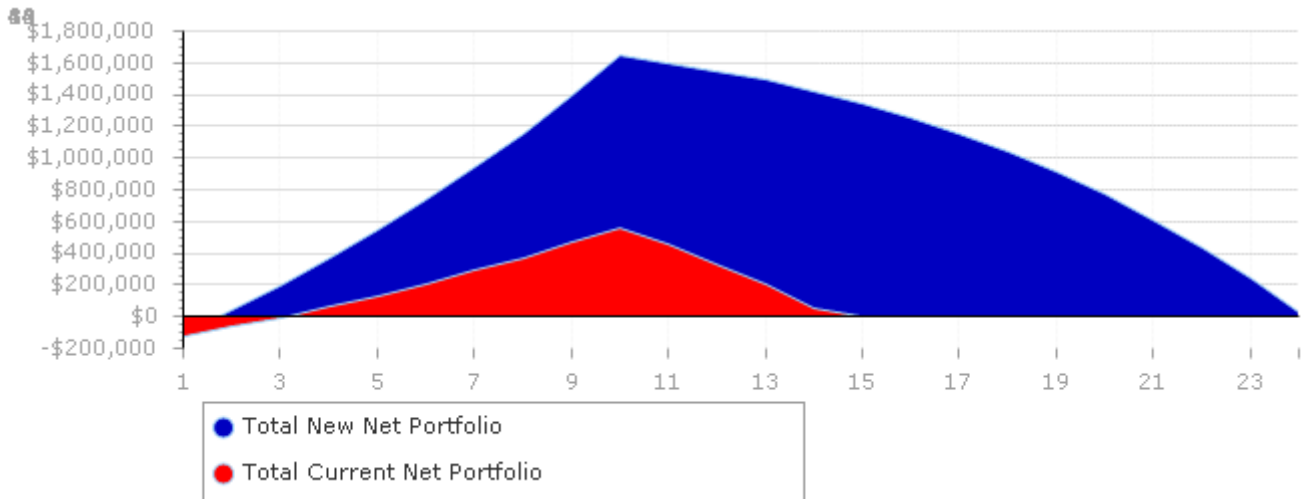
This means that on the direct investment purchase you have a combined net shortfall of \$94 per week. This is the minimum amount you need to contribute to the direct investment purchase to maintain the investment after tax savings.



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## New Investment and Superannuation Comparison



Stop Work How Many Years	10 years
Annual income required when you stop work in Today's Dollar Terms	\$110,000
Annual income required when you stop work in Future Dollar Terms	\$147,831
Current net Portfolio (after all loans repaid)	\$562,616
New net Portfolio (after all current and new loans repaid)	\$1,642,358
Advantage via Strategy	\$1,079,742

## Existing Retirement Summary

Your lump sum retirement balance in 10 years is \$562,616.

Upon retirement in 10 years you commence drawing your desired retirement income of \$147,831 p.a. and you will eliminate your current retirement portfolio in 4 years.

## New Retirement Summary

Your lump sum retirement balance in 10 years is now \$1,642,358.

Upon retirement in 10 years and having implemented the suggested strategy, your retirement portfolio will have grown sufficiently to provide your desired retirement income of \$147,831 p.a. for 14 years.

All of the Team at Finview are committed to helping you with each step of your journey to achieve your financial goals. Our experience has shown us that over the years, everybody's circumstances change.

It is for this reason that we encourage you to contact your Finview Representative annually, so our Team can advise you of any new entitlements you may qualify for through changes in your circumstances, changes to Tax Law or Changes within the Banking system. This process can massively reduce the time it takes you to achieve your goals and insure the information outlined in your Report remains accurate over the years we work together.

From all of us at Finview, here's to your success!