

This as an example of a financial plan cash flow and balance sheet summary. It is NOT a complete financial plan. It is also NOT a tool for general decision making. Do not distribute without express written permission from ARM Financial LLC. Please call us for more information.

Debt	Start	term	rate	Yearly payment
770,000	1/1/2005	30	6.13%	\$56,689.91
50000	1/1/2007	4	1.90%	\$13,099.34
				\$0.00
				\$0.00
				\$0.00

Inflows	start	end
\$ 200,000	1/1/2008	1/1/2035

Expenses	start	end
\$ 90,000	1/1/2008	1/1/2099
\$ 45,000	1/1/2008	1/1/2011
\$ 100,000	1/1/2010	1/1/2011
\$ 120,000	1/1/2023	1/1/2028
\$ 150,000	1/1/2045	1/1/2099

Liquid assets	Initial	real rate after tax	yearly contribution	contribution end date
Taxed	\$ 150,000	3.00%		
Tax deferred	\$ 100,000	5.00%	30000	1/1/2043

Illiquid Assets	Start	real rate	Disposal	future real value after tax
\$ 950,000	1/1/2005	2.00%	1/1/2035	\$1,376,634.80
				\$0.00
				\$0.00
				\$0.00

This is an example 50 year summary for a couple with 2 young children. All calculations are done in today's dollars and account for wage and expense inflation. The couple owns a home that they bought in 2005 for \$950,000 and financed with a \$770,000 mortgage with a fixed rate of 6.13% and a term of 30 years. They also purchased a car for \$50,000 in 2007 financed at 1.9% over 4 years. The couple earns \$200,000 after accounting for income tax. They expect to stop working in 2035. To maintain their lifestyle they spend \$90,000 a year. These expenses include things like food, clothes, entertainment, vacations, gifts, utilities, and maintaining their home. While the children are young the couple plans to spend \$45,000 per year on day care and extra help around the house. The couple is planning a \$100,000 renovation in 2010. They expect to send their children to private college at an approximate cost, in today's dollars, of \$60,000 per child per year. When the couple retire they plan on selling their home and traveling the world. In 2045 they expect to increase gifts to their children, grandchildren and charities. Their plan is on track. The graph to the right shows an estimate of the couple's net worth overtime. The graph helps the couple understand whether they are on track based on assumptions about planned expenses and expected savings and investment growth. It is by no means a guarantee of what will come to pass. Their net worth over time will likely be higher or lower than shown.

