

Mr. and Mrs. Client

FINANCIAL PLANNING MODEL

prepared by

Grossman Financial Management

940 Adams Street, Suite L

Benicia, CA 94510

707/745-8756

Mr. and Mrs. Client

GENERAL ASSUMPTIONS

CLIENT TITLE	Mr. and Mrs. Client
SCENARIO	RETIREMENT FORECAST
VERSION	STANDARD
CLIENT NAME CLIENT 2 NAME	Mr. Mrs.
CLIENT BIRTH DATE CLIENT 2 BIRTH	1/1/1950 1/1/1950
CLIENT AGE CLIENT 2 AGE	54.84 54.84
INFLATION	3.00%
TAX FILING STATUS	M ("M" or "S")
NUMBER OF PERSONAL EXEMPTIONS	2
BASE YEAR	2000
<u>ESTATE ASSUMPTIONS</u>	
TAXABLE INSURANCE	YES
QUALIFIED/IRA TAX RATE	40%
USE SECOND UNIFIED CREDIT	YES
LIVING TRUST (0.5%)	YES
PROBATE (2.0%)	NO

Mr. and Mrs. Client

OTHER ASSETS

RETIREMENT FORECAST

STANDARD

	PERSONAL 1	PERSONAL 2	PERSONAL 3	PERSONAL 4	OTHER 1	OTHER 2	LIFE INSURANCE 1	LIFE INSURANCE 2
	HOME	Vacation Home	Toys	OTHER	O1	O2	LI 1	LI 2

Fair Market Value	\$500,000	\$150,000	\$300,000	\$50,000			\$75,000	
First Year	2000	2000	2000	2000	2000	2000	2000	2000
Last Year	2050	2050	2017	2050	2050	2050	2050	2050
Appreciation Rate	3.0%	3.0%	-1.0%	3.0%	3.0%	3.0%	0.0%	0.0%

Mr. and Mrs. Client

DEBT & DEBT SERVICE

RETIREMENT FORECAST
STANDARD

MORTGAGE	OTHER
----------	-------

PRINCIPAL	\$250,000	\$200,000
AMORTIZATION PERIOD	30	30
INTEREST RATE	7.50%	7.00%
INTEREST DEDUCTIBLE	YES	NO

Mr. and Mrs. Client

RETIREMENT FORECAST
STANDARD

CASHFLOW ASSUMPTIONS

INCOME SOURCES

		FIRST YEAR	LAST YEAR	INFLATOR
WAGES	\$125,000	2001	2008	3.00%
PENSION	\$40,000	2009	2059	3.00%
SOCIAL SECURITY - 1	\$12,000	2001	2051	2.00%
SOCIAL SECURITY - 2	\$12,000	2015	2065	2.00%
OTHER	\$7,000	2000	2050	2.00%
LIFE INSURANCE	\$0	2001	2014	0.00%
LIFE INSURANCE	\$0	2015	2050	0.00%
NON-TAXABLE INCOME	\$0			0.00%
PRE-TAX SAVINGS	(\$10,000)	2000	2008	3.00%

EXPENSES: RECURRING

FICA / SELF-EMPLOYMENT TAXES	7.65%			
ACCOUNTING	\$300	2000	2050	3.00%
AUTO FUEL	\$1,250	2000	2050	3.00%
AUTO DETAILING	\$4,000	2000	2050	3.00%
AUTO INSURANCE	\$1,450	2000	2050	3.00%
AUTO PAYMENTS	\$1	2000	2050	3.00%
AUTO REPAIRS, LICENSE	\$1,600	2000	2050	3.00%
AUTO POLISHING	\$1,400	2000	2050	3.00%
CHARITABLE GIVING	\$3,000	2000	2050	3.00%
CLOTHING	\$4,000	2000	2050	0.00%
DEBT REPAYMENT		2000	2050	3.00%
DEPENDENT CARE		2000	2050	3.00%
DINING OUT	\$1,900	2000	2050	3.00%
DISABILITY INSURANCE	\$3,500	2000	2008	3.00%
EDUCATION		2000	2050	3.00%
ENTERTAINMENT	\$2,500	2000	2050	3.00%
FOOD	\$3,000	2000	2050	3.00%
GIFTS	\$2,000	2000	2050	3.00%
HOME IMPROVEMENTS		2000	2050	3.00%
HOME UPKEEP	\$2,000	2000	2050	3.00%
HOUSING INSURANCE	\$1,450	2000	2050	3.00%
LAUNDRY	\$700	2000	2050	3.00%
LIFE INSURANCE	\$300	2000	2050	3.00%
LONG TERM CARE INSURANCE	\$3,000	2000	2050	3.00%
MEDICAL/DENTAL	\$105	2000	2050	3.00%
medicare & medigap	\$2,800	2004	2054	3.00%
medicare & medigap	\$2,800	2018	2068	3.00%
PERSONAL CARE	\$2,500	2000	2050	3.00%
MEDICAL/DENTAL	\$1,250	2001	2003	3.00%
MEDICAL/DENTAL	\$1,250	2001	2017	3.00%
OTHER TRANSPORTATION	\$1,000	2000	2001	3.00%
PROFESSIONALS	\$1,050	2000	2000	3.00%
REAL ESTATE TAXES	\$6,000	2000	2050	3.00%
REDUCTIONS TO AGI EXPENSES	\$15,000	2000	2050	3.00%
TELEPHONE	\$500	2000	2050	3.00%
TRAVEL		2000	2050	3.00%
UTILITIES	\$2,000	2000	2050	3.00%
VACATION	\$6,000	2000	2050	3.00%
WHATEVER	\$1,150	2000	2050	3.00%

EXPENSES: NON-RECURRING

POOL	\$15,000	2004	2004	3.00%
WEDDING	\$25,000	2002	2002	3.00%
TRIP	\$31,000	2000	2000	0.00%
CAR	\$20,000	2007	2007	3.00%
CAR	\$30,000	2017	2017	3.00%
CAR	\$30,000	2027	2027	3.00%
OTHER - 5	(\$3,300)	2000	2004	0.00%
OTHER - 7		2000	2050	3.00%
OTHER - 8		2000	2050	0.00%
OTHER - 9		2000	2050	3.00%

Mr. and Mrs. Client

**FIRST & SECOND YEARS
CASHFLOW FORECAST**

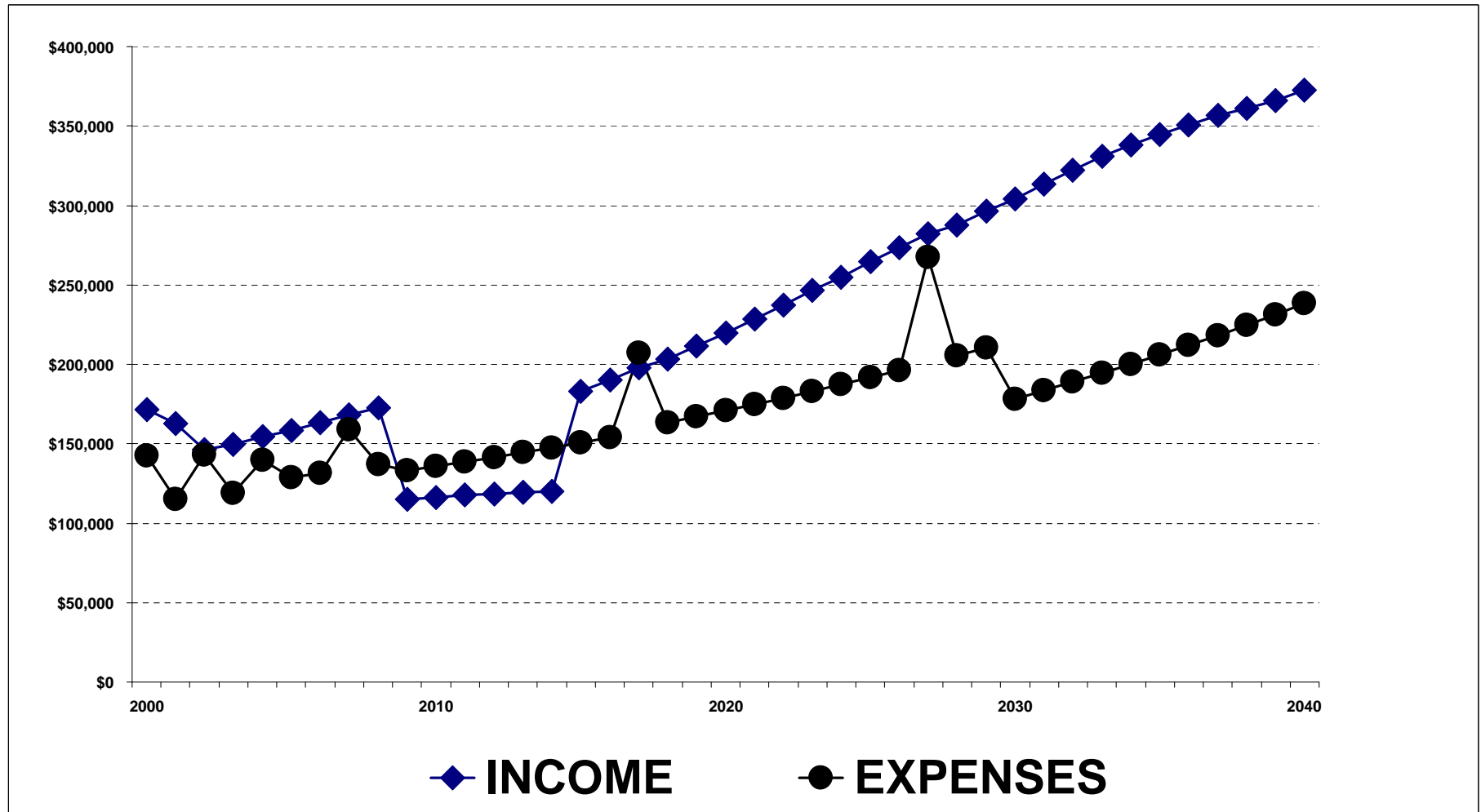
RETIREMENT FORECAST
STANDARD

<u>INCOME</u>	<u>2000</u>	<u>2001</u>
WAGES	\$134,000	\$0
WAGES	\$0	\$128,750
WAGES	\$0	\$35,000
PENSION	\$0	\$0
SOCIAL SECURITY - 1	\$0	\$12,240
SOCIAL SECURITY - 2	\$0	\$0
OTHER	\$7,000	\$7,140
PENSION	\$60,336	\$0
LIFE INSURANCE	\$0	\$0
NON-TAXABLE INCOME	\$0	\$0
PRE-TAX SAVINGS	(\$10,000)	(\$10,300)
TOTAL INCOME BEFORE TAXES	\$191,336	\$172,830
NET INCOME	\$191,336	\$172,830
EXPENSES: RECURRING		
ACCOUNTING	\$300	\$309
AUTO FUEL	\$1,250	\$1,288
AUTO DETAILING	\$4,000	\$4,120
AUTO INSURANCE	\$1,450	\$1,494
AUTO PAYMENTS	\$1	\$1
AUTO REPAIRS, LICENSE	\$1,600	\$1,648
AUTO POLISHING	\$1,400	\$1,442
CHARITABLE GIVING	\$3,000	\$3,090
CLOTHING	\$4,000	\$4,000
DINING OUT	\$1,900	\$1,957
DISABILITY INSURANCE	\$3,500	\$3,605
EDUCATION	\$0	\$0
ENTERTAINMENT	\$2,500	\$2,575
FICA / SELF-EMPLOYMENT TAXES	\$4,797	\$4,940
FOOD	\$3,000	\$3,090
GIFTS	\$2,000	\$2,060
HOME IMPROVEMENTS	\$0	\$0
LAUNDRY	\$700	\$721
LIFE INSURANCE	\$300	\$309
REDUCTIONS TO AGI EXPENSES	\$15,000	\$15,450
LONG TERM CARE INSURANCE	\$3,000	\$3,090
MEDICAL/DENTAL	\$105	\$108
medicare & medigap	\$0	\$0
medicare & medigap	\$0	\$0
PERSONAL CARE	\$2,500	\$2,575
MEDICAL/DENTAL	\$0	\$1,288
MEDICAL/DENTAL	\$0	\$1,288
OTHER TRANSPORTATION	\$1,000	\$1,030
PROFESSIONALS	\$1,050	\$0
REAL ESTATE TAXES	\$6,000	\$6,180
TELEPHONE	\$500	\$515
TRAVEL	\$0	\$0
UTILITIES	\$2,000	\$2,060
VACATION	\$6,000	\$6,180
WHATEVER	\$1,150	\$1,185
TOTAL RECURRING EXPENSES	\$77,453	\$81,150
EXPENSES: NON-RECURRING		
POOL	\$0	\$0
WEDDING	\$0	\$0
TRIP	\$31,000	\$0
CAR	\$0	\$0
CAR	\$0	\$0
CAR	\$0	\$0
OTHER - 5	(\$3,300)	(\$3,300)
LTC	\$0	\$0
TOTAL NON-RECURRING	\$27,700	(\$3,300)
DEBT SERVICE PAYMENTS	\$37,285	\$37,285
TOTAL EXPENSES	\$142,438	\$115,135
CASHFLOW	\$48,898	\$57,695

Mr. and Mrs. Client

RETIREMENT FORECAST
STANDARD

INCOME & EXPENSES

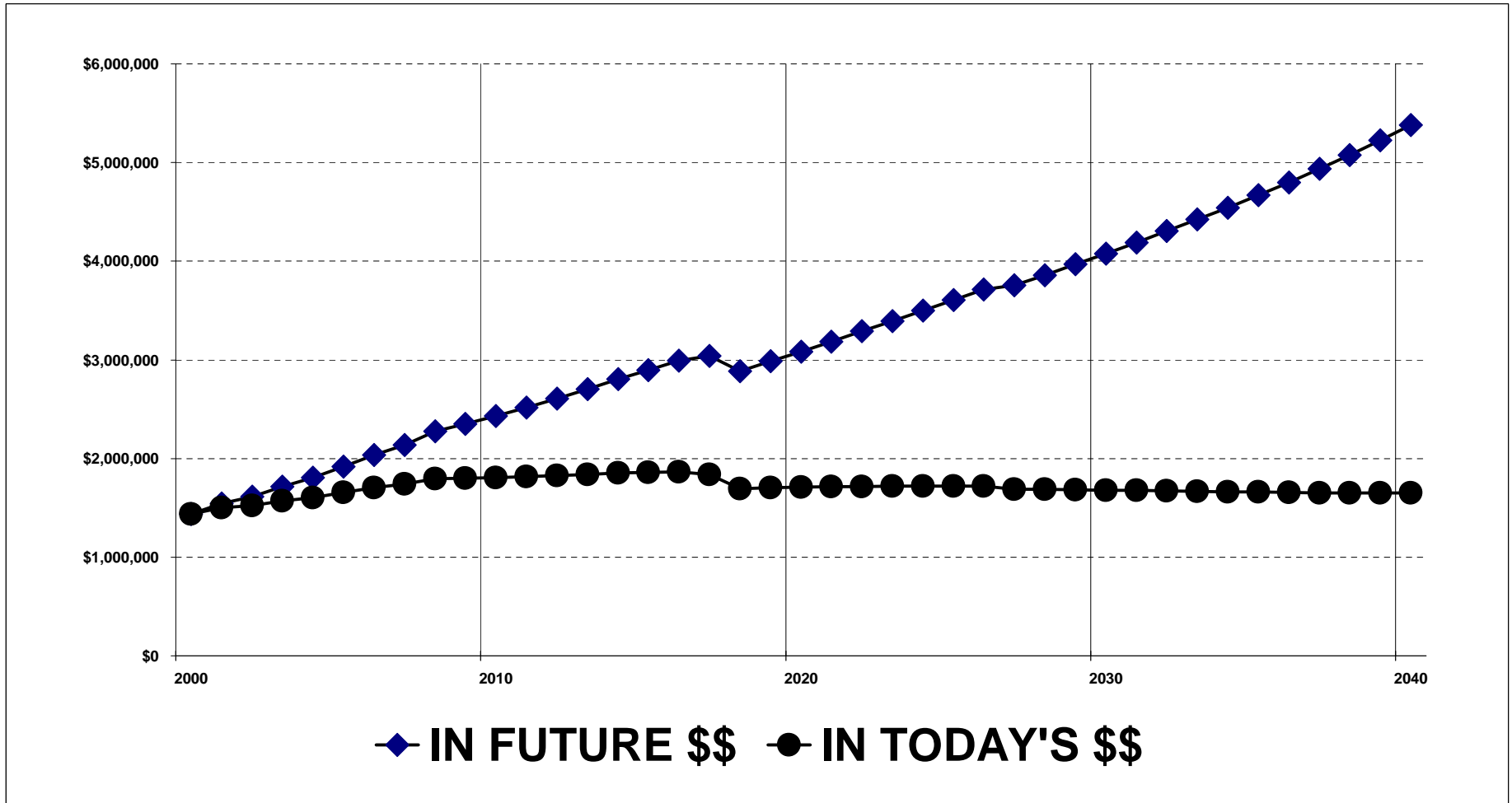


Mr. and Mrs. Client

RETIREMENT FORECAST
STANDARD

TOTAL ESTATE

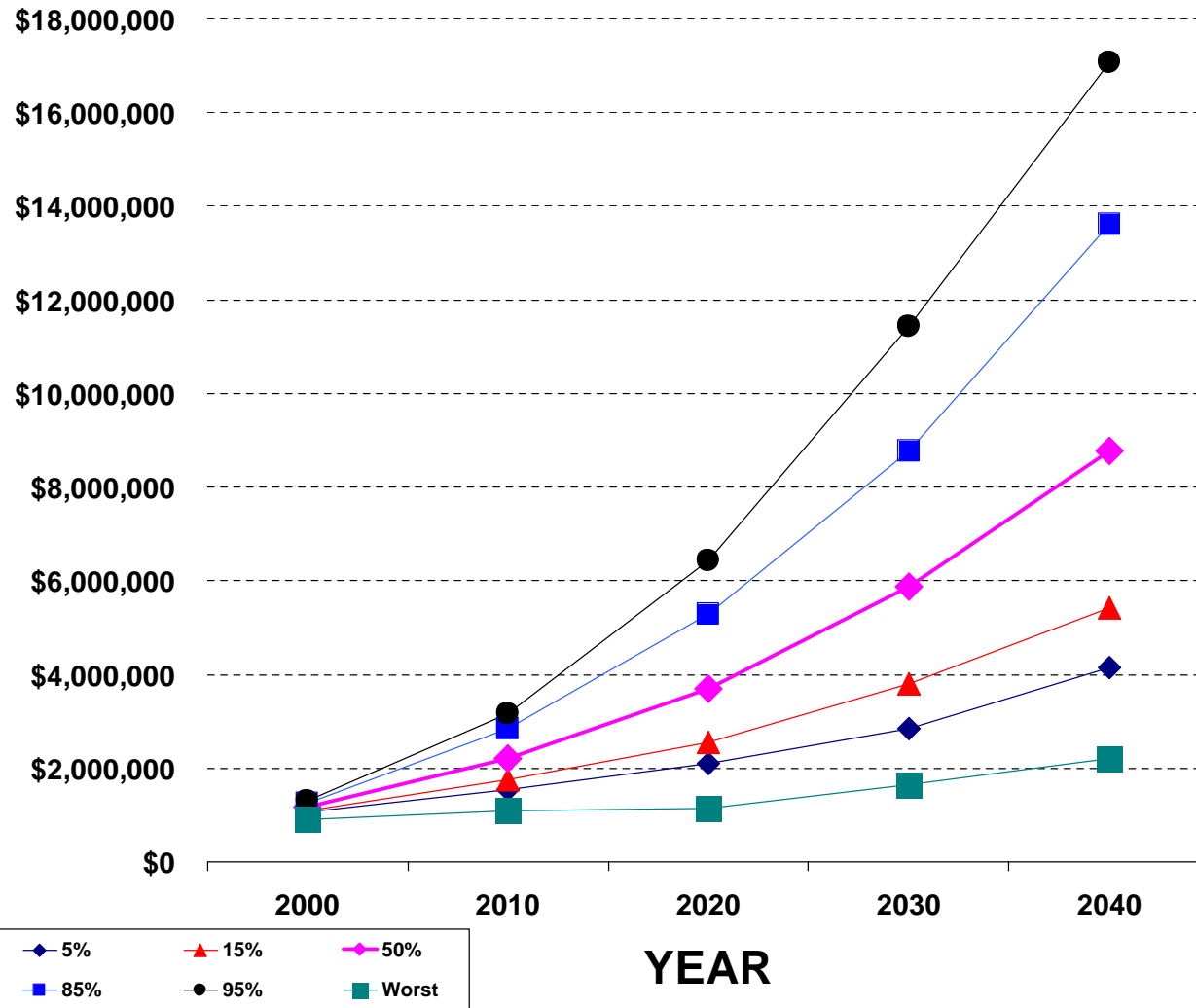
ROI = 8.00%



RETIREMENT FORECAST
STANDARD

Probability Ranges of Liquid Assets

Monte Carlo Simulations: 1,000 Expected Return (net): 8%



Mr. and Mrs. Client

ESTATE TAX ESTIMATE

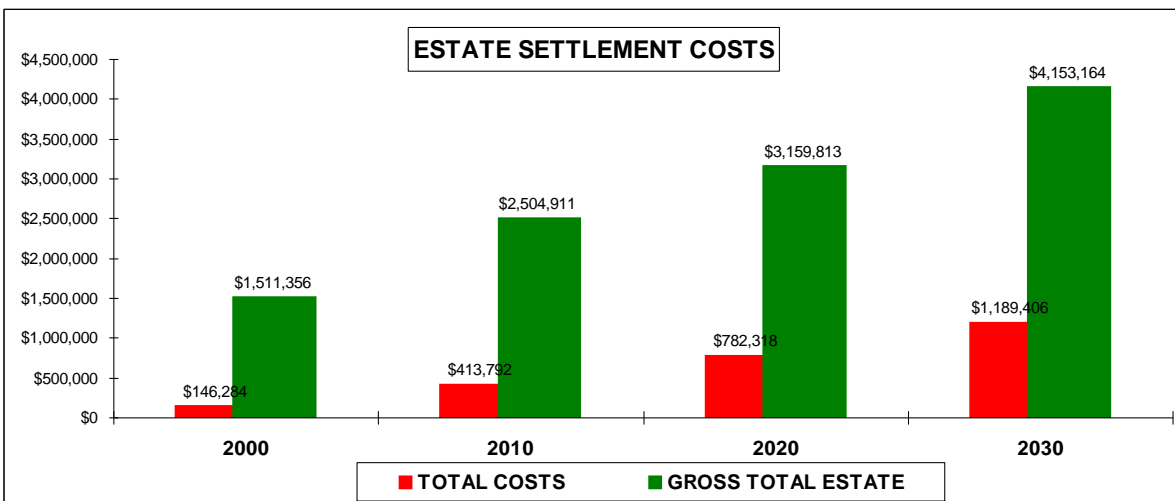
RETIREMENT FORECAST
STANDARD

	2000	2010	2020	2030
ESTATE SIZE	\$1,436,356	\$2,429,911	\$3,084,813	\$4,078,164
TAXABLE INSURANCE	\$75,000	\$75,000	\$75,000	\$75,000
GROSS TOTAL ESTATE	\$1,511,356	\$2,504,911	\$3,159,813	\$4,153,164
QUALIFIED/IRA ASSETS	\$334,800	\$874,398	\$1,230,988	\$832,991
DEBT	\$445,465	\$377,394	\$240,035	\$0
<hr/>				
(1) QUALIFIED/IRA TAX	\$133,920	\$349,759	\$492,395	\$333,196
ADJUSTED TOTAL ESTATE	\$1,377,436	\$2,155,152	\$2,667,417	\$3,819,967
USE SECOND UNIFIED CREDIT	\$675,000	\$1,000,000	\$1,000,000	\$1,000,000
(2) ADMINISTRATION COSTS				
LIVING TRUST (0.5%)	\$3,512	\$5,776	\$8,337	\$14,100
PROBATE (2.0%)	\$0	\$0	\$0	\$0
TAXABLE TOTAL ESTATE	\$698,924	\$1,149,376	\$1,659,080	\$2,805,868
(3) FEDERAL ESTATE TAX	\$8,852	\$58,257	\$281,586	\$842,110

TOTAL COSTS	\$146,284	\$413,792	\$782,318	\$1,189,406
--------------------	------------------	------------------	------------------	--------------------

ESTATE SHRINKAGE	10%	17%	25%	29%
-------------------------	------------	------------	------------	------------

NON-TAXABLE LIFE INSURANCE	\$0	\$0	\$0	\$0
NET ESTATE	\$1,365,072	\$2,091,119	\$2,377,494	\$2,963,758
DEBT	\$445,465	\$377,394	\$240,035	\$0
LIQUID ASSETS	\$938,821	\$1,644,739	\$2,097,641	\$2,403,108



Mr. and Mrs. Client
RETIREMENT FORECAST
STANDARD

YEAR	USES OF FUNDS				SOURCES OF FUNDS					NET	BALANCE SHEET ELEMENTS					TOTAL	AGE
	RECURRING EXPENSES	NON-RECURRING EXPENSES	DEBT SERVICE	TOTAL USES	QP/IRA INCOME	EARNED & OTHER INCOME	TAXABLE PORTFOLIO INCOME	TAXES (FEDERAL STATE) &	TOTAL SOURCES (AFTER-TAX)	CASH FLOW (TAXABLE)	TAXABLE PORTFOLIO ASSETS	OTHER ASSETS	QP/IRA ASSETS	PERSONAL ASSETS	DEBT	ESTATE	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
											\$500,000	\$0	\$300,000	\$1,000,000	(\$450,000)	\$1,350,000	
2000	\$77,453	\$27,700	\$37,285	\$142,438	\$0	\$191,336	\$40,000	\$59,877	\$171,459	\$29,021	529,021	0	334,800	1,018,000	(445,465)	1,436,356	55
2001	81,150	(3,300)	37,285	115,135	0	172,830	42,322	\$52,616	162,536	47,401	576,422	0	372,708	1,036,660	(440,600)	1,545,190	56
2002	82,403	23,223	37,285	142,911	0	141,771	46,114	41,431	146,453	3,543	579,965	0	413,982	1,055,999	(435,382)	1,614,564	57
2003	84,755	(3,300)	37,285	118,740	0	145,827	46,397	42,484	149,740	30,999	610,964	0	458,902	1,076,035	(429,785)	1,716,117	58
2004	88,923	13,583	37,285	139,790	0	150,000	48,877	44,389	154,488	14,697	625,662	0	507,770	1,096,789	(423,780)	1,806,440	59
2005	91,470	0	37,285	128,755	0	154,294	50,053	45,839	158,508	29,753	655,415	0	560,912	1,118,281	(417,340)	1,917,267	60
2006	94,094	0	37,285	131,379	0	158,713	52,433	47,772	163,374	31,995	687,410	0	618,681	1,140,531	(410,431)	2,036,191	61
2007	96,797	24,597	37,285	158,680	0	163,261	54,993	49,807	168,446	9,767	697,176	0	681,458	1,163,562	(403,020)	2,139,177	62
2008	99,581	0	37,285	136,866	0	167,940	55,774	51,213	172,502	35,636	732,812	0	749,655	1,187,396	(395,070)	2,274,794	63
2009	95,616	0	37,285	132,901	0	74,898	58,625	18,431	115,092	(17,809)	715,003	0	809,628	1,212,056	(386,542)	2,350,145	64
2010	98,364	0	37,285	135,650	0	76,918	57,200	18,130	115,988	(19,661)	695,341	0	874,398	1,237,565	(377,394)	2,429,911	65
2011	101,195	0	37,285	138,480	0	78,993	55,627	16,947	117,674	(20,807)	674,535	0	944,350	1,263,948	(367,580)	2,515,253	66
2012	104,111	0	37,285	141,396	0	81,127	53,963	16,560	118,530	(22,866)	651,669	0	1,019,898	1,291,230	(357,053)	2,605,743	67
2013	107,115	0	37,285	144,400	0	83,320	52,133	16,166	119,288	(25,112)	626,557	0	1,101,490	1,319,437	(345,760)	2,701,723	68
2014	110,208	0	37,285	147,493	0	85,574	50,125	15,726	119,972	(27,521)	599,036	0	1,189,609	1,348,595	(333,646)	2,803,594	69
2015	113,394	0	37,285	150,679	77,752	104,041	47,923	46,662	183,054	32,375	631,410	0	1,207,025	1,378,732	(320,650)	2,896,518	70
2016	116,676	0	37,285	153,961	82,673	106,745	50,513	49,690	190,240	36,279	667,689	0	1,220,914	1,409,876	(306,709)	2,991,771	71
2017	120,056	49,585	37,285	206,927	87,836	109,521	53,415	52,940	197,832	(9,095)	658,595	0	1,230,752	1,442,057	(291,753)	3,039,651	72
2018	126,177	0	37,285	163,462	93,239	112,373	52,688	54,936	203,364	39,902	698,496	0	1,235,973	1,227,454	(275,710)	2,886,214	73
2019	129,842	0	37,285	167,127	98,878	115,301	55,880	58,502	211,557	44,430	742,926	0	1,235,973	1,264,278	(258,499)	2,984,679	74
2020	133,617	0	37,285	170,902	103,863	118,309	59,434	61,977	219,630	48,727	791,653	0	1,230,988	1,302,206	(240,035)	3,084,813	75
2021	137,506	0	37,285	174,791	109,910	121,397	63,332	65,995	228,644	53,853	845,507	0	1,219,557	1,341,272	(220,227)	3,186,109	76
2022	141,511	0	37,285	178,796	115,053	124,570	67,641	69,849	237,414	58,618	904,125	0	1,202,069	1,381,511	(198,978)	3,288,726	77
2023	145,636	0	37,285	182,921	120,207	127,827	72,330	73,870	246,494	63,572	967,697	0	1,178,028	1,422,956	(176,182)	3,392,499	78
2024	149,886	0	37,285	187,171	124,003	131,173	77,416	77,555	255,037	67,866	1,035,563	0	1,148,267	1,465,645	(151,727)	3,497,748	79
2025	154,262	0	37,285	191,547	129,019	134,610	82,845	81,850	264,623	73,076	1,108,639	0	1,111,110	1,509,614	(125,491)	3,603,872	80
2026	158,770	0	37,285	196,055	132,275	138,140	88,691	85,670	273,436	77,381	1,186,020	0	1,067,724	1,554,902	(97,344)	3,711,302	81
2027	163,413	66,639	37,285	267,337	135,155	141,765	94,882	89,506	282,295	14,958	1,200,978	0	1,017,987	1,601,549	(67,149)	3,753,366	82
2028	168,195	0	37,285	205,481	137,566	145,489	96,078	91,330	287,803	82,322	1,283,301	0	961,860	1,649,596	(34,754)	3,860,002	83
2029	173,121	0	37,285	210,406	139,400	149,314	102,664	94,989	296,389	85,983	1,369,283	0	899,409	1,699,084	0	3,967,776	84
2030	178,195	0	0	178,195	138,371	153,243	109,543	97,128	304,028	125,833	1,495,117	0	832,991	1,750,056	0	4,078,164	85
2031	183,421	0	0	183,421	136,556	157,278	119,609	100,161	313,283	129,862	1,624,979	0	763,074	1,802,558	0	4,190,611	86
2032	188,803	0	0	188,803	133,873	161,424	129,998	102,984	322,311	133,508	1,758,487	0	690,247	1,856,635	0	4,305,369	87
2033	194,347	0	0	194,347	130,235	165,683	140,679	105,553	331,043	136,696	1,895,183	0	615,232	1,912,334	0	4,422,749	88
2034	200,058	0	0	200,058	123,046	170,057	151,615	106,884	337,834	137,776	2,032,959	0	541,404	1,969,704	0	4,544,067	89
2035	205,940	0	0	205,940	115,192	174,551	162,637	107,992	344,388	138,449	2,171,408	0	469,524	2,028,795	0	4,669,727	90
2036	211,998	0	0	211,998	106,710	179,168	173,713	108,878	350,712	138,714	2,310,122	0	400,376	2,089,659	0	4,800,157	91
2037	218,238	0	0	218,238	97,653	183,910	184,810	109,551	356,822	138,584	2,448,707	0	334,753	2,152,348	0	4,935,808	92
2038	224,665	0	0	224,665	85,834	188,783	195,897	109,180	361,334	136,669	2,585,375	0	275,699	2,216,919	0	5,077,994	93
2039	231,285	0	0	231,285	74,513	193,788	206,830	108,930	366,202	134,917	2,720,292	0	223,242	2,283,426	0	5,226,961	94
2040	238,103	0	0	238,103	65,659	198,931	217,623	109,544	372,670	134,567	2,854,859	0	175,442	2,351,929	0	5,382,230	95