

SEGMENTATION STRATEGIC INCOME STRATEGY (SAMPLE)

# Mr. Sample & Mrs. Sample Client

MAY 9, 2017



Prepared by: **David Ortiz, David Ortiz Advisors**

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This report is intended solely to facilitate a discussion with you (the client) and your financial advisor on a possible withdrawal schedule based on current assets values, growth rates, and desired withdrawal amounts that were used to produce this report. This report is simply designed to evaluate whether or not the current assets will support a stated retirement income goal based on hypothetical assumptions and information provided by you (the client).

## Balance Sheet for Mr. Sample Client and Mrs. Sample Client

### Cash Accounts

	Description	Owner	07/19/2016
<input type="checkbox"/>	Checking	Joint	\$250,000
Totals			\$250,000

### Investment Accounts

	Description	Owner	07/19/2016
<input checked="" type="checkbox"/>	IRA: Morgan Stanley	Mrs. Sample Client	\$246,000
<input checked="" type="checkbox"/>	401(k): Boeing	Mr. Sample Client	\$722,000
<input checked="" type="checkbox"/>	Brokerage: Banc of ...	Joint	\$197,000
<input checked="" type="checkbox"/>	Roth IRA: Fidelity	Mr. Sample Client	\$52,000
Totals			\$1,217,000

## Income Sources

	Description	Owner	Beginning Year	Ending Year	Inflation Rate	Annual Amount
A	Social Security	Mr. Sample Client	2017	2051	1.00%	\$28,000
B	Social Security	Mrs. Sample Client	2017	2051	1.00%	\$22,000
C	Pension	Mrs. Sample Client	2017	2051	1.00%	\$18,000

Year	Age	Age	A	B	C	Total Base Income
2017	65	63	\$28,000	\$22,000	\$18,000	\$68,000
2018	66	64	\$28,280	\$22,220	\$18,180	\$68,680
2019	67	65	\$28,563	\$22,442	\$18,362	\$69,367
2020	68	66	\$28,848	\$22,667	\$18,545	\$70,060
2021	69	67	\$29,137	\$22,893	\$18,731	\$70,761
2022	70	68	\$29,428	\$23,122	\$18,918	\$71,469
2023	71	69	\$29,723	\$23,353	\$19,107	\$72,183
2024	72	70	\$30,020	\$23,587	\$19,298	\$72,905
2025	73	71	\$30,320	\$23,823	\$19,491	\$73,634
2026	74	72	\$30,623	\$24,061	\$19,686	\$74,371
2027	75	73	\$30,929	\$24,302	\$19,883	\$75,114
2028	76	74	\$31,239	\$24,545	\$20,082	\$75,865
2029	77	75	\$31,551	\$24,790	\$20,283	\$76,624
2030	78	76	\$31,867	\$25,038	\$20,486	\$77,390
2031	79	77	\$32,185	\$25,288	\$20,691	\$78,164
2032	80	78	\$32,507	\$25,541	\$20,897	\$78,946
2033	81	79	\$32,832	\$25,797	\$21,106	\$79,735
2034	82	80	\$33,161	\$26,055	\$21,317	\$80,533
2035	83	81	\$33,492	\$26,315	\$21,531	\$81,338
2036	84	82	\$33,827	\$26,578	\$21,746	\$82,151
2037	85	83	\$34,165	\$26,844	\$21,963	\$82,973
2038	86	84	\$34,507	\$27,113	\$22,183	\$83,803
2039	87	85	\$34,852	\$27,384	\$22,405	\$84,641
2040	88	86	\$35,201	\$27,658	\$22,629	\$85,487
2041	89	87	\$35,553	\$27,934	\$22,855	\$86,342
2042	90	88	\$35,908	\$28,214	\$23,084	\$87,205
2043	91	89	\$36,267	\$28,496	\$23,315	\$88,077
2044	92	90	\$36,630	\$28,781	\$23,548	\$88,958

Income Sources data is based on information provided by you (the client). If this information is incorrect, the illustration will not be valid. These values are based on hypothetical inflation assumptions. These values are not representative of an actual investment; should not be considered a projection of future performance; and are provided for illustrative purposes only. There is no guarantee that any investment strategy will meet its stated objectives.

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Year	Age	Age	A	B	C	Total Base Income
2045	93	91	\$36,996	\$29,068	\$23,783	\$89,848
2046	94	92	\$37,366	\$29,359	\$24,021	\$90,746
2047	95	93	\$37,740	\$29,653	\$24,261	\$91,654
2048	96	94	\$38,117	\$29,949	\$24,504	\$92,570
2049	97	95	\$38,498	\$30,249	\$24,749	\$93,496
2050	98	96	\$38,883	\$30,551	\$24,996	\$94,431
2051	99	97	\$39,272	\$30,857	\$25,246	\$95,375

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## Scenario Illustration

The total current assets available for use (listed on the balance sheet) are divided among these hypothetical portfolios each with various hypothetical rates of return given your (the client's) particular financial need and expected time frame. Each portfolio has two corresponding columns in the table below showing the proposed growth and distribution of assets from that particular portfolio.

Desired Pre-Tax Income \$128,000  
 Income Inflation Rate 1.00%  
 Fixed Rate 3.00%  
 Income Plan Duration 35 years

Income plan using \$1,217,000 of the available \$1,217,000 with \$1,838,927 remaining.

Portfolio 1		Portfolio 2		Portfolio 3		Portfolio 4	
Duration	5 years	Duration	5 years	Duration	5 years	Duration	5 years
Growth Rate	3.00%	Growth Rate	5.00%	Growth Rate	6.00%	Growth Rate	8.00%
	\$288,574		\$237,639		\$443,322		\$247,466

Year	Age	Portfolio 1		Portfolio 2		Portfolio 3		Portfolio 4		Other Income	Portfolio Income	Total Income	Total Portfolio Assets
		Growth @ 3%	Fixed @ 3%	Growth @ 5%	Fixed @ 3%	Growth @ 6%	Fixed @ 3%	Growth @ 8%	Fixed @ 3%				
2017	65		\$288,574	\$237,639		\$443,322	\$247,466		\$68,000	\$60,000	\$128,000	\$1,217,000	
2018	66		\$235,431	\$249,520		\$469,922	\$267,263		\$68,680	\$60,600	\$129,280	\$1,222,136	
2019	67		\$180,076	\$261,997		\$498,117	\$288,644		\$69,367	\$61,206	\$130,573	\$1,228,833	
2020	68		\$122,436	\$275,096		\$528,004	\$311,735		\$70,060	\$61,818	\$131,879	\$1,237,271	
2021	69		\$62,436	\$288,851		\$559,684	\$336,674		\$70,761	\$62,436	\$133,197	\$1,247,646	
2022	70				\$303,294	\$593,265	\$363,608		\$71,469	\$63,061	\$134,529	\$1,260,167	
2023	71				\$247,440	\$628,861	\$392,697		\$72,183	\$63,691	\$135,875	\$1,268,998	
2024	72				\$189,261	\$666,593	\$424,112		\$72,905	\$64,328	\$137,233	\$1,279,967	
2025	73				\$128,681	\$706,588	\$458,041		\$73,634	\$64,971	\$138,606	\$1,293,311	
2026	74				\$65,621	\$748,984	\$494,685		\$74,371	\$65,621	\$139,992	\$1,309,290	
2027	75					\$475,158	\$534,260	\$318,765	\$75,114	\$66,277	\$141,392	\$1,328,182	
2028	76					\$503,667	\$577,000	\$260,062	\$75,865	\$66,940	\$142,806	\$1,340,730	
2029	77					\$533,888	\$623,160	\$198,916	\$76,624	\$67,610	\$144,234	\$1,355,963	
2030	78					\$565,921	\$673,013	\$135,245	\$77,390	\$68,286	\$145,676	\$1,374,179	
Totals						\$636,742	\$1,202,185		\$2,832,899	\$2,499,617	\$5,332,515	\$1,838,927	

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		Growth @ 3%	Fixed @ 3%	Growth @ 5%	Fixed @ 3%	Growth @ 6%	Fixed @ 3%	Growth @ 8%	Fixed @ 3%				
2031	79					\$599,876	\$68,968	\$726,854		\$78,164	\$68,968	\$147,133	\$1,395,699
2032	80			\$635,869		\$674,021		\$449,978	\$335,025	\$78,946	\$69,658	\$148,604	\$1,420,871
2033	81					\$714,462		\$485,976	\$273,328	\$79,735	\$70,355	\$150,090	\$1,433,324
2034	82					\$757,330		\$524,854	\$209,062	\$80,533	\$71,058	\$151,591	\$1,448,378
2035	83					\$802,769		\$566,842	\$142,144	\$81,338	\$71,769	\$153,107	\$1,466,316
2036	84							\$612,190	\$72,487	\$82,151	\$72,487	\$154,638	\$1,487,446
2037	85			\$498,821			\$352,115	\$661,165		\$82,973	\$73,211	\$156,184	\$1,512,100
2038	86					\$528,750	\$287,270	\$714,058		\$83,803	\$73,944	\$157,746	\$1,530,079
2039	87					\$560,475	\$219,727	\$771,183		\$84,641	\$74,683	\$159,324	\$1,551,384
2040	88			\$594,104			\$149,395	\$832,877		\$85,487	\$75,430	\$160,917	\$1,576,376
2041	89			\$629,750			\$76,184	\$899,507		\$86,342	\$76,184	\$162,526	\$1,605,442
2042	90			\$667,535				\$601,392	\$370,076	\$87,205	\$76,946	\$164,151	\$1,639,003
2043	91			\$707,587				\$649,503	\$301,924	\$88,077	\$77,715	\$165,793	\$1,659,014
2044	92			\$750,042				\$701,464	\$230,935	\$88,958	\$78,493	\$167,451	\$1,682,441
Totals				\$636,742		\$1,202,185		\$2,499,617		\$5,332,515	\$2,499,617	\$1,838,927	

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2045	93					\$795,045		\$757,581	\$157,016	\$89,848	\$79,277	\$169,125	\$1,709,641
2046	94					\$842,748		\$818,187	\$80,070	\$90,746	\$80,070	\$170,816	\$1,741,005
2047	95					\$504,359	\$388,954	\$883,642		\$91,654	\$80,871	\$172,525	\$1,776,955
2048	96					\$534,620	\$317,325	\$954,334		\$92,570	\$81,680	\$174,250	\$1,806,279
2049	97					\$566,698	\$242,715	\$1,030,680		\$93,496	\$82,496	\$175,992	\$1,840,093
2050	98					\$600,700	\$165,025	\$1,113,135		\$94,431	\$83,321	\$177,752	\$1,878,859
2051	99					\$636,742	\$84,155	\$1,202,185		\$95,375	\$84,155	\$179,530	\$1,923,082
Totals						\$636,742		\$1,202,185		\$2,832,899	\$2,498,617	\$5,332,515	\$1,838,927

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