Prowealth®
Property | Investment | Management

Welcome to Prowealth®
Our Process | Our Formula

25 YEARS
ANNIVERSARY
1994 - 2019

Financial Freedom

The Formula

Property

Finance

Tax

You

Prowealth® Pathway to Financial Freedom

Investing for your future is simple.
That might sound strange coming from us, but it's true.

You can visit any real estate agent or financial planner read a glossy brochure, hand over your hard earned savings and then cross your fingers and hope it works out.

We see our role as your partner in wealth creation.

A service that justifies a life long relationship with you.
While we believe Property Investment is the safest way to invest for your future, there are a number of vital elements that must be considered to make your property investments work.

The Prowealth® Formula has four key elements:
Property, Finance, Tax and You.

Property
We look at location, inclusions, infrastructure through to property management. We work with award winning builders and developers to acquire you an investment property to our exact specifications. We manage the entire process as if it were our own.

Finance
We ensure your finance is setup correctly to free up cash flow, minimise the effect of interest and allow you to access equity when you need it.

Tax
We help you legally minimise your tax by using through structures and tax planning to decide who will receive the income and profit now and in the future.

You
Ultimately you are the most important part of the equation. Recognising the need to improve your financial position during your working life is an important first step. You need to consider your current assets, like your home and Super for example, and decide what you need to do to capitalise on the opportunities that lay dormant in them.

Our purpose is to improve your financial position through property.
Our process makes it stress free for you to get started or keep growing and our formula has presented families the opportunity to be financially free for over 25 years.

We can do it all for you or work with your own advisors to ensure the best possible outcome. We'll be here to help you every step of the way to financial freedom.

Prowealth® Trusted Property Investment Advice since 1994.

Daniel Goodwin
CEO

25 YEARS ANNIVERSARY 1994 - 2019

ASK QUESTIONS

THE PROCESS

Over 25 years, we've developed a process to ensure success through investment property.
Right now, we are at step one - asking questions.

When was the last time you sat down and really looked at your current financial position and where you might end up in 10, 20 or 30 years time?

The results may scare you.
We take a deep dive into your current financial beliefs, goals and aspirations.

We'll debunk some common myths and highlight some areas in your finances that may need attention.

Some of it is simply understanding where you might end up if you do nothing.

We believe the overall goal of any investment strategy is to gain the best return on your investment over time, the end result being a portfolio of assets that can create an income stream to pay off consumer debt and home loans, maintain a lifestyle in retirement, or simply to be financially free.

You need to make a choice, a choice to take action or a choice to be satisfied with the status quo.

Here are some reasons why...

"I'LL BE OK, I'VE WORKED HARD THERE'S THE ALWAYS AGE PENSION"

The full age pension for a single person is around $23,824 and $35,916 for a couple[1].
If you are eligible for the pension, and it still exists when you retire, could you live off this income for the following 20-30 years?

Age Pension Rates[1]	Single	Couple
Week	$458	$691
Fortnight	$916	$1,381
Year	$23,823	$35,916

Retirement Income	Years Retired	Assets Needed
$60,000	20	$1,200,000
$80,000	20	$1,600,000
$100,000	20	$2,000,000

"I'LL BE OK AS I HAVE SUPER"

The average super balance for a male aged between 40-44 years old is $99,959, and for a female $61,922[2]. The average long-term annual compound median return on a 'balanced' super fund account is 7.5% a year for the 26-year period to 30 June 2018[3]. With the average salary being $82,482[2b] that means the average person is putting aside just $7,835 per year (the 9.5% Super contribution) toward their retirement.

Depending on how long you have to go until you retire and the investment returns achieved in that time, Super alone may not be enough to fund you for another 20 years in retirement.

The table below demonstrates that with a starting balance of $100,000, a higher than average salary of $100,000 per year and compounding annual returns of 7% - in 15 years, you would have around $513,000 in Super to retire on. If you wanted to retire at 60 and $60,000 per year income, your super would last about 8.5 years getting you to just age 68!

Compounding Returns $100,000 starting balance, $100,000 income. (9.5% of $100,000 paid in each year)				
Average Return	5 years from today	10 years from today	15 years from today	20 years from today
3%	$164,501	$242,651	$333,249	$438,277
5%	$176,669	$280,597	$413,239	$582,528
7%	$189,536	$324,290	$513,290	$778,372
10%	$210,208	$402,341	$711,772	$1,210,115

Realistically if you wanted to live off $60,000 a year, and you lived till 80 years old, you would need to have accumulated over $1.2 million dollars of income producing assets and that's excluding inflation, interest and fees.

Try it yourself. Take your current income and multiply it by the number of years you'll be in retirement and that will give you a good guide as to the level of incoming producing assets you need to acquire between now and then.

[1]Sept 2018 inc Energy Supplement. https://www.superguide.com.au/accessing-superannuation/age-pension-rates.
[2]Association of Superannuation Funds of Australia, Superannuation account balances by age and gender 2015-16, October 2017, pg. 9
[2b]As of June 2018. https://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0.
[3] https://www.superguide.com.au/boost-your-superannuation/years-of-sg-performance.
[4]Mathematical calculation of compounding returns over time periods shown

THE FORMULA

Whilst everyone is different, we find most Australian's have very similar big picture goals...
1 - Save some of the tax they pay;
2 - Pay off the home loan as soon as possible;
3 - Understand their Superannuation better;
4 - Start investing (usually in property).

Maybe you've got some more...

....

....

....

Let's understand why these are some of the most important financial goals to have...

"I'D LIKE TO REDUCE THE AMOUNT OF TAX WE PAY"

The average wage in Australia is $82,482 per year[5]. That equates to approx $18,354[6] per year in tax.

If you were working for just another 15 years, that's $275,310 in tax. By investing in property, your tax can be put to work without changing the amount you take home each week.

Imagine saving just half of your tax over the next 15 years - that's around $137,655 that could be going toward paying for an investment property.

Understanding how tax works and how you can legally minimise your tax and divert it to asset building is a key part of the formula to financial freedom.

Your Income	$60,000	$80,000	$100,000	$120,000	$140,000	$160,000	$180,000
Tax[6]	$11,047	$17,547	$24,497	$31,897	$39,297	$46,697	$54,097 + 45% thereafter

Write you current income here	$	
Look up the tax payable above	$	(a)
How many years will you keep working?	$	(b)
Approx amount of tax you'll pay over your working life	$	(= a * b)

"I'D LIKE TO PAY OFF MY HOME LOAN AS SOON AS POSSIBLE, MAYBE IN 10-15 YEARS"

The average loan size in New South Wales is $445,500 and in Queensland: $341,700[7]. Unless you take steps to pay it off faster, you could end up still owing over $100,000 in 25 years time. If you plan on retiring before that, you might be in a bit of trouble! However if you could pay off your loan in 10-15 years, you could save $130,000-$270,000 in interest alone (based on NSW and QLD loan values above) and not have to worry about repayments anymore.

	Loan Balance	Interest Remaining	Loan Balance	Interest Remaining	Loan Balance	Interest Remaining
Today	**$250,000**	**$289,595**	**$350,000**	**$405,434**	**$450,000**	**$521,727**
In 10 Years	*$209,194*	*$151,564*	*$292,970*	*$212,190*	*$376,582*	*$272,816*
In 15 Years	*$177,586*	*$93,067*	*$248,795*	*$130,293*	*$319,713*	*$167,520*
In 20 Years	*$134,952*	*$45,535*	*$189,210*	*$63,749*	*$243,006*	*$81,694*
In 30 Years	*$77,445*	*$12,796*	*$108,838*	*$17,914*	*$139,539*	*$23,032*

Home Loan Balance showing time and interest remaining over 25 years[8]

"I'D LIKE TO START INVESTING - WITH PROPERTY"

The average price of a home in major capital cities and major regional areas of Australia has continued to rise over the long term. By leveraging your tax and structuring your finance properly, combined with careful research on properties within your budget, you can reasonably expect to build wealth over the long term through the safety of property. The table below shows that a property purchased for $400,000 today could be worth between $800 to over $1 million in around 15 years time. It's this passive equity that you can use to help fund your lifestyle in retirement or sooner.

Property Value At Various Average Growth Rates Over Time
Assumes a property initially worth $400,000. Table shows new value of property after average growth applied over time.

Average Growth	5 years from today	10 years from today	15 years from today	20 years from today
3%	$463,000	$537,000	$623,000	$722,000
5%	$510,000	$651,000	$832,000	$1,061,000
7%	$561,000	$786,000	$1,104,000	$1,547,000
10%	$644,000	$1,037,000	$1,671,000	$2,691,000

Mathematical calculation - table shows new value of property after average growth applied over time.

[5] *As of June 2018. https://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0.*
[6] *Income Tax for Individuals ATO 2018/19 Tax rates.*
[7] *March 2018, according to the ABS, https://www.realestate.com.au/home-loans/much-average-mortgage-australia.*
[8] *Mathematical calculation based on constant 6% interest rate and minimum principal and interest repayments over 30 years.*

TAX

TAX

How you structure your investment for tax purposes will have a significant impact on your potential returns and future growth. The main goal is to maximise the family's wealth and protect its assets. This can only be achieved if you seek advice and establish your structure before you invest. Key factors to consider are :

- Who should have the right to receive income and/or capital gain, both now and in the future?
- Are you a high-risk person where the asset should be protected against possible future creditors?
- Are there family concerns as to who should own the asset or receive income from it in the future?
- Are there statutory requirements governing which structure should own the investment?

There are five main areas of tax we address in our formula :

Income Tax

Capital Gains Tax

Land Tax

Stamp Duty

Depreciation

Whilst we can't go into details on all of them here and now, we'll be happy to explain thier effect on your wealth when we meet. This ensures you keep as much money as possible, today and tomorrow.

TAX OWNERSHIP STRUCTURES

Purchasing as Joint Tenants (Equal shares)

This is the most common form of property ownership and is generally a husband and wife each having a equal ownership. The advantage is that this structure is free to establish and is easy to understand and operate. The disadvantage is that tax deductions are limited to the percentage of the ownership you actually own. As a simple example, if there are $12,000 in deductions for a property the husband and wife can only claim $6,000 each. If the husband was the only income earner this limits his ability to claim maximum deductions whilst the deduction to the wife would be wasted if she had no taxable income.

Purchasing as Tenants in Common (in unequal shares)

To get around the above problem many people have been advised to put the majority percentage ownership into the name of the highest income earner, For example 99% Husband, 1% Wife. The long term problem is that as the property becomes positively geared or is sold many years down the track, the income or profit is allocated as per the ownership percentage and could result (in this case) in the husband paying more income tax or increased capital gains tax.

Company Structures

A company is subject to different tax laws. A company pays tax at 27.5% (2019)[9] whether it earns one dollar or a million dollars. This could be of benefit to an individual paying the highest marginal rate of 45% (2019). It is generally recommended that a company structure be avoided if your investment strategy is to purchase a property and hold it for long- term growth as a company pays capital gains tax on the entire growth of a property when it's sold. Other structures like 'Joint Tenants' and 'Tenants in Common' may only pay tax on 50% of the growth. Company structures may be advantageous for developers and short term deals.

Trust Structures

There are many different types of trusts and they are all used for different purposes. Trusts are based on the concept of a 'Trustee' looking after an asset on behalf of a 'Beneficiary'. Common Trusts include 'Unit Trusts', 'Family' or 'Discretionary' Trusts, 'Hybrid' Trusts and 'Bare' Trusts and all have different advantages and disadvantages depending on how they are used.

Self Managed Super Fund Structures (SMSF)

A SMSF is a special type of Trust that holds assets on your behalf until retirement. In simple terms, you can move the balance of your existing fund and pay your Super Contributions into your SMSF and then decide the best investment options. SMSF's can have between 1 and 6 members and generally can invest in property, shares, managed funds, cash or other assets provided the investments are in the best interest of the fund members. Be sure to speak to a licensed financial advisor before investing your Super.

	Joint Tenants	Tenants in Common	Company	Trust	SMSF
Tax Structures	EQUAL SHARE	UNEQUAL SHARES 90% 10%	DIRECTORS YOU COMPANY YOU EMPLOYEES	YOU TRUSTEE TRUST YOU BENEFICIARIES	YOU TRUSTEE SMSF YOU MEMBERS

DEPRECIATION - An important tax consideration

Did you know, depreciation is usually the second largest tax deduction available to investors after interest payments?

While many investors consider location, purchase price and tenanting ability when contemplating a purchase, they often overlook depreciation as an important factor. Depreciation can aid cash flow resulting in the investor having thousands of additional dollars each financial year. Perhaps the biggest factor in getting the most depreciation benefit is the age of the property. Whilst both new and older properties will attract some depreciation deductions, the Australian Government has now legislated amendments to plant and equipment (division 40) deductions on second-hand residential properties.

Put simply, if you purchases a second hand property today, you will be unable to claim deductions for Plant and Equipment (items like dishwashers, air conditioners, blinds, floor coverings). You will still be able to claim capital works deductions for the structural component of a property however these are at the lower rate of 2.5% over 40 years.

Brand new properties have the benefit of being able to claim plant and equipment deductions from the start, which could result in tens of thousands of dollars in tax deductions (over $30,000 difference in the example below) as opposed to a second hand property of the same value.

This makes the choice between a new property and a second hand property even more important as the deduction available can drastically alter the cash flow and therefore the ability to service your investment.

Depreciation claims on a second hand 200sqm house
Built 2016, Purchased 2019[10]

Year	Plant & Equipment	Capital Works	Total
1	$0*	$5,900	$5,900
2	$0*	$5,900	$5,900
3	$0*	$5,900	$5,900
4	$0*	$5,900	$5,900
5	$0*	$5,900	$5,900
Total	$0*	$29,500	$29,500

Depreciation claims on a brand new 200sqm house
Built 2019, Purchased 2019[10]

Year	Plant & Equipment	Capital Works	Total
1	$10,000	$5,900	$15,900
2	$9,000	$5,900	$14,900
3	$6,700	$5,900	$12,600
4	$5,100	$5,900	$11,000
5	$4,400	$5,900	$10,300
Total	$35,200	$29,500	$64,700

[9] *27.5% when the company as an aggregated turnover less than the aggregated turnover threshold – which is $25 million for the 2017–18 income year.*
[10] *https://www.bmtqs.com.au/tax-depreciation-calculator. A second hand house built in 2016 purchased in 2019 & brand new house built and purchased in 2019, for the same price and both with a medium level of finish, approx 200sqm in size in Brisbane using a 37% marginal tax rate.*

FINANCE

HOW MUCH WILL THE BANK LEND YOU?

Most Australians are comfortable with borrowing money to buy a property. We believe its important to use a specialist mortgage broker who understands investment property and what your future growth plans are. A specialist investment lender should work hand in hand with your advisors to ensure -
• The best chance of getting your loan approved,
• The most appropriate lending product and rate for your circumstances,
• Compliance with strict lending guidelines set down by the government.

Lenders will look at many criteria when assessing you for a loan. The most critical things for property investors are :
• Your ability to repay that loan (known as your Debt Servicing Ratio or DSR); and
• The amount you wish to borrow and where the deposit and costs will come from (known as the Loan to Value Ratio or LVR).
• The concept of Mortgage Insurance - which is a fee paid to the lender if you need to borrow more than 80% of a property's value, (known as Lenders Mortgage Insurance or LMI). As you run out of equity, LMI is crucial to growing your portfolio.

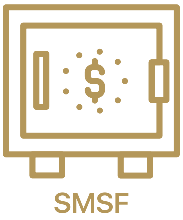
Debt Service Ratio (DSR)

Home Loan to Value Ratio (LVR)

Australian banks are amongst the most prudent in the world when it comes to lending standards so you can be sure that if they say yes, you can comfortably afford your loan. Sometimes that loan amount may be less than you were hoping for as different banks have different criteria for assessing you against a loan. Its another reason to use a specialist mortgage broker who can 'shop around' and find the best deal for you.

Lenders Mortgage Insurance (LMI) - $400,000 property purchase[11]				
	20% (80% lend)	15% (85% lend)	10% (90% lend)	5% (95% lend)
Deposit Amount	$80,000	$60,000	$40,000	$20,000
Stamp Duty/ Legals	$14,490	$14,490	$14,490	$14,490
Mortgage Insurance	$NIL	$3,910 Tax Deductible	$7,056 Tax Deductible	$13,984 Tax Deductible
Total Required	$94,490	$78,400	$61,546	$48,474

[11]*Source - NSW Property $400,000 - https://www.yourmortgage.com.au/calculators/mortgage_insurance/result/*



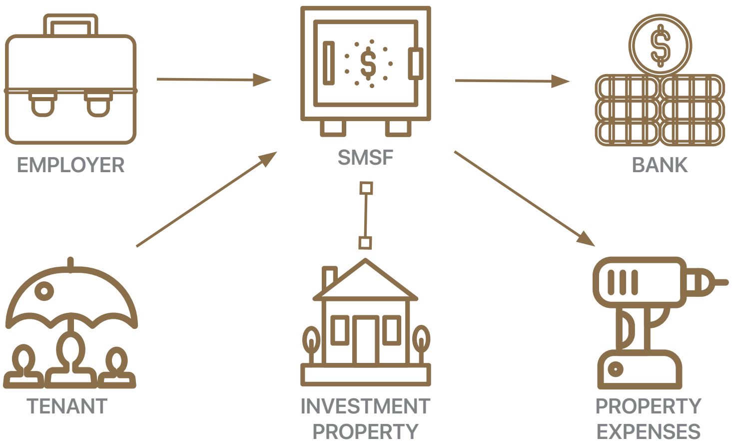
SELF MANAGED SUPER FUNDS (SMSF) LENDING FOR PROPERTY

SMSF's are becoming an increasingly popular way for people to take control of their Super. Primarily the most important issue for most people who choose to run a SMSF is the level of choice and control they can exercise over the investments in the fund.

A SMSF may be able to borrow to acquire a residential investment property providing the following conditions are met -
- The borrowed funds are used to purchase a 'Single Acquirable Asset'; (e.g. established or recently built property).
- The SMSF must comply with all other relevant Super laws for example the 'In House Asset' restrictions;
- The asset must held on trust for the SMSF by another entity; (known as a 'Bare Trust').
- The SMSF must have the right to acquire legal ownership of the asset by making payment.
- The lender's recourse against the SMSF must be limited to the underlying asset (ie the purchased property). The lender must not have a right of recourse against other assets of the fund. The lender does not necessarily need to be a bank, a number of options are available including the ability to borrow from personal funds.

Where a fund invests a significant portion of its assets in real property, the trustees must ensure that the funds level of investment in direct property is in line with the fund's investment strategy, including diversification of assets, liquidity, and maximization of member returns in the fund.

How does a SMSF purchase a property?
Our example below provides a basic overview. Seek advice before making decisions on your Super.



SMSF INVESTMENT PROPERTY

Purchase Price of $500,000

BANK The SMSF will get a loan. Lets assume a deposit of 30% is paid and the balance is borrowed from the bank. $150,000 deposit | $350,000 loan.Repayments at 6.5% are $22,750 per year.

EMPLOYER Pays the 9.5% Super contributions into the SMSF. Let's assume members of the fund earn a combined $150,000 per year. That means super contributions of $14,250 per year.

TENANT The SMSF receives the rent paid by the tenant. Lets assume $475 per week or $24,700 per year.

EXPENSES The SMSF will be responsible for the costs of running the property. Lets assume 1% of the purchase price per year for rates, insurance, property managers fees etc. In this case $5,000 per year.

SMSF Cash Flow Example - $500,000 Investment Property Purchase Employer Contribuitions of 9/5% of $150,000 Combined Income			
Super Contributions *9.5% of Combined income of $150,000*	$14,250 = **$274pw**	**Bank Loan** *70% LVR Loan $350,000*	$22,750 = **$437 pw**
Rent *$420 per week*	$24,700 = **$420pw**	**Property Expenses** *1% of purchase price*	$5,000 = **$96 pw**
Total Income	$38,950 = **$694pw**	**Total Costs**	$27,750 = **$533 pw**
Net Cash Flow +/-	+ $11,200 = **$215pw**		

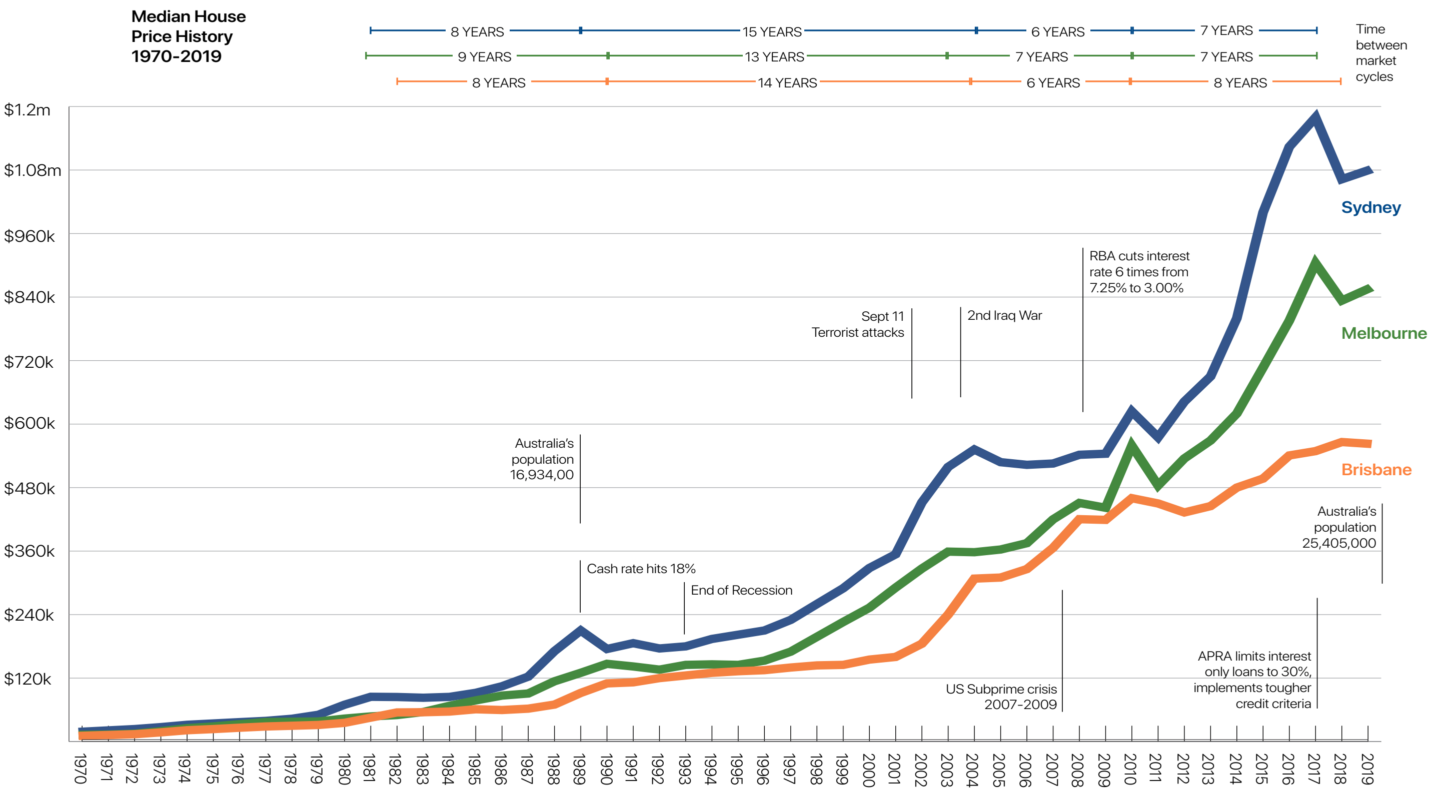
This is an example only. The table shows the positive cash flow from example figures used in the above diagram. Excludes fees and taxes and other costs where applicable. Does not take into account any other transactions of the SMSF.

PROPERTY

PROPERTY INVESTMENT

Property in Australia has always been a key wealth builder for Australian families and has proven to be a relatively safe investment as long as it is in the right area, has the right infrastructure around it, is professionally managed and you know in advance of the associated costs to hold it. Property markets move in cycles, reflecting the underlying strength of the economy, political factors, demographic trends and market sentiment. Professional property investors understand that what they are really buying is time, and therefore investment property should only be considered where the investment time frame is 10-15 years or more.

The graph shows the market cycles and time between peaks whilst the table opposite shows where over 10 to 15 years of ownership, over 48% of investors doubled their money and after 15 years or more a staggering 95% of investors doubled their money[12].



Length of Ownership	Proportion of Property Re-Sales Sold for a Profit By Length Of Ownerships[12]					
	Loss	0% to 10% Profit	10% to 25% Profit	25% to 50% Profit	50% to 100% Profit	100% or more Profit
Less than a year	12.10%	48.30%	21.60%	10.20%	4.60%	3.30%
1 year to 3 years	10.30%	29.30%	32.30%	19.60%	4.80%	3.80%
3 years to 5 years	18.70%	25.60%	26.20%	19.80%	5.60%	4.10%
5 years to 7 years	16.70%	18.50%	23.30%	23.80%	13.40%	4.40%
7 years to 10 years	9.70%	9.70%	18.00%	27.80%	25.20%	9.60%
10 years to 15 years	2.90%	2.40%	5.00%	12.80%	28.30%	48.60%
15 years or more	0.30%	0.10%	0.40%	0.60%	3.40%	95.20%

Over longer time periods, property prices and rental demand are mainly determined by fundamentals such as jobs and infrastructure. When it comes to investing, one of your greatest allies is time. It has a moderating effect on property investing risk, and the longer you hold an investment, the more likely you are to enjoy capital growth.
It's important to get the formula right to buy enough time!

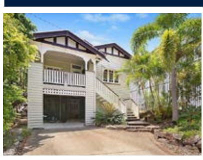
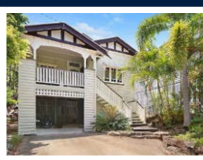
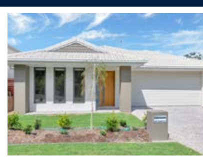
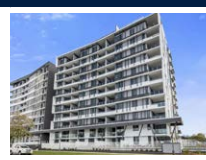
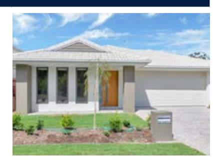
WHAT ARE THE 'OUT OF POCKET' COSTS?
The core concept behind property as an investment is that it should grow in value over time.

History shows us that you need to be able to hold onto your property over the medium to long term (10-15 years) to see the best results. That's why its important to conduct a cash flow analysis to discover the true holding costs after any rental and tax benefits are taken into account. This will tell you how much you, or your SMSF, may need to contribute towards the property (along with the rental income) to meet the loan repayments, council rates and other property costs. We like to work on a 'cost per week'.

There's little point in looking at a property that will cost you $200 per week if you can only afford to invest $100 a week.
Whilst this seems like common sense, it means that sometimes you may need to select the next best location, or next best property from your list in order to keep in line with your budget or you risk over committing and having to sell your investment property before you achieve the growth you want.

Here's an simple example of property cash flow[13] based on a couple earning $100,000 and $45,000 per year. You'll see that the tax structure and type of property can vary the cost per week substantially so its important to get it right.

Comparison of holding costs by tax ownership structure and property style[13]

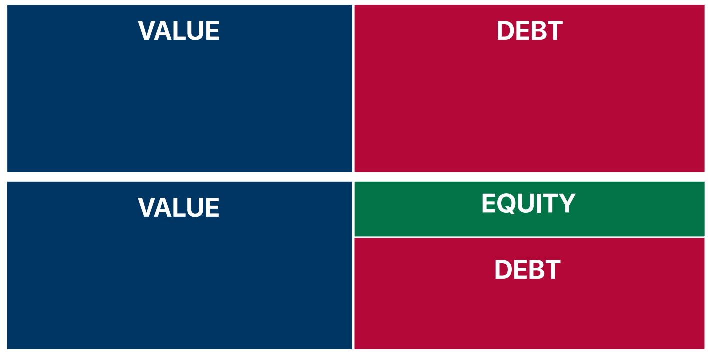
						
Type of Property	2nd Hand House	2nd Hand House	New House & Land	New House & Land	SMSF Unit (New)	SMSF House (New)
Tax Structure	50% / 50%	99% / 1%	50% / 50%	99% / 1%	SMSF	SMSF
Price	$500,000	$500,000	$500,000	$500,000	$450,000	$500,000
Rent	$475	$495	$450	$450	$400	$475
Minimum Deposit	$100,000 (20%)	$100,000 (20%)	$100,000 (20%)	$100,000 (20%)	$135,000 (30%)	$150,000 (30%)
Tax Savings	$3,104 10.1% Saving	$3,301 10.7% Saving	$6,264 20% Saving	$6,467 21% Saving	$5,559 100% Saving	$7,518 100% Saving
+/- Cash Flow per week	Negative $26 per week	Negative $22 per week	Positive $5 per week	Positive $9 per week	Positive $22 per week	Positive $22 per week

[12]Source- CoreLogic RP Data's Pain & Gain report for the September quarter 2014.
[13]Figures above are based upon an $100,000 and $45,000 ownership split as shown, 4.6% interest only rate (6.25% for SMSF), council ($1,800), strata ($4,000 on units only), water ($350), insurance ($900) and estimated depreciation benefits (2019 built 210sqm house - $12,500, or 2016 built 200sqm house - $4,500) or unit (55sqm unit - $5,200) and repairs of $2,500 per year for the second hand homes. New house purchase price based on split contract of $220,000 for land and $280,000 for build contract. SMSF structure figures are based on SMSF balance of $200,000, SMSF income of $13,875 Super Guarantee Contributions (9.5% of $145,000 member income). Tax saving is year one. Excludes any structure establishment costs but includes annual costs of $4,520. Seek advice before using your Super. Pictures are for illustration only. Source - Prowealth Property Investment Calculator.

STRATEGIES TO CAPITALISE ON YOUR INVESTMENT PROPERTY OVER TIME

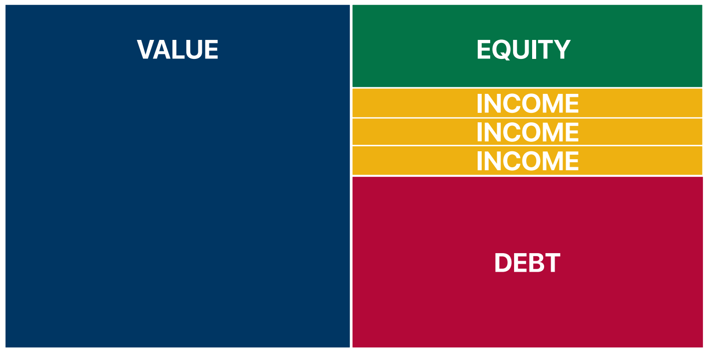
In the beginning

Often when first purchasing the property there will be little to no equity available and sometimes might even be negative if you borrowed extra for costs like stamp duty and legal costs. As time goes on the property should experience some capital growth. At the same time, the debt level often remains the same as when you started as most investment loans are interest only. The difference between the value and the debt is called equity which can now be used to help achieve your goals.



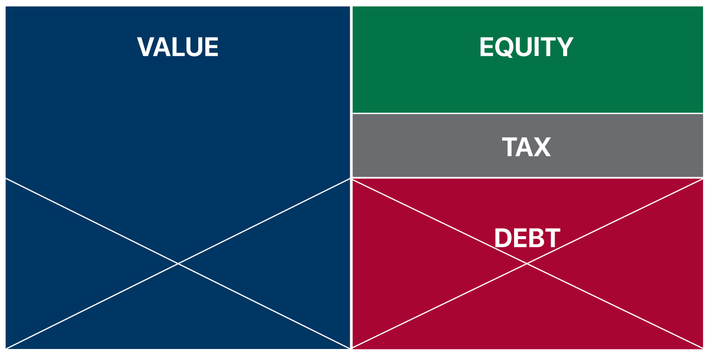
Draw on equity strategy

Involves borrowing on the available equity by establishing a line of credit. Pro's - You don't need to sell the property to access the money (tax free) and whilst the debt will increase, so will the value over time. Con's - You need to have significant growth and a number of properties if you intend to do it multiple times or take enough money to live on.



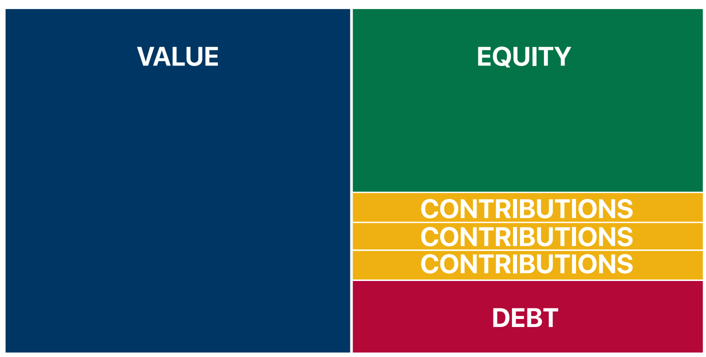
Buy and sell strategy

Perhaps the simplest, it involves selling the property once you believe there has been substantial growth. Pro's - You can use the money to pay off debt like home loans and credit cards. Con's - You will likely pay capital gains tax and agent costs which could eat into the profit and you will no longer have the asset which could have grown in value further.



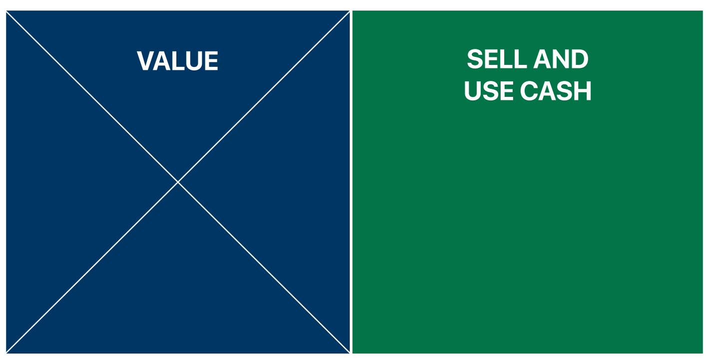
Potential SMSF property accumulation strategy

If using an SMSF to purchase property you could direct your employer or salary sacrifice contributions into the loan to repay it faster. Pro's - A debt free property in Super could create more tax free income in retirement. Con's - You can't access the equity personally nor recoup or redraw your contributions once paid into the loan. Seek advice before engaging in a property via Super Strategy.



Potential SMSF property retirement strategy

You may choose to sell the SMSF property in retirement and access the equity or profit tax free. As you are now fully retired you can use the cash to fund lifestyle or pay off other debts and enjoy your retirement. Seek advice before making a decison with your super.



YOU

YOU

You’ve taken the first step toward financial freedom and we would be grateful to be able to assist you on your journey. The next step is learning about you.

Are you ready to make the choice to improve your financial position?

Call us on **1800 13 22 64** and we’ll get started.

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