

CASE STUDY: MARRIED WORKING COUPLE

02.2020

- Lives in Texas
- 65 years old
- \$600,000 in assets
- Ready to retire



CHECK OFF THE BASICS: PROTECTED LIFETIME INCOME FOR ESSENTIAL EXPENSES

Expenses Based on Texas Averages and Assumptions

- Mortgage: \$12,000 (**\$1,000/mo**)
- Utilities and Home Maintenance Cost: \$14,000 (**\$1,167/mo**)
- Average Annual Groceries Cost: \$6,000 (**\$500/mo**)
- Average Health Insurance Cost: \$6,000 (**\$500/mo**)
- Average Transportation Spending: \$5,500 (**\$417/mo**)
- Owners of Two Horses: \$7,000 (**\$583/mo**)

TOTAL BASICS: \$50,000 (**\$4,167/mo**)

Joint Social Security: \$40,800 (**\$3,400/mo**)

SHORTFALL: \$9,200 (**\$767/mo**)

Add an Annuity to Check off the Basics

If they purchase an annuity for \$200,000 (33% of their assets), it could generate a protected lifetime income of \$9,821 annually (\$818/mo). This purchase will cover their basic expenses but still leave them \$400,000 to generate probable income to pay for other expenses. Their basics will be met. They can stay in their house, buy groceries, have transportation and participate in a hobby they are passionate about. And it's all protected.

These illustrative profiles are provided for education and information purposes only.

Annuity payments are for example only. Purchase and monthly payment amounts cited are from an actual quote based on the personal profile described above and reflecting current market conditions, but monthly income will vary based on type of annuity and provider.

Expenses are based on state averages, U.S. Census Data and certain assumptions.