



Behavioural Cash Flow Planning

Behavioural Cash Flow Planning™ is for all stages of life! Young families who have experienced a reduction in income due to maternity/ parental leave or the strain of paying off a wedding experience huge benefits from a Behavioural Cash Flow Plan™. In fact, young families are often the ones that need it the most!

Take a look at James and Anna's Details:

James is an architect and Anna is a teacher. They have two young children with a third on the way. A few years ago they lucked out and bought a fixer-upper at a fraction of the price that most homes in the area go for. As a result, they were feeling strapped every single month and felt like they really needed to do something before they got in over their heads. Travel is important to them, but they haven't been able to do much of that lately because of their limited cash flow.



INCOME

\$13,000/mo Net Average Income

EXPENSES

\$12,500/mo

ASSETS

\$0

DEBT

\$3000 Mortgage/mo
30-Year Amortization, Home Worth \$1.2 Million

\$300/mo Car Loan 2

\$200/mo Credit Card

\$300/mo Car Loan 1

\$100/mo Credit Card

\$200/mo Line of Credit

James and Anna only had two debts when they moved into their home. But maternity leave, several unplanned expenses, over-budget renovations to their fixer-upper, plus two car loans they were “approved” for, has caused their debt to grow by bounds.

Review James and Anna’s debt totals:

TOTAL DEBT

\$654,500

TOTAL DEBT WITHOUT MORTGAGE

\$54,500

TOTAL MONTHLY PAYMENT

\$4,100





Wondering how two people with a combined gross income of \$200,000 per year feel so strapped and are \$654,500 in debt? Plenty of people are in this situation, aren't they?

THIS COULD HAPPEN TO ANYONE

After they had their mortgage in place they borrowed on credit cards, which they always meant to pay off, and purchased two cars they were convinced they could afford. As you can see, it's a lot more than they can really handle. Before they decided to get a Behavioural Cash Flow Plan™, over \$4,100/month of their income was going toward debt repayment. They decided it was time to consult a Certified Cash Flow Specialist™ Advisor to help reach their financial goals.



A Behavioural Cash Flow Plan Helped James & Anna Get Back On Track

They refinanced their home for \$625,000 and followed their Behavioural Cash Flow Plan™ to avoid racking up credit card debt. They are now on track to be debt free in 17 yrs! They've left the car loans outside of their mortgage refinance. They started saving \$4,700 per month towards short and long term goals. The results of these changes also saved them over \$250,000 in interest. James and Anna were able to start taking a vacation again using saved funds to the tune of \$6,200/year. Over the

course of this plan, they'll put away over \$350,000 and have \$500 a month to cover their insurance needs. To summarize, a Behavioural Cash Flow Plan™ found \$4,700 a month to help this family fund their life. The total money found over the course of the plan is \$650,000. Thanks to the changes in their debt implemented by their Behavioural Cash Flow Plan™, their total expenses were reduced to \$8,300/month, and James and Anna were able to reach the goals most important to them.