

WEALTH BROKER

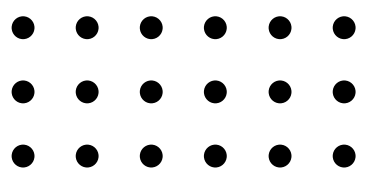
**HELPING YOU GROW YOUR BUSINESS
AND CLIENT ENGAGEMENT.**



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THE NUMBERS



It has only been since late 2007 that it became possible for an SMSF to borrow to purchase an asset such as a direct property . And the only way to validly do this is via a limited recourse borrowing arrangement (LRBA).

As of March 2024, there are 616,400 SMSFs in Australia, with a combined total of more than 1.1 million members. These self-managed superannuation funds hold assets totaling \$876 billion. The average assets per SMSF are \$1.3 million.

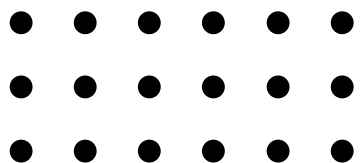
The average taxable income of all SMSF members was \$127,000, the median age of SMSF members of newly established funds was 46 years.

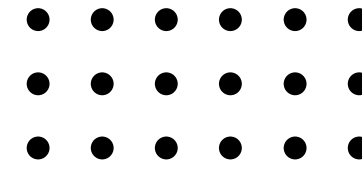
The average age for all SMSF members was 61 years.

The average member balance for funds established in 2020–21 was \$217,000, an increase of 6% from 2019–20 and a decrease of 17% from funds established in 2016–17

Today, it's widely accepted that \$250,000 in assets is the accepted benchmark for establishing an SMSF. With that balance, SMSF Association research shows that an SMSF can be competitive in terms of costs and investment returns compared with larger funds.

But with greater control comes more responsibility. It's essential to recognise that a shared SMSF comes with risks related to member behaviour and life events such as bankruptcy, death, or divorce. Adequate preparation for these scenarios is crucial in managing a collective SMSF.





THE OPPORTUNITY

A great deal of Australians are continually looking for opportunities to grow their personal wealth and retirement funds by building a property portfolio.

Using a SMSF/Property strategy allows some of your clients to leverage debt via a limited recourse borrowing arrangement (LRBA) to kick start their wealth creation.

This strategy generally doesn't impact on their personal financial lives, so you clients can continue to pay off existing debts or build more wealth outside of the Superannuation environment without impacting on their personal cashflows.

If you clients have average or above average incomes with joint superannuation balances in excess of \$250,000. This could be a great wealth creation tool and strategy for them. The end result is a new loan or property sale for you and a highly engaged client.



WHY HAVE A SMSF?

The desire by individuals to have greater control over their retirement savings and investment choices is the prime driver behind the decision to establish a self-managed super fund (SMSF). By pooling resources with your spouse or family members (SMSF's can now have up to six members), investors can access larger sums for potentially more lucrative investments.

But these are not the only reasons, small business owners may hold their business premises in their SMSF for various reasons, including asset protection, succession planning and security of tenancy.

Buying direct property as an investment is still preferred by many Australians and this can be achieved using pooled Superannuation monies.

AS AN SMSF TRUSTEE: YOU ARE THE RESPONSIBLE ENTITY FOR

- ◆ Making contributions to your SMSF
- ◆ Choosing and managing your investments
- ◆ Ensuring your SMSF complies with the super laws
- ◆ Keeping your SMSF records up to date
- ◆ Providing information to your SMSF trustee
- ◆ Managing your SMSF
- ◆ Make sure your SMSF complies with the super laws
- ◆ Keeping your SMSF records up to date
- ◆ Providing information to your SMSF members

WHO CAN BECOME A SMSF MEMBER AND TRUSTEE

You can be a SMSF member if you are:

- 18 years of age or over.
- Employed or self-employed.
- A temporary resident of Australia (with a valid visa).

You can be an SMSF trustee if you are:

- 18 years of age or over.
- An Australian citizen or permanent resident.
- Not bankrupt or a disqualified person.

WHAT DOES A POTENTIAL CLIENT LOOK LIKE!

If I was to describe the demographic/target market this strategy would suit it would read a little like this

- Aged between 30-55
- Pooled superannuation balances of over \$250,000
- Two income family or one professional income
- Two business partners pooling superannuation to buy business property
- Clients with a little investment acumen or experience, perhaps they already own an investment property or their own home or are in business.

WHAT WEALTH BROKER DOES FOR YOU

We will spend the time getting to know you and your business.

If we can understand your business model, we can help educate you on finding the potential client referrals from within your existing business, or the clients you are meeting right now.

This means other than a little time and effort you can generate new business leads for almost a zero cost.

We will give you the marketing material to share with your clients to help you engage them on this wealth creation strategy.

We will communicate on a weekly basis with you and report back on every client that is referred to us and at what stage in the process your client is at in the advice process.

We offer your clients a “one stop shop” service by using one of Australia’s leading SMSF online specialists. We take your clients on an educational journey from simply explaining what a SMSF is, to full detailed advice and then the set up and ongoing management of their newly formed SMSF.



A LITTLE ABOUT PLANNING FOR SUCCESS (PFS)

Sean Prosser and his team at Planning for success has been helping people grow wealth and retire happily for over 2 decades.

He offers Holistic financial advice and is a SMSF and Retirement specialist and works with clients all over Australia. His business reputation has been built on his clear focus of helping his and your clients reach their goals and dreams with simple education and easy to understand financial advice.

PFS is not associated with any financial institution or bank, it is purposely licensed under a Licensee that is not aligned to any institution or is conflicted in any way.

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