



# In your 30s

## - Baby, it's cold out there

For many, these have become the baby making years. Parenting can be stressful. There is no manual. And you're not sure if you're doing it right, and you're getting endless advice on how to do it from all sorts of people. There is lots to keep on top of and time absolutely flies.

The 30s can bring with them 'money troubles', mainly because you're stretching every dollar. Time off work to have kids, then day care fees when you go back to work means you're effectively working for less. Add to this, mortgage repayments; savings; education costs; everyday things you need like food and petrol; the list goes on.

This is also the time you're most likely to be putting a big red sold sticker across an auction board and taking on a significant mortgage.

There's a lot going on and a lot to plan for – and if you don't stop and look at your life, you may wake up one morning and wonder where 10 years went.

### Six-point checklist:

- ✓ **Do a budget:** and stick to it. People hate to hear the word budget, but it doesn't mean "miss out on things", it just means track your money and be careful.
- ✓ **Save for a home deposit:** if you're renting, determine the house you want, the loan you need to get it, then work backwards. If your mortgage payment would be \$650 per week and your rent is \$400, you should be saving a minimum of \$250 per week.
- ✓ **Don't plan for kids:** you might never feel 100% ready to start a family, but if you want kids and you are in reasonably good shape, then why not go for it.
- ✓ **Think super:** By now you may have had a few different jobs and may have accumulated several super accounts. Review what you have and where's best.
- ✓ **Get a Will:** if you've got kids, having a valid Will in place is essential.
- ✓ **Check insurance:** you really need to see a Financial Planner to get this sorted. Mortgage Insurance? It just covers the bank, not you.

### Where we can help you

- Managing your savings
- Managing and reducing your debt
- Developing and building an investment portfolio
- Buying or upgrading your home
- Looking after your superannuation
- Growing your superannuation
- Planning for a family
- Protecting your lifestyle and assets

### How can we help you

- Establishing a savings plan
- Strategies and solutions to reduce your debt
- Establishing an investment portfolio customised to your comfort levels
- Consolidating and choosing a superannuation plan that suits you
- Contributing and growing your superannuation savings
- Applying or modifying your risk insurance

## Case Study

Anna and Dave are aged 35. Dave is a highly paid executive earning \$170,000 per annum. Anna hasn't worked since having their two children aged 7 and 5 but used to work as a kindergarten teacher. They live in a home valued at \$1 million, with \$600,000 mortgage. Both their children attend private schools. On Dave's income, they are able to live a comfortable lifestyle and have accumulated \$50,000 in savings.

### **If Anna and Dave didn't have insurance cover:**

Dave maintains a regular fitness routine and a healthy lifestyle but has an unexpected stroke while jogging one morning and dies on his way to the hospital. While Anna and their family are mourning, and processing the changes, Anna must take control of their finances. She makes plans to return to work but on her \$50,000 salary she is unable to meet mortgage repayments and pay her children's private school fees. Anna decides to sell the family home and purchase a house in the outer suburbs and enrol the children in public schooling. This is disastrous, at a time when Anna and the children need the support and love of their friends and family, they are forced to make big changes to their lives and move far away from their support network and loved ones.

### **If Anna and Dave had insurance cover:**

*Life and Total & Permanent Disability Cover:* Anna and Dave could have taken out Life Insurance. For Dave, life insurance of \$1.5 million would have covered their home mortgage, private schooling fees and their living expenses for the next few years. For Anna, cover of approx. \$1.1 million would have helped Dave pay out their home mortgage, fund private schooling fees and enough funds to give Dave the choice to reduce his working hours or change his career. Total & Permanent Disability insurance should also be of similar levels.

Had Dave had adequate personal insurance Anna and the children would not have the disruption of moving home and school while dealing with their grief. Anna would also have the choice to work part time instead of full-time once things settled down a bit.

*Trauma Cover:* Anna and Dave could have taken out Trauma Insurance of approximately \$200,000 each in the event of suffering a critical illness, such as cancer or a heart attack. If Dave had survived his heart attack this amount could have helped fund the medical expenses, the loss of income while Dave was not working and the change in their lifestyle.

*Income Protection:* Dave could have had insurance in place to protect his most important asset, his Income. If Dave survived his heart attack but was unable to return to work while he recovers, he would have received monthly payments to help meet his family's expenses.

***Remember: the default personal insurance rates available through some superannuation funds, may not offer adequate protection.***

**Insurance payouts bring Dignity, Security and Stability to you and your family when you need it most. We can assist you determine what cover you need.**



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