

THE BOUDREAUX FAMILY ANALYSIS

Friday, April 24, 2009

INCOME NEEDS FOR JACQUES AND MARIE BOUDREAUX

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC
FRIDAY, APRIL 24, 2009

After Tax Income Objective \$72,000

Cost of Living Increase 4 %

After Tax Investment Rate Assumption 8 %

Begin Year 01/01/2009

End Year 12/31/2054

Required Resources \$1,601,440

Valuation Model Consumption

INCOME SOURCES AVAILABLE FOR FINANCIAL INDEPENDENCE FOR JACQUES AND MARIE BOUDREAUX

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC

FRIDAY, APRIL 24, 2009

<i>Income Description</i>	<i>Income Amount</i>	<i>Cost of Living</i>	<i>Begin Year</i>	<i>End Year</i>	<i>After Tax Investment Rate</i>	<i>Net Present Value</i>	<i>Probability Discount</i>	<i>Potential Tax</i>	<i>After Tax and Discounts</i>
Jacques									
salary	\$120,000	3 %	01/01/2009	12/31/2024	8 %	\$1,377,911	0 %	\$0	\$881,863
social security income	\$24,000	3 %	01/01/2019	12/31/2053	8 %	\$194,421	0 %	\$0	\$124,430
<i>Jacques Total</i>						\$1,572,332	\$0	\$566,040	\$1,006,293
Marie									
salary	\$65,000	4 %	01/01/2009	12/31/2020	8 %	\$639,185	0 %	\$0	\$409,079
social security income	\$24,000	3 %	01/01/2020	12/31/2054	8 %	\$180,020	0 %	\$0	\$115,213
<i>Marie Total</i>						\$819,205	\$0	\$294,914	\$524,291
Boudreaux Family Total						\$2,391,537	\$0	\$860,953	\$1,530,584

ASSETS AVAILABLE FOR FINANCIAL INDEPENDENCE FOR JACQUES AND MARIE BOUDREAUX

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC

FRIDAY, APRIL 24, 2009

<i>Asset Description</i>	<i>Asset Value</i>	<i>Asset Debt</i>	<i>Net Asset Value</i>	<i>Valuation Discount</i>	<i>Potential Discount</i>	<i>Tax Rate</i>	<i>Cost Basis</i>	<i>Potential Tax</i>	<i>After Tax and Discount Asset Value</i>
Jacques									
<i>Cash</i>									
Checking Accts-3	\$81,655	\$0	\$81,655	0 %	\$0	0 %	\$81,655	\$0	\$81,655
<i>Total Cash</i>	\$81,655	\$0	\$81,655		\$0		\$81,655	\$0	\$81,655
<i>Investment Real Estate</i>									
Birch St.-NOLA II, LLC	\$455,000	\$168,932	\$286,068	10 %	\$28,607	25 %	\$165,000	\$65,348	\$192,113
Birch St.-NOLA V, LLC	\$400,000	\$218,174	\$181,826	10 %	\$18,183	25 %	\$160,000	\$55,454	\$108,189
Constance-NOLA Restoration I, LL	\$510,000	\$132,499	\$377,501	10 %	\$37,750	25 %	\$22,500	\$112,437	\$227,313
Danneel -NOLA III, LLC	\$510,000	\$266,439	\$243,561	10 %	\$24,356	25 %	\$135,000	\$87,661	\$131,544
Fourth St.-WEGO, LLC	\$2,000,000	\$466,564	\$1,533,436	10 %	\$153,344	25 %	\$400,000	\$361,664	\$1,018,428
Hickory St.-NOLA Restoration VI, L	\$450,000	\$218,680	\$231,320	10 %	\$23,132	25 %	\$181,800	\$61,267	\$146,921
NM-Adobe School House, LLC	\$420,000	\$69,914	\$350,086	10 %	\$35,009	25 %	\$225,000	\$39,998	\$275,080
Pitt & Millaudon - NOLA IV, LLC	\$390,000	\$65,632	\$324,368	10 %	\$32,437	25 %	\$142,000	\$53,891	\$238,040
Prytania St., LLC	\$625,000	\$226,065	\$398,935	10 %	\$39,894	25 %	\$240,000	\$86,277	\$272,765
St. Ferdinand - Holy Trinity Resure	\$550,000	\$150,000	\$400,000	10 %	\$40,000	25 %	\$251,000	\$64,750	\$295,250
Tract 3B Algiers-Stanton Levee, LL	\$150,000	\$0	\$150,000	10 %	\$15,000	25 %	\$50,000	\$21,250	\$113,750
Washington Ave.-Dante, LLC	\$300,000	\$25,868	\$274,132	10 %	\$27,413	25 %	\$52,100	\$55,122	\$191,597
<i>Total Investment Real Estate</i>	\$6,760,000	\$2,008,767	\$4,751,233		\$475,123		\$2,024,400	\$1,065,119	\$3,210,991

<i>Asset Description</i>	<i>Asset Value</i>	<i>Asset Debt</i>	<i>Net Asset Value</i>	<i>Valuation Discount</i>	<i>Potential Discount</i>	<i>Tax Rate</i>	<i>Cost Basis</i>	<i>Potential Tax</i>	<i>After Tax and Discount Asset Value</i>
<i>Other Assets</i>									
1031 Exchange Funds	\$162,424	\$0	\$162,424	0 %	\$0	20 %	\$100,000	\$12,485	\$149,939
Roth IRA-Equity Trust	\$180,000	\$0	\$180,000	0 %	\$0	0 %	\$180,000	\$0	\$180,000
<i>Total Other Assets</i>	\$342,424	\$0	\$342,424		\$0		\$280,000	\$12,485	\$329,939
<i>Personal Property</i>									
Nissan Truck	\$19,427	\$0	\$19,427	50 %	\$9,713	30 %	\$20,000	-\$3,086	\$12,799
Personal Property	\$75,000	\$0	\$75,000	50 %	\$37,500	25 %	\$53,000	-\$3,875	\$41,375
<i>Total Personal Property</i>	\$94,427	\$0	\$94,427		\$47,213		\$73,000	-\$6,961	\$54,174
<i>Life Insurance Cash Values</i>									
Transamerica Term Life-Marjorie B	\$0	\$0	\$0	0 %	\$0	0 %	\$0	\$0	\$0
<i>Total Life Insurance Cash Values</i>	\$0	\$0	\$0		\$0		\$0	\$0	\$0
<i>Jacques Total</i>	\$7,278,506	\$2,008,767	\$5,269,739		\$522,337		\$2,459,055	\$1,070,643	\$3,676,759
<i>Marie</i>									
<i>Cash</i>									
2 Community Checking Accts	\$55,000	\$0	\$55,000	0 %	\$0	0 %	\$55,000	\$0	\$55,000
Cash/Cash Equivalents	\$116,000	\$0	\$116,000	0 %	\$0	0 %	\$116,000	\$0	\$116,000
<i>Total Cash</i>	\$171,000	\$0	\$171,000		\$0		\$171,000	\$0	\$171,000

<i>Asset Description</i>	<i>Asset Value</i>	<i>Asset Debt</i>	<i>Net Asset Value</i>	<i>Valuation Discount</i>	<i>Potential Discount</i>	<i>Tax Rate</i>	<i>Cost Basis</i>	<i>Potential Tax</i>	<i>After Tax and Discount Asset Value</i>
<i>Other Assets</i>									
1/3 int. in Stockbridge, MA house	\$200,000	\$0	\$200,000	10 %	\$20,000	0 %	\$200,000	\$0	\$180,000
Roth IRA	\$80,000	\$0	\$80,000	0 %	\$0	0 %	\$80,000	\$0	\$80,000
<i>Total Other Assets</i>	\$280,000	\$0	\$280,000		\$20,000		\$280,000	\$0	\$260,000
<i>Personal Property</i>									
Honda	\$14,000	\$0	\$14,000	15 %	\$2,100	20 %	\$20,000	-\$1,620	\$13,520
Personal Property	\$70,000	\$0	\$70,000	50 %	\$35,000	20 %	\$70,000	-\$7,000	\$42,000
<i>Total Personal Property</i>	\$84,000	\$0	\$84,000		\$37,100		\$90,000	-\$8,620	\$55,520
<i>Life Insurance Cash Values</i>									
AAA Life Ins	\$0	\$0	\$0	0 %	\$0	0 %	\$0	\$0	\$0
Gilsbar Life Ins	\$0	\$0	\$0	0 %	\$0	0 %	\$0	\$0	\$0
Group Term Life Ins	\$0	\$0	\$0	0 %	\$0	0 %	\$0	\$0	\$0
<i>Total Life Insurance Cash Values</i>	\$0	\$0	\$0		\$0		\$0	\$0	\$0
<i>Qualified Retirement Plan</i>									
401k	\$68,000	\$0	\$68,000	0 %	\$0	35 %	\$0	\$23,800	\$44,200
Conventional IRA	\$118,700	\$0	\$118,700	0 %	\$0	35 %	\$0	\$41,545	\$77,155
<i>Total Qualified Retirement Plan</i>	\$186,700	\$0	\$186,700		\$0		\$0	\$65,345	\$121,355
<i>Stocks & Bonds</i>									
Stocks	\$5,356	\$0	\$5,356	0 %	\$0	20 %	\$5,056	\$60	\$5,296
<i>Total Stocks & Bonds</i>	\$5,356	\$0	\$5,356		\$0		\$5,056	\$60	\$5,296

<i>Asset Description</i>	<i>Asset Value</i>	<i>Asset Debt</i>	<i>Net Asset Value</i>	<i>Valuation Discount</i>	<i>Potential Discount</i>	<i>Tax Rate</i>	<i>Cost Basis</i>	<i>Potential Tax</i>	<i>After Tax and Discount Asset Value</i>
<i>Marie Total</i>	\$727,056	\$0	\$727,056		\$57,100		\$546,056	\$56,785	\$613,171
Joint/Community									
<i>Residential Real Estate</i>									
10th St	\$475,000	\$0	\$475,000	10 %	\$47,500	0 %	\$433,000	\$0	\$427,500
Breaux Bridge House	\$162,500	\$80,000	\$82,500	10 %	\$8,250	20 %	\$162,500	-\$1,650	\$75,900
<i>Total Residential Real Estate</i>	\$637,500	\$80,000	\$557,500		\$55,750		\$595,500	-\$1,650	\$503,400
<i>Investment Real Estate</i>									
Desire Pkwy	\$250,000	\$117,520	\$132,480	10 %	\$13,248	25 %	\$202,000	\$8,688	\$110,544
S. Lopez St.-Restoration Partners I,	\$450,000	\$194,664	\$255,336	10 %	\$25,534	25 %	\$358,000	\$16,617	\$213,186
<i>Total Investment Real Estate</i>	\$700,000	\$312,184	\$387,816		\$38,782		\$560,000	\$25,305	\$323,730
<i>Joint/Community Total</i>	\$1,337,500	\$392,184	\$945,316		\$94,532		\$1,155,500	\$23,655	\$827,130
<i>Totals</i>	\$9,343,062	\$2,400,951	\$6,942,111		\$673,968		\$4,160,611	\$1,151,083	\$5,117,060

FINANCIAL INDEPENDENCE - SPECIFIC ASSETS FOR JACQUES AND MARIE BOUDREAUX

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC

FRIDAY, APRIL 24, 2009

<i>Asset Description</i>	<i>Asset Value</i>	<i>Growth Rate</i>	<i>Value at Year 46</i>	<i>Purpose</i>
1/3 int. in Stockbridge, MA house	\$200,000	0%	\$200,000	Lifetime Holding
529 Educational Acct	\$85,000	0%	\$85,000	Lifetime Holding
<i>Total Assets</i>	<u>\$285,000</u>		<u>\$285,000</u>	

LIFE INSURANCE STATEMENT FOR JACQUES AND MARIE BOUDREAUX

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FRIDAY, APRIL 24, 2009

	<i>Cash Value</i>	<i>Loans</i>	<i>Surrender Value</i>	<i>Cost Basis</i>	<i>Face Amount</i>	<i>Net Face Amount</i>
Jacques Boudreaux						
Transamerica Term Life-Marjorie Beneficiary	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Marie Boudreaux						
AAA Life Ins	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Group Term Life Ins	\$0	\$0	\$0	\$0	\$10,000	\$10,000
Gilsbar Life Ins	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Life Insurance Outside the Estate						
Transamerica Term Life-Trust Owned	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000
<i>Jacques and Marie Boudreaux Total</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,760,000</u>	<u>\$1,760,000</u>

ANALYSIS OF FINANCIAL INDEPENDENCE FOR JACQUES AND MARIE BOUDREAU

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC

FRIDAY, APRIL 24, 2009

Summary of Financial Resources

Summary of Income Sources for the Boudreaux Family

Jacques Boudreaux		
	Total Pre-tax Income Sources	\$1,572,332
	Adjustment for Potential Tax and Probability Discounts	(\$566,040)
	Net Income Sources to Support Financial Independence	<u>\$1,006,293</u>
Marie Boudreaux		
	Total Pre-tax Income Sources	\$819,205
	Adjustment for Potential Tax and Probability Discounts	(\$294,914)
	Net Income Sources to Support Financial Independence	<u>\$524,291</u>
	Total Net Income Sources for the Boudreaux Family	<u><u>\$1,530,584</u></u>

Summary of Assets for the Boudreaux Family

Jacques Boudreaux		
	Total Assets	\$5,269,739
	Adjustment for Potential Tax and Valuation Discounts	(\$1,592,980)
	Net Assets Available to Support Financial Independence	<u>\$3,676,759</u>
Marie Boudreaux		
	Total Assets	\$727,056
	Adjustment for Potential Tax and Valuation Discounts	(\$113,885)
	Net Assets Available to Support Financial Independence	<u>\$613,171</u>
Joint/Community		
	Total Assets	\$945,316
	Adjustment for Potential Tax and Valuation Discounts	(\$118,186)
	Net Assets Available to Support Financial Independence	<u>\$827,130</u>
	Total Net Assets for the Boudreaux Family	<u><u>\$5,117,060</u></u>
	Total Resources Available to Support Financial Independence	<u><u>\$6,647,644</u></u>

Definition of Financial Independence

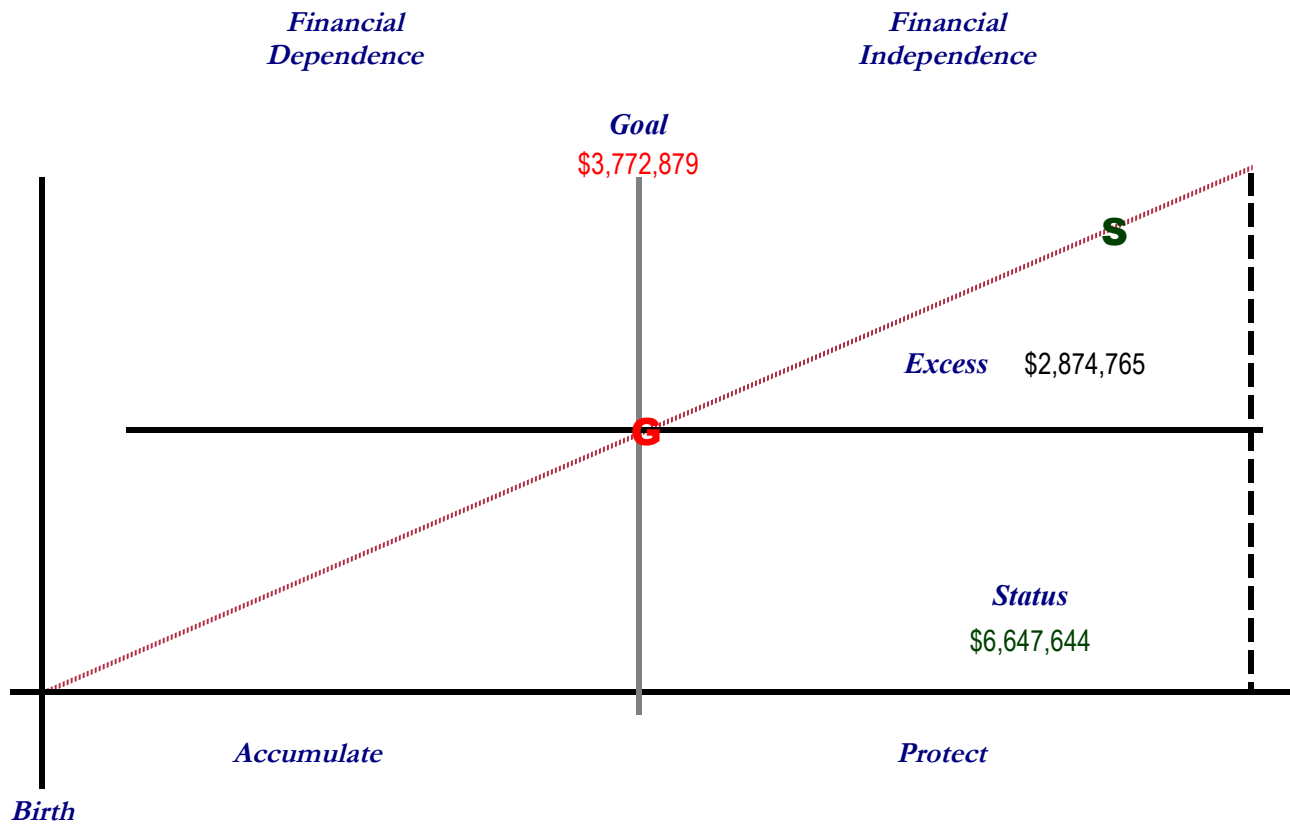
Resources Required to Maintain Desired Lifestyle	\$1,601,440 *
Resource Value of Specific Assets	<u>\$285,000</u>
Total Resources Required For Financial Independence	<u><u>\$1,886,440</u></u>
Security Fund of 100%	<u><u>\$1,886,440</u></u>
Financial Independence Goal of 200%	<u><u>\$3,772,879</u></u>
Financial Independence Status	352% (6,647,644 / 1,886,440)
Available Planning Resources	\$2,874,764 (6,647,644 - 3,772,879)

* Calculated using an Income Objective of \$72,000 per year, a Cost of Living Increase of 4%, an After Tax Investment Rate of 8% projected over 46 years using a Consumption Model.

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LIFE PLANNING STAGES REPORT FOR JACQUES AND MARIE BOUDREAU

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC
FRIDAY, APRIL 24, 2009



FINANCIAL INDEPENDENCE PYRAMID FOR JACQUES AND MARIE BOUDREAU

PREPARED BY LAWRENCE M. LEHMANN OF LEHMANN NORMAN & MARCUS LC

FRIDAY, APRIL 24, 2009

FINANCIAL INDEPENDENCE STATUS

Total Pre-Tax Income Sources	\$2,391,537
Total Discounts and Potential Tax	<u>(860,953)</u>
Total Net Income Sources	<u>\$1,530,584</u>
Total Pre-Tax Assets	\$6,942,111
Total Adjustment for Potential Tax and Valuation Discounts	<u>(1,825,051)</u>
Total After-Tax Assets	<u>\$5,117,060</u>
Financial Independence Status	<u>\$6,647,644</u>
Financial Independence Status %	352%

FINANCIAL INDEPENDENCE GOAL

Resources Required to Maintain Desired Lifestyle	\$1,601,440
Resource Value of Specific Assets	<u>\$285,000</u>
Total Resources Required For Financial Independence	\$1,886,440
Security Fund 100%	<u>1,886,440</u>
Financial Independence Goal	<u>\$3,772,879</u>
Financial Independence Goal %	200%

