



Increasing Income Annuity

Prepared for: Mr and Mrs Client on 10/28/2024

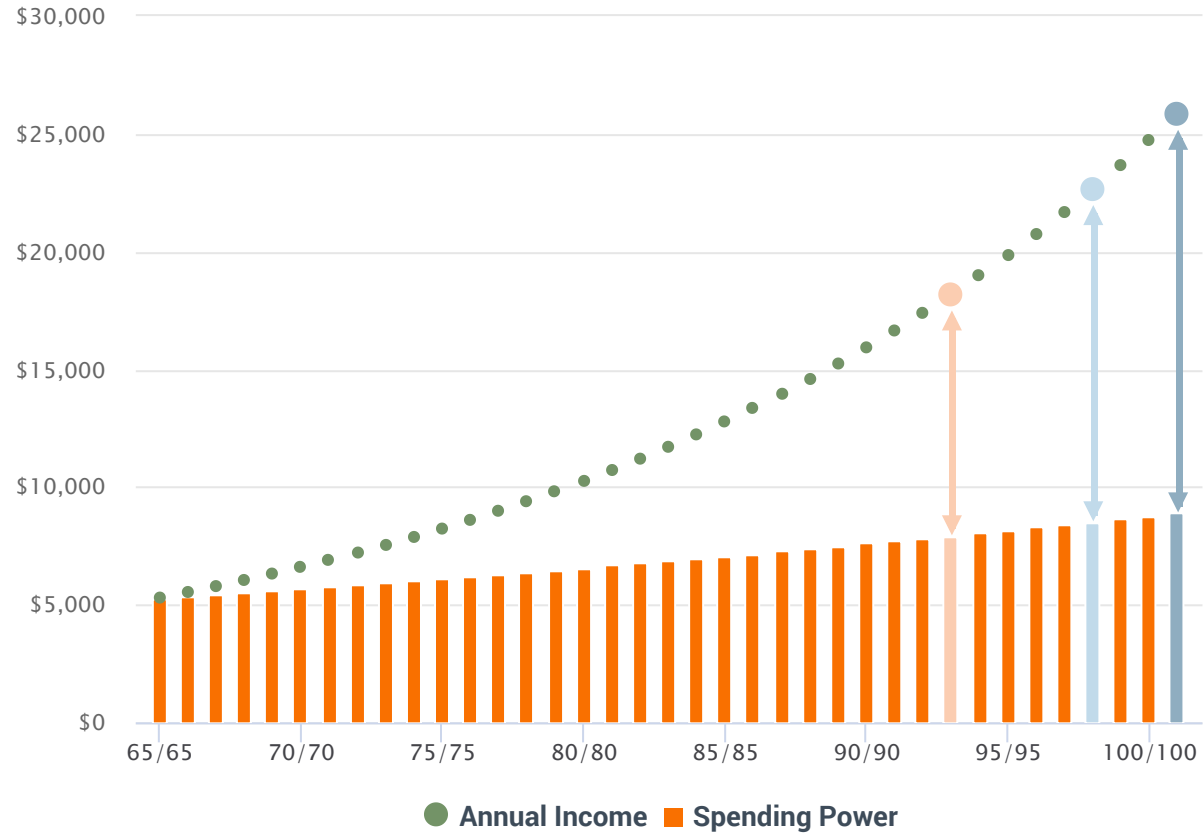
Inflation

Prepared by: DR Slater (advisor)

| Year | Ages | Annual Income | Assumed Inflation | Inflation Impact | Spending Power |
|---------------|---------|------------------|-------------------|------------------|------------------|
| 1 | 65/65 | \$5,300 | 3.00% | 0% | \$5,300 |
| 2 | 66/66 | \$5,538 | 3.00% | -3% | \$5,377 |
| 3 | 67/67 | \$5,788 | 3.00% | -6% | \$5,456 |
| 4 | 68/68 | \$6,048 | 3.00% | -8% | \$5,535 |
| 5 | 69/69 | \$6,320 | 3.00% | -11% | \$5,615 |
| 6 | 70/70 | \$6,605 | 3.00% | -14% | \$5,698 |
| 7 | 71/71 | \$6,902 | 3.00% | -16% | \$5,780 |
| 8 | 72/72 | \$7,213 | 3.00% | -19% | \$5,865 |
| 9 | 73/73 | \$7,537 | 3.00% | -21% | \$5,950 |
| 10 | 74/74 | \$7,876 | 3.00% | -23% | \$6,036 |
| 11 | 75/75 | \$8,231 | 3.00% | -26% | \$6,125 |
| 12 | 76/76 | \$8,601 | 3.00% | -28% | \$6,214 |
| 13 | 77/77 | \$8,988 | 3.00% | -30% | \$6,304 |
| 14 | 78/78 | \$9,393 | 3.00% | -32% | \$6,396 |
| 15 | 79/79 | \$9,815 | 3.00% | -34% | \$6,489 |
| 16 | 80/80 | \$10,257 | 3.00% | -36% | \$6,584 |
| 17 | 81/81 | \$10,719 | 3.00% | -38% | \$6,680 |
| 18 | 82/82 | \$11,201 | 3.00% | -39% | \$6,777 |
| 19 | 83/83 | \$11,705 | 3.00% | -41% | \$6,875 |
| 20 | 84/84 | \$12,232 | 3.00% | -43% | \$6,976 |
| 21 | 85/85 | \$12,782 | 3.00% | -45% | \$7,077 |
| 22 | 86/86 | \$13,357 | 3.00% | -46% | \$7,180 |
| 23 | 87/87 | \$13,958 | 3.00% | -48% | \$7,285 |
| 24 | 88/88 | \$14,586 | 3.00% | -49% | \$7,391 |
| 25 | 89/89 | \$15,243 | 3.00% | -51% | \$7,499 |
| 26 | 90/90 | \$15,929 | 3.00% | -52% | \$7,608 |
| 27 | 91/91 | \$16,646 | 3.00% | -54% | \$7,719 |
| 28 | 92/92 | \$17,395 | 3.00% | -55% | \$7,831 |
| 29 | 93/93 | \$18,177 | 3.00% | -56% | \$7,945 |
| 30 | 94/94 | \$18,995 | 3.00% | -58% | \$8,060 |
| 31 | 95/95 | \$19,850 | 3.00% | -59% | \$8,178 |
| 32 | 96/96 | \$20,743 | 3.00% | -60% | \$8,297 |
| 33 | 97/97 | \$21,677 | 3.00% | -61% | \$8,418 |
| 34 | 98/98 | \$22,652 | 3.00% | -62% | \$8,540 |
| 35 | 99/99 | \$23,672 | 3.00% | -63% | \$8,665 |
| 36 | 100/100 | \$24,737 | 3.00% | -64% | \$8,791 |
| 37 | 101/101 | \$25,850 | 3.00% | -65% | \$8,919 |
| Total: | | \$482,518 | | | \$257,435 |

Inflation's Impact on Spending Power

The impact of inflation can reduce your future spending power. Compound interest is working against you. It has a small impact year by year, but over the long term it significantly reduces what your income can buy.



At ages 93/93, your income is \$18,177, but due to inflation, it has reduced its spending power by -56% to \$7,945

At ages 98/98, your income is \$22,652, but due to inflation, it has reduced its spending power by -62% to \$8,540

At ages 101/101, your income is \$25,850, but due to inflation, it has reduced its spending power by -65% to \$8,919

Annual inflation has averaged 6.75% since 2020, 2.5% since 2000, and 4.0% since 1970.

Source: Annual CPI-U, US Department of Labor, www.bls.gov/cpi