

	SCENARIO 2: GOOD TO		NOT- GOOD SCENARIO				
NUMBER	DESCRIPTION	YEARS (Amounts in C\$)					Comments / Explanation
		2018	2019	2020	2021	2022	
A	ASSETS						
1	Immovable Property at Purchase Value ( House / Apartment / Residential Unit)	400,000.00	400,000.00	550,000.00	550,000.00	550,000.00	This person moves to a larger house as the Bank approved the mortgage
2	Vehicles(Market value as per black book / blue book / any website)	30,000.00	25,000.00	20,000.00	15,000.00	10,000.00	Vehicle market value decreases year over year, but no savings left for replacement.
3	RRSPs / 401(K) / any other retirement savings	40,000.00	50,000.00	50,000.00	50,000.00	50,000.00	No additions to retirement saving investments
4	GICs / Term Deposits / any other savings	10,000.00	12,000.00	0.00	0.00	0.00	GICs / Term Deposits vanished to pay for own equity portion for higher value house
5	Shares of Publicly Traded Companies (Market Value as per stock exchange)	15,000.00	12,000.00	0.00	0.00	0.00	Shares sold to fund the equity for new house
6	Jewelry (Gold and Diamond only at market value)	8,000.00	8,000.00	0.00	0.00	0.00	Jewelery sold to fund the equity of new house
7	Cash Balance in Chequing / Saving account in banks etc.	2,000.00	3,000.00	500.00	500.00	500.00	
	TOTAL ASSETS (A)	505,000.00	510,000.00	620,500.00	615,500.00	610,500.00	
B	LIABILITIES						
1	Mortgage on Immovable Property (House/Apartment):( Balance outstanding as on date)	380,000.00	370,000.00	500,000.00	490,000.00	480,000.00	Total mortgage increased with upgrade of house so also the monthly repayment
2	Vehicle Loan ( Balance outstanding as on date)	25,000.00	20,000.00	15,000.00	10,000.00	5,000.00	
3	Line of Credit from Banks / Financial Institutions ( Balance Outstanding as on date):	0.00	0.00	90,000.00	100,000.00	120,000.00	Line of Credit used to fund the house and also increasing to run the household expenses
4	Credit Cards ( Balance Outstanding as on date):	0.00	0.00	20,000.00	30,000.00	45,000.00	Credit cards being used to run the household expenses
5	Any other loans for personal use ( Balance Outstanding as on date)	0.00	0.00	0.00	0.00	0.00	
	TOTAL LIABILITIES (B)	405,000.00	390,000.00	625,000.00	630,000.00	650,000.00	
	Adjusted Household Net Assets ( A - B)	100,000.00	120,000.00	-4,500.00	-14,500.00	-39,500.00	This scenario represents house upgraded beyond means. Expenses increased- monthly mortgage, interest on Line of Credit and Credit Cards (way higher interest rate). This person is getting into vicious circle of financial destruction and things will get worse in future.