



## MASTER YOUR MORTGAGE FOR FINANCIAL FREEDOM

### ARE YOU READY FOR *THE SMITH MANOEUVRE*?

The more questions to which you answer 'Yes', the more ready you are to implement *The Smith Manoeuvre*.

1. While a minimum of 20% equity is required to obtain the appropriate financing, whether buying new or refinancing, even if you're not quite there, it may still be worth starting the enquiry process with your *Smith Manoeuvre Certified Professional* advisor.  
**Q: Do you have at least (or close to) 20% equity in your home based on market value?**
2. There may be a penalty to break your current mortgage.  
**Q: Are you willing to refinance into an appropriate mortgage?**
3. If you are moving house within the next 12 months, it may be best to wait.  
**Q: Do you plan on staying in your current house for at least another year?**
4. There are two very different types of debt.  
**Q: Do you understand the difference between non-tax-deductible debt and tax-deductible debt?**
5. The younger you start, the more benefit you will see and the more risk you can tolerate.  
**Q: Are you aged 60 or younger?**
6. This is a long-term strategy, not a 'get rich quick' scheme.  
**Q: Do you consider yourself a long-term investor (7-10 years or more)?**
7. If you insist on 'saving' your money, you may not be able to generate the tax deductions which help generate the value of *The Smith Manoeuvre*.  
**Q: Do you consider yourself, an 'investor' rather than a 'saver'?**
8. With market movements, you will see bigger swings (both ways) in the net worth improvement from your investments considering you are borrowing to invest.  
**Q: Are you comfortable with the fact that borrowing to invest will magnify gains and losses?**
9. Markets go up and they go down – the patient and sanguine investor wins.  
**Q: Are you emotionally strong enough to not let market swings affect you?**
10. Action is required by you on a regular basis.  
**Q: Are you disciplined enough to execute banking transactions once a month without fail?**