Hi team,

Thank you very much for your time assessing this application.

I have spoken to client relation to her exit strategy.

is 55 years of age. She intends to stay on the workforce as long as possible because she loves her job as an Environmental Scientist. In her role as senior advisor in the company, there is no physical demand to complete the work, therefore, she can stay to work as long as she wants.

I understand that there is no wow factor when you look at her Asset position given her age. This is because she has gone through an expensive divorce settlement which wiped out a lot of her other Asset and Cash Reverse. Even in that difficult situation, she remains discipline, keeping perfect conduct across all her bank accounts.

In addition to that, she has come up a tax effective investment that is to invest and build wealth through her owner occupied property. In the future, when she decides to sell and downsize, she will not be subject to pay for capital gain tax.

We are consolidating some of her personal debts which will improve her cash flow position. With the cash saving, she wants to make extra mortgage repayment to pay off the loan as fast as possible.

To keep thing simple, we can assume that there no future growth/ capital growth for the property that she is living in.

• Valuation: \$1,400,000

Address: NSW 2225

• This is a 3-bedroom house

- With a large pool in the backyard
- Land size is: square
- Client will down-size to a one bed room unit in the same location
- This is because keeping up with the property maintenance with this size is not an ideal when she retires
- The price of 1-bedroom unit sold in the same area is around \$450,000-\$500,000
- She can sell the house, pay of the mortgage (\$456,000) and pay for the 1 bedroom unit in cash (\$500,000)
- Net proceed: \$1,400,000 -\$456,000-\$500,000=> 444,000
- Current super: \$242,132
- Accumulate super in 20 years, overall balance: \$606,000 base on ASIC superannuation calculator
- Total asset upon retirement: \$444,000 plus \$606,000= \$1,050,000
- She can retire comfortably with this amount.

Overall, I believe it is only reasonable to consider client exit strategy as it makes a lot of sense