

A Roadmap to Retirement Nirvana



The Lees

A Northern California couple finally focuses on retirement

BY WILMA ANN ANDERSON

Meet Lisa and Gary Lee. They laughingly consider themselves a mixed couple (she's Japanese and he's Chinese) with two kids and a house in prestigious Piedmont, CA. They've been seriously thinking about retirement...but only since our team at *Odyssey Couleur* contacted them. *Uh oh*. That hasn't been a long time. This forty-something couple has only thought about retirement in the sense that they know they want to retire. *Uh oh*. That's not a lot of planning. But there is hope: Gary is a practicing lawyer who has been maxing out his 401(k) contributions for several years. Lisa also practiced law, but because of job changes she only has three full years' worth of 401(k) savings. She is now a stay-at-home mom/fulltime volunteer who dreams of a second career as a writer.

Before having kids, the couple didn't think of retirement at all. But they did decide that once they had kids, Lisa would stay home. The nesting instinct kicked in and Lisa was sure she really wanted to keep the new house in Piedmont long-term because it is in a great school district. They bought the house for \$725,000 and it's currently worth about 1.2 million; there's a lot of equity in the property. They wisely bought a house that could be sustained by only one income and have been living in Piedmont for about six-and-a-half years. There's a sense of community in Piedmont that was missing for the Lees when they lived in San Francisco and Oakland.

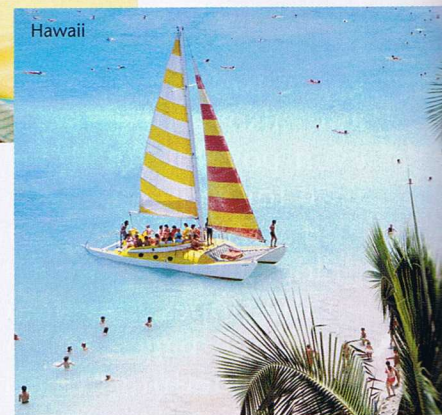
The couple's children, ages 10 and 8, would like to go to college. Though no routine college investing has been

done, there's about \$12,000 saved in mutual funds. When Lisa asked a financial advisor about converting the money into a 529 college saving plan, it was suggested that the transfer would be complicated, and they were advised to focus on their retirement planning. Though Lisa's hunch that a 529 would serve them better was valid, no conversions have been made.

Lisa's mother lives in Los Angeles, and though it would be convenient to live near her, the L.A. lifestyle doesn't suit the Lees. The couple is confident that as Lisa's mother ages, money from the sale of the two homes she owns, and savings from working, will be enough to cover her long-term care. Her mother would also be able to live with Lisa or Lisa's sister in the event of the property sale.

Gary's father no longer works due to a stroke. His savings and investments cover the cost of his caregiver, but those funds won't last forever.

So that leaves Lisa and Gary. When the kids are grown and the parents are spoken for, what will they do? They would love to travel through Italy, France and Japan. Gary is pretty clear that he'd love to settle in a house in Maui, Hawaii, and have a condo in San Francisco. Lisa wholeheartedly corroborates this plan.



Hawaii

