

John Ellis

23 FEB 2010

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22 February 2010

Fr John Usher/Michael Salmon
Polding Centre
133-141 Liverpool Street
SYDNEY NSW 2000

Dear Fr Usher

CONFIDENTIAL**House Issues**

Further to our recent discussions, we have, as requested, set out the details of the house issues we have been discussing with you for some time now. These are in the attachment to this letter.

While we understand that there has been a commitment in principle to assist with these issues, as part of the overall response, we also appreciate that at the time of the initial discussions, the extent of the problem was not apparent. However, the fundamental situation remains. Without a significant contribution from the Archdiocese, we are not in a position to fund the necessary work.

The reasons for the deterioration in the house are manifold, but the impact of the abuse since 2001, the loss of my job in 2004 and the years of the litigation have taken their toll in 2 important respects: (1) because of the loss of income, the uncertainty as to when I would be able to resume work in any meaningful capacity, and the need for us to maintain 2 separate households for much of the period 2002-2008, I was unable to afford the necessary work, and (2) because of the direct impacts of the abuse and the effects of the litigation, I did not have the energy or motivation to even think about this. As time went on, the job got larger and larger, and more and more difficult to even contemplate.

This work has now become critical, particularly after the recent floods. However, I am, at the same time, still suffering from significant fatigue and exploring ways to work less, rather than more. To the extent that the Archdiocese cannot meet the cost of the work, the only option is to borrow the funds on our mortgage. This has 2 elements:

- (1) Through the years of working part time since losing my job (and the income protection insurance stopping in December 2006) and at the same time having significant costs of the litigation, nearing \$100,000 total, I have borrowed against the mortgage, and am not sure how much could now be borrowed. The last

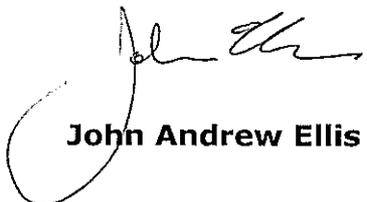
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increase of \$50,000 or \$60,000 was in May-June 2006, and this took me to the maximum valuation permissible at that time. I anticipate that my borrowing capacity will therefore be limited to 80% of the capital growth in the house since June 2006.

- (2) An increase in the mortgage will increase the pressure on me to continue to work full-time, despite it becoming increasingly apparent that due to continuing issues of fatigue, this is not sustainable. My intention is, if possible, to reduce my workload to 4 days per week, maximum. However, this is likely to entail a 25% reduction in income. This may not be possible even with a modest increase in the mortgage.

The attached includes an estimate of the costs of the work required. This is based on plans we have had proposed to us by a builder, which go a little beyond the minimum work required. A detailed quotation can be obtained for the minimum work, if required. This would require the drawing up of amended plans. We have not yet requested a quotation for this. The original design and feasibility process we have already undertaken involved a fee of \$2,900. As some of the preliminary steps for the new design work have already been included in the work done, we would expect the fee to be somewhat less than this.

Yours, very truly



John Andrew Ellis