



MORTGAGE SELECT AUSTRALIA PTY LTD

DOLLARS & SENSE

Hello all,
 What a busy and eventful six months it has been. Lenders are responding slowly but surely to our constant request for changes. Such things as having the option to pay "interest only" on owner occupier loans.. Extending the "interest only" term from 5 years to 10 or 15 years. Adding lo doc products to their range at low rates etc. We have also moved Catherine from Office Manager to Customer Care. You will notice her calling you for a Loan Health Check Up and ensuring you are utilising your existing loans correctly. Ray Javen has joined us this month in the role of Office

Manager. Currently going through a huge learning curve with regard to lending, but certainly competent in admin and those aspects of her job. New office premises are on the horizon as we require more staff and need room to grow. It will be within 5 minutes of our current office with parking. We will keep you updated. We are also adding Financial Services to our range, starting with Risk Insurance. In the U.K. , legislation stipulates Risk Insurance must be offered with mortgages.



Makes sense for a segment of the customer base to cover themselves against loss of income in order to keep their homes in the unfortunate event of sickness or trauma. Our commitment is as strong as ever to continue with our client service, calling on an ongoing basis and following up with Loan Health checks. The feedback from this endeavour is phenomenal. Trusting you all had a good Easter break and are ready for the winter ahead. Thank you for your loyalty.

JUDITH GOORJIAN

TICKETS - "BOY FROM OZ"

We currently have available two "A" reserve tickets for Sunday 13th August 2006 at 6:30 pm. All tickets for this spectacular show are sold out, so hurry and do not lose out on this fantastic opportunity. Call us and ask for Ray or Catherine.

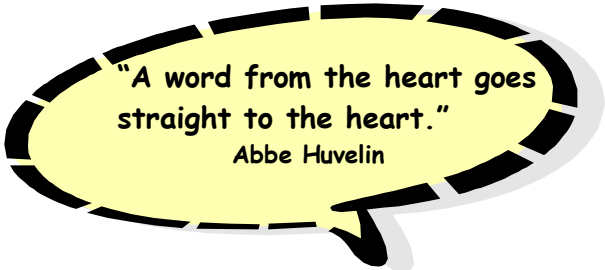
What is Fixed, Interest Only "in Advance"?

For those who can afford it, a serious option to be contemplating right now is paying the coming 12 months' interest on your investment property completely in one fowl swoop. What advantage is there? Assume you pay \$15,000 on an investment property loan on 29th June and in July you organize your Tax Return for 30th June 2006 claiming a rebate of 48% on the \$15,000. You would quickly receive back \$7,200 which could be either earning you interest or sitting in an offset account against your non-tax

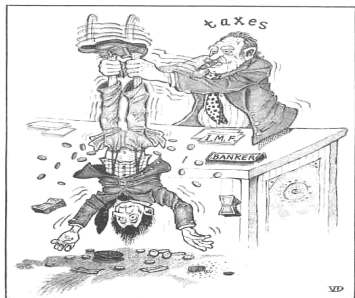
As you receive rent for the property at say 5% of the value of the property throughout the year, you would add this to the \$7,200 you have received and next year the money would be sitting there ready for you to pay in advance. If this sounds complicated, ring to discuss. There are various lenders which offer this service and usually offer a discount off the current fixed rate, - **as much as .3% off the rate.** (Further advantage). As fixed rates are quite low at present, this can be a great advantage. Please contact us to discuss further as **urgent steps are required** to achieve your desired result before end June.

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CHANGES TO LAND TAX !!!

As of 1 Jan 2006, the State Revenue Office introduced a new land tax, (like we need any more). This is a surcharge on all land held in Trusts. If this affects you, it would be wise to contact your accountant to make sure you are ready for the new tax. There are various exemptions which can be looked at and there are possibilities of restructuring your holdings, but this could incur capital gains tax and stamp duty costs. It must all be weighed up carefully.

SELF EMPLOYED BORROWERS
When applying for a loan please note that all 2005 company and personal tax returns and financials must be complete by end of November '05. Many self-employed clients automatically send us a copy of their full returns (co & personal) as soon as they are done. This enables us to do a full assessment when you make loan enquiries.

Fixed Rates with regard To recent Reserve Bank Rise

Everyone is very surprised at 2nd May .25% rise. Especially on the back of such sharp petrol increases. Please, please, do not have a knee jerk reaction. One of the current affair programs did a segment showing fixed rates as much lower than Standard Variable Rate. TRUE, however, very few of you are on the Standard Variable Rate. You are on basic low rates or have large discounts attached to your loans. This makes fixed rates comparable to your current variable rates. I say again as I always say, if you wish to fix then do so

For "Peace of Mind & Security". **Certainty of repayments**, not trying to beat the rates as they will go up and down as they have over the last many years. REMEMBER, if it is important to you to be able to pay off a fixed rate and redraw without penalty then we can help you. MOST fixed loans do not offer this facility, but we have one which does. FINALLY, due to the volume of loans we lodge each month we are getting special discounts off some of the fixed rates.

Allow us to help you, please call to discuss in detail the various options.



Entrepreneurs !!!

Those interested in improving themselves and their businesses please contact us for suggested Seminars and also new book available which is quite brilliant..."Keys to the Vault, Lessons from the Pros on Raising Money and Igniting Your Business, by Keith J Cunningham". Highly recommended.

