

Hello All,

Summer has passed and the real estate selling season is full upon us. Melbourne seems to be booming. Investors are back in the market as rents rise and tenants are queued up to catch vacancies. Prices in prime inner areas are strong despite the last three rate rises and recent petrol increases.

Nine of sixteen economists predicted a rate rise in April. Just goes to show even the experts can't predict the future. When your neighbour who owns two properties in Timbuktu comes along and sprouts their wisdom about rates, think and wonder how he/she who is a nurse/shop owner/electrician/librarian would know, when our chief economists were split on the decision 50/50. Quit trying to predict the future and base your decisions on risk aversion, the comfort of certainty and your method of loan reduction over the next three to five years.

As always, the staff and I are tremendously complimented whenever you refer us which is our only method of staying in business. We appreciate your loyalty and continuing support and look forward to catching up for your birthdays and loan health check.

**Judith Goorjian**

### Why people "hate" banks !!!

Late last year a well-known bank brought out a "special" of 6.95% fixed for 5 years. Definitely one of the lowest in the marketplace. However, they spoil their efforts by warning us this was **only** for new lending and would **not** be available for clients with existing loans already held by the bank. I understand the purpose of the "special" was to entice new customers but am aghast at the short-sightedness of those who write these policies in their ivory towers. In essence they are focussed on new loans with no qualms about slapping their existing loyal clients hard in the face. **No way to treat loyalty!** Although business is business I am nevertheless appalled not only that this is being done but that they are getting away with it. All the more reason to have us in your corner and on your side. I could fill a book with these sorts of stories (hey, maybe I should write one?)



*"Yeah, I got away from the office, finally and the beach is so peaceful. Can you hear the surf?"*

### Location ! Location ! Location!

We have come across a development in St Kilda/Elwood, not available through real estate agents, which is edgy, sexy, beautifully appointed, very upmarket and most important of all a **"Brilliant Location"** right opposite beautiful gardens and walking distance to Acland St. One and two bedroom apartments with basement parking. Please email if you wish us to forward further information to you.

### Superannuation Changes

Those of us aged high 40's & 50's should be doing some serious super planning with an accountant. In many cases we are better off throwing as much money into super as possible instead of paying off home loans.

Assume you planned to pay \$50K off your mortgage this year which costs you nearly \$100K of salary (48.5% going to tax & Medicare). If instead the same \$100K was salary sacrificed to super at only 15% tax you immediately save 33.5% from the taxman and have the high interest compounding effects of \$85K in your super instead of \$50K in your home loan. Once the appropriate age is reached the funds can be withdrawn from super to pay off the mortgage with a large amount left over. Please call and talk to me about it and most definitely speak to the appropriate accountant.

**Write to us at:**

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### High Volatility in Broker Numbers

Feb 2007 Edition of Australian Broker Magazine ran an article saying "non-bank lender Aussie appears to be struggling to retain its mortgage broking staff". I myself was initially trained by Aussie Home Loans in 1997 and am eternally grateful for the opportunity, however, of the 30+ students who underwent the process only two that I know of are still in the industry. I am now a dinosaur in this still fairly new 10 year old industry. Burn out is a very real problem but to help combat this issue I try to take many short breaks each year to rejuvenate, regroup and de-stress. A day tacked on to each long weekend does not inconvenience but gives me a much needed mini break. I am still working 12 - 15 hr days but with the space available to recruit more staff I'm looking forward to getting back to 8 hour days and some life balance. With such high turnover of brokers in the industry it is difficult to find true experience, knowledge and customer service. Ask potential brokers how long they've been in the industry, who they aggregate under and what their service and systems are like as most have no after sales care.

### Rent Increase Reminder

I urge you to please consider increasing the rent on your investment properties. We have had quite a long plateau time with rents remaining steady and finally rental yields are shooting up. There are dozens of applications for each rental vacancy with high demand. Don't be complacent. If your tenant is month to month or your property lease is coming due, discuss with the agent and put it up as much as is reasonable.

### Investors - Paying your loan In Advance

Only really worthwhile for investors and only available on a fixed rate. Pay a year "IN ADVANCE" in June and quickly lodge your 2007 tax return in July in order to obtain a prompt refund. Assuming you are on the 48.5% tax bracket, nearly half of your interest outlay is returned to offset against your current loan. The rent you receive is then added to this amount. Next June the total amount accumulated is expected to easily cover the "In Advance" annual payment. Helps with cashflow, saves you interest if the funds are sitting against your home mortgage, avoids interest rate fluctuations and uncertainty for the coming year and often a discount is offered on the existing rate. It takes time to organise so please call us NOW if you have any interest in pursuing this further.

**SELF EMPLOYED BORROWERS**

When applying for a loan please note that all 2006 company and personal tax returns and financials must be complete by end of November '06. 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.

### WE HAVE MOVED ! ! !

We've finally done it. Yes, we have moved to a larger corporate environment. As you know we were bursting at the seams in Caulfield South and are now five minutes away in Caulfield North. The new office boasts boardroom, training room, 2 meeting rooms, large com-

pactor stor- kitchen, men's facilities and tant of all ex- and desks for new staff. to grow the this year. unemployment is no mean find people high calibre are like hen's will take it

and are realistic enough to know it may take more than one go. Especially as this industry is "highly stressful" and burn-out is common. The old phone and fax numbers will continue to divert for some time and enclosed is the new business card. Looking forward to showing you around when you next come to visit.

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age area, and women's most impor- tra offices much needed The hope is team by four With such low at present it feat. Easy to but those of and standards teeth. We one at a time