

Racing the Clock

How many times have you found yourself racing the clock to complete something or wishing there were more hours in the day?

Unfortunately, one of the drawbacks of a busy lifestyle is that there is usually something pressing to be done, and a lack of time in which to do it. While you can't do anything to make your days longer, you can make them pass more easily by treating your time as a resource, and planning how and when you can best spend it.

Start by developing a set of priorities that will allow you to minimise the interruptions and time-robbing activities that nibble at your waking hours. When it comes to purchasing property for example, your mortgage broker can save you time by assisting with the research, paperwork and home loan approval process.

Planning your schedule in advance has the potential to save you hours each day, but even if you save only ten to fifteen minutes the time will soon add up. Over the course of a year you can easily gain extra weeks of free time, and years over the course of your lifetime.

This will help you achieve your personal goals, and allow you to spend more time on the most important person in your life – you!

Six Golden Rules for Managing Time

1. Make a 'to do' list

Write down all the tasks and activities that you want to do and tick off each item as it is done.

2. Decide your priorities

Rank each task in order of importance and work through them in that order.

3. Delegate

It is not faster and easier to do everything yourself. Delegate the leg work to your mortgage broker!

4. Keep a time diary

Keep a record of how you spend your time. Learn to say no to time wasting activities that don't contribute to your life.

5. Create quiet time

Arrange for uninterrupted time to work on high priority tasks.

6. Stop to smell the roses

Pause every now and then to recharge your batteries. Put your cares aside and relax.



MAY/JUNE 2010 | NEWSLETTER

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How often have you wished for more hours in the day to achieve enough time for work, family and play?

It's a common wish that we address in our article 'Racing the Clock', on page 4. Using a mortgage broker is one valuable way to help you save time on obtaining and securing a loan, by letting us do the leg work for you.

The mortgage broker industry is set to receive a well-earned boost to its credibility with the introduction of National Consumer Credit Protection legislation and responsible lending laws, page 3 article.

Also included in this issue, more positive news on property investment (below article) and a page 2 feature on the average Australian home crowned as the biggest in the world.

Enjoy this newsletter and feel free to pass it on to family and friends.



INVESTMENT HEATS UP



SUPER-SIZED HOMES



NEW LENDING LAWS



RACING THE CLOCK

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With compliments

Investment Heats Up

One in seven taxpayers now own at least one investment property, a figure that is expected to rise as property investors return in force to the market.

The most recent taxation statistics from the Australian Tax Office has shown that negatively geared property generated losses of more than \$8.6 billion, a 35 per cent surge that saved property investors some \$4 billion in tax over the 2007-08 year.

Investors are being enticed back to property by a distrust of the stock market after its worst performance in a decade. The latest Financial Stability Report from the Reserve Bank charting the prices of shares and houses in Australia for the past

20 years shows that houses are up more than shares, and this doesn't account for the fact that there generally is no capital gains tax on selling your home.

While investors were cautious about property during the financial crisis, numerous surveys indicate a return in confidence. The Knight Frank/Citi Private Bank Wealth Report 2010 of the world's richest investors found that on average, property accounts for 30 per cent of the investment portfolio of those surveyed, followed by 24 per cent of equities. Half of the respondents said residential investments would offer the strongest performance this year, while 30 per cent believe commercial property would lead the market.



The figures demonstrate how popular the property market has become, with experts predicting this year will see an increase in investment activity.



Super-sized Homes

It seems big is better when it comes to the Australian home, which now super-sizes all other countries in the world.

Averaging 215 square metres, the Australian home is now 7 per cent bigger than homes in the US, double the size of those in Europe and triple the size of those in the UK.

Data recently released by the Australian Bureau of Statistics shows the floor area of freestanding houses (a measure of the useable space) has also reached a record high at 248 square metres, making Australian houses 10 per cent larger than a decade ago.

Over time the typical house has evolved from having three bedrooms, one bathroom and separate living areas into a more open plan layout, a fourth bedroom and ensuite facilities. Around 20 years ago only one in every six homes had four or more bedrooms. By 2006 it was one in every 3.5 homes.

Popular extras like home theatres, family rooms, studies and walk-in wardrobes and pantries all contribute to the modern home's expansion.

Sydney's homes are by far the nation's biggest, with new free-standing houses typically spanning 269.5 square metres, giving each occupant an average of 100 square metres of personal space.

By contrast, the size of the average US home fell from 212 square metres before the financial crisis to 202 square metres in September. In the rest of the world, homes are much smaller still. Denmark tops the ranking for homes in Europe at 137 square metres and Britain the smallest at 76 square metres.

Does size really matter?

The trend is towards bigger homes, but size is only one factor to consider when buying or investing in property. As your mortgage broker we can

advise you on the steps to take when buying a new home, such as the following key considerations.

Finances: Decide how much you can afford and what you can afford to spend. A large home can give you the extra space you've always wanted but it will cost you more to maintain, furnish and decorate.

Priorities: Consider what is important to you – does the size of the home have a higher priority to the home's access to schools and shops, its proximity to your work, its backyard, privacy or views?

Location: Location is the number one rule in real estate. You can change almost any imperfection in a home but, once bought, you cannot change your home's location. Think about your target neighbourhood – is it close to services and transportation? What are the property values like in the area?



Did you know?

Property investors are expected to earn an extra \$2 billion in rent over the next year, predicts leading real estate and property group, Ray White.

With the cash rate estimated to increase to around 5.0 per cent by the end of this year, rents will be pushed upward as the mortgages of rental property owners become more expensive.

With around two million rental properties in Australia, if rents were increased by around seven per cent or \$20 a week, that amounts to \$2 billion over a year.

New Lending Laws



New national licensing laws are being introduced to improve standards across the credit industry and give consumers protection against unscrupulous operators.

Under the drafted regulations, there will be a single, national regime for regulating consumer credit - including home loans, car loans, credit cards and retail lending. Anyone engaged in credit advice on home loans will have to obtain a license from the Australian Securities and Investment Commission (ASIC) or be appointed as a representative of a license holder, otherwise they will not be allowed to operate.

From 1 July 2010, credit providers will also have to comply with a new set of 'responsible lending' requirements to safeguard consumers against being offered products and services that are either unsuitable for their needs, or that they don't have the capacity to repay.

Brokers must make reasonable enquiries of consumers about their requirements and objectives in relation to the credit contract, take reasonable steps to verify the consumer's financial situation and give the consumer a copy of the assessment if requested.

There will also be new rules for the disclosure of commissions, penalties for misconduct and free external dispute resolution for consumers.

The rules will cover loans on primary residences as well as the purchase or renovation of investment property.

Good news for you

The new laws are expected to give consumers the confidence that the professional advice we provide as your broker is based on the necessary level of education, experience and qualification.

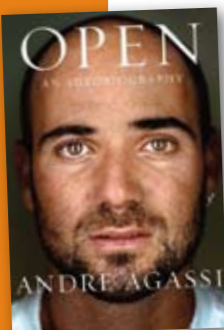
Our job is to make the task of purchasing a property and obtaining finance as stress-free as possible, so being confident in your broker's ability is an important first step in this process.

With interest rates on the rise, you may want help in shopping around for the best home loan, and as a valuable information source, we can advise you on the range of options available based on your needs and financial situation. We can also process your loan application and inform you of any concessions that might be available.

The implementation of the new licensing laws means business as usual for our team and the other brokers in the industry who have long provided a credible, reputable and professional service. For homebuyers it means you have another good reason to trust and value our guidance and to know we have your best interests at the heart of our business.



Book Review



Open: An Autobiography – Andre Agassi

Open, is a straight-forward journey through the ups and downs of the life of tennis great Andre Agassi. Tennis fans of every generation will be surprised by the admissions of tennis legend including the love/hate relationship with the game. Actually it was more like a hate/love relationship. Brought up in Las Vegas, Agassi's father forced him to practice tennis every day. He created a special ball machine, which Andre calls The Dragon. The book is more than an autobiography. It is a journey through the life of one of tennis' greatest players. It is a look at his personal struggles, his physical battles, his emotional ups and downs, and his professional life. In a nutshell, it is intriguing. Andre Agassi's admissions are honest and surprising. Open is a labor of love for this man, whose life was an enigma, even to himself. As he tried to figure himself out, his life went on, and his career took him to the highs and lows of the tennis ladder.