

Living Green

Lower your energy bills and reduce your carbon footprint by making some green improvements around your home.

How much or how little you do is up to you but every improvement benefits your family, your hip pocket and the environment.

Here's how to make a start:

Be energy efficient with appliances

Appliances can account for up to 30 per cent of your home energy use and can have a big impact on your electricity bill. Washing your clothes in hot water instead of cold, for example, can increase the cost of washing by up to four times. Using a tumble dryer and operating a washing machine on half load are other common energy wasters.

When replacing an existing appliance, take note of its Energy Rating Label. The running cost of the appliance will impact on your energy bill for years to come - that old beer fridge in the garage could be costing you hundreds each year.

Turn off standby

The standby mode that allows computers and home entertainment devices to turn on quickly is a common hidden cost of electricity because it can chew a lot of energy even when the

appliance isn't turned on. You could save up to 10 per cent of your energy bill by turning appliances off at the wall.

Plug air leaks

Make sure your home's doors and windows don't have air leaks around them. Even if your home is well-insulated, heated or cooled air can leak in and out through gaps and cracks. Cutting down on draughts can save up to 25 per cent of your heating and cooling bills.

Be smart with lighting

Get into the habit of switching off lights when you leave a room and use only as much light as you need. Motion sensors and intelligent lighting systems are a great way to automatically program lights to switch on and off as needed.

Motivated to make a start towards a greener home? Check out www.livinggreener.gov.au for ideas and inspiration to keep you going.



DISCLAIMER: This newsletter is intended to provide general news and information only. Readers should rely on their own enquiries before making any decisions touching their own interests. Please do not rely on any part of this newsletter as a substitute for specific legal or financial advice.

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What our clients say.

Simply Sensational!

Derek and Phillipa

I found them to be extremely trustworthy, reliable and efficient.

David

They were very professional, responsive and customer focused.

Susan

We found Mortgage Simplicity an absolute life saver.

Andrew and Jasmine

Efficient, friendly service.

Russell



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We would like to extend a very big THANK YOU to everyone who completed our recent survey. It was a pleasure to receive your comments and of course we hope the lucky winners enjoyed their gift vouchers. To all who took the time to respond we have sent you out a free gift which you all should have

received by now. Please don't wait for our next survey - please share your comments, both good and bad, with us at any time. We get a real kick out of every bit of feedback we receive from our clients.

We hope you enjoy this newsletter and feel free to pass it on to family and friends.



FLAT MARKET
FAVOURS BUYERS



7 WAYS TO PAY
DOWN YOUR HOME
LOAN SOONER



BEAT THE COST
OF LIVING



LIVING GREEN

Flat market favours Buyers

You've probably heard the reports about the Australian property market being 'flat'. What does it mean to have a flat market and what are the implications for you as a buyer or seller?

'Flat' is a stage in the housing market where little or no growth occurs and there is slightly more supply than demand. Buyers tend to be cautious and sellers tend to hold on to unrealistic price expectations.

Buyers

The biggest message for buyers in a flat market is not to be scared away, because market conditions actually favour the buyer. It's a great time for negotiating a deal because there are fewer buyers, more properties and less competition. While some sellers are unwilling to accept their home's value has dropped, others are prepared to make a deal to get a sale.

It's also a good time to buy an investment property because rents are driven up as people hold off buying and continue renting.

Sellers

For sellers, the message is to keep your price expectations realistic and focus on how best to present your home. You need to ensure your home competes well in the marketplace and stands out against other similar homes for sale in your area.

Traders

You are in the winning seat if you can manage to buy and sell at the same time. A flat market can be the best time to trade up because you may be able to afford a home that was previously just out of your reach.



We are members of the Mortgage & Finance Association of Australia (MFAA), the peak industry body. All members are bound by a strict code of ethics to ensure the highest levels of service, integrity and professionalism.

7 Ways to Pay off your Home Loan Sooner



You don't need to win the lottery to pay off your home loan. There are a number of great strategies for reducing your loan balance and saving thousands in interest repayments. It's never too late to begin, so pick and choose which of the following work for you.

1. Switch to weekly/fortnightly repayments

Pay fortnightly or weekly instead of monthly. Mortgage interest is usually calculated on a daily basis so the more frequently you pay, the more you will save, even if you are not paying any more than you did previously.

2. Make extra repayments

Extra funds have the immediate effect of reducing the loan balance. Every dollar you put on your repayments will reduce the principle and therefore the interest payable next repayment. This saving then compounds, making a significant impact over the life of your loan. Your loan's redraw facility offers an easy and efficient way to apply these additional payments.

3. Open an offset account

Have your salary paid into an offset account, which is linked to your loan account, and allows you to use your savings account balance to reduce the amount owed towards your loan. The balance is deducted from your loan account before the interest on your home loan is calculated – which means less interest is charged to your loan. As your mortgage broker we can explain the pros and cons of offset accounts or similar products like line of credit.

4. Align your salary and home loan payments

Align your loan repayment period with your salary payment date in order to maximise the amount you have available to pay onto your home loan.

5. Pay your salary into your home loan

An all-in-one loan account allows you to pay your salary directly into your loan,

which reduces the principle amount owing and thereby the amount of interest charged. It acts as a combined mortgage, savings and cheque account, allowing you to access the funds you have left over and above the minimum monthly repayment amount to pay monthly expenses. All-in-one accounts often have higher interest rates than some other products so speak to us about their suitability for your individual circumstances.

6. Cut expenses

List your regular weekly/monthly expenses and find a few that you can remove. Put the savings towards your home loan – remember that every dollar counts.

7. Keep repayments up if interest rates fall

When interest rates fall, resist the temptation to reduce your monthly repayments. Maintaining the same repayments is a simple way of helping to pay down your loan.



Beat the Cost of Living

How to cope with the rising cost of electricity, fuel and groceries? If asking for a pay rise is out of the question, let's look at what else you can do to survive the escalating cost of living.

Create a budget

Don't groan at the mention of 'budget' – it really is one of the most effective tools for keeping your finances under control because it helps you to set goals and find ways to meet them.

To put together a budget, make a list of all your fixed monthly expenses (home loan, insurance, utility bills, debt repayments, transportation) and compare it against your income. Use one of the free budget planners on the internet to make the job easier.

Track your spending

The process of writing down what you spend over the course of a week or month is a great way to make you more conscious of where it all goes. There are web sites and iPhone apps you can use to plug in an expense as it occurs, effectively updating your budget on the run.

Cut Back

When you see your expenses listed in front of you, it often comes as a shock to realize how much money you waste in an average week.

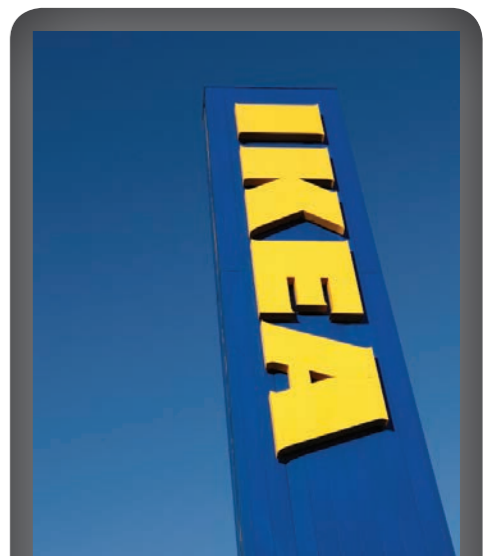
If your outgoings equal more than your income, you need to look at where you can cut back your spending. It's not as hard as it sounds to cut back on lifestyle 'wants' if you look at the big picture of how much you will save over the course of a month, six months or a year.

Revise

A budget is of no use if it's out of date so ensure you revise it once a month and then every three months after that. Revising will help you tighten or loosen up your budget according to your needs, as well as put a stop to any unnecessary costs.

Sourcing income

If you look at all your expenses and find there are none you can do without, you might decide that finding other ways to boost your income is a preferable alternative. Be creative and resourceful – many people have made additional income by taking on a second job, setting up an internet business, selling on eBay or buying an investment property.



Did you know?

The world's richest retailer and founder of furniture store IKEA, was just a young boy when he started his first business – selling matches to his neighbours from his bicycle.

Ingvar Kamprad found that he could buy matches in bulk cheaply from Stockholm, sell them individually at a low price and still make a good profit.

From matches, he expanded to selling fish, Christmas tree decorations, seeds and later ball-point pens. When Kamprad was 17, his father gave him a reward for succeeding in his studies and he used this money to establish what has become a multi-billion dollar retail brand.

Book Review



No Time For Fear: How A Shark Attack Survivor Beat The Odds

By Paul de Gelder

Paul de Gelder lost his right arm and leg to a violent shark attack in Sydney Harbour when he was going about his work as a Navy clearance diver in February 2009. He was lucky to survive, let alone resume work as a diver. Paul drew on all his life experiences to get him through in record time. He refused to take no for an answer at every stage of his rehab. While at first he resisted the fact that his story 'inspired people' he has come to accept that if other people can draw strength from his life experiences then it's worth talking about. In the defence forces, Paul was inspired by the US Marines unofficial mantra: improvise, adapt and overcome. He didn't know how important that mantra would become in his survival. Paul is very frank, a natural storyteller who takes 'never say die' to a whole new level.

