

Innovative lending products open new areas of opportunity

By Peter Millett

New SMSF

Lending Options

Recent changes to superannuation laws have opened up new possibilities for your self-managed superannuation fund.

In line with government legislation approved last year, a number of lenders can now provide lending options for purchasing property in the name of your self-managed superannuation fund.

This significant change in the government's attitude has the potential to provide a far wider scope for investors than has been available in the past.

At this stage the number of lenders is limited, however, as they come to grips with all of the requirements this will grow.

Currently their products are restricted to commercial properties, however it's highly likely that residential property and margin lending will be included in the near future.

If you're interested in going down this lending pathway I recommend getting some advice from your accountant and financial advisor as to how it will affect your personal position.

Japanese property

CBA Japan have released a home loan product which for the first time for any lender will allow Australians to leverage (mortgage) Japanese property up to 50% of its valuation.

This is a major change within the housing lending packages for our market place and significantly enhances investment options for Australians considering investing in overseas property.



Previously this particular market has been strongly supported by purchasers from Australia, however, they had to leverage their Australian assets in order to fund the purchase.

CBA's innovative move reflects the growing need for a realistic funding alternative in this fast growing 'high end' holiday, in particular the skiing-based market. If you are interested in this exciting option call Peter Millett to discuss...

Commercial Property lending levels and parameters

Due to the rise in popularity of commercial property as a serious option for investment in WA, we've recently seen the introduction of a range of lending products offering a wider range of lending alternatives.

Their introduction would seem to acknowledge not only the growth in this market but also the need to accommodate a wider range of investors.

We've introduced a range of interesting options to our product range to help you take advantage of the new opportunities for your commercial finance.

- Lite Doc Commercial Loans - full debt servicing still needs to be clarified, but full and up-to-date financials and tax returns are not necessarily required;
- Lending levels up to 75 - 80%;
- Loan terms now up to 20 and 25 yrs;
- The use of existing licensed valuation by a simple reassignment (offering considerable cost savings);
- Inclusion of resort-style and serviced apartments into acceptable security schedules.

If any of these opportunities are of interest please feel free to contact Peter Millett on 0419 191054 for a chat about how best to access their benefits.



Brokenwood Wade Block 2 Shiraz - Australian wine making at its finest

Brokenwood Wines has come a long way since its establishment in 1970 on a carefully selected 10 acres of land at the foothills of the Brokenback Ranges in the Hunter Valley, NSW.

Today Brokenwood is recognised as one of Australia's premium wine producers.

The winery's Wade Block 2 Shiraz has consistently captured the unique characteristics of the Hunter Valley.

The grapes are sourced from a combination of a vineyard only 10 years old and also from local growers.

The winemaker considers the 2004 vintage one of its best, emerging as it did from a prolonged drought.

It exhibits long flavours, balance, ripe tannins and "the best structure so far".

James Halliday's 2007 Australian Wine Companion gave the 2004 vintage a rating of 94, describing it as 'Ultra McLaren Vale style, black fruits and dark chocolate; stuffed full of everything, yet retains balance'.

The winemaker's tasting notes describe it as:

'Deep, purple and very dense. Savoury briar notes along with the expected lush, McLaren Vale blackberry jube fruit. Integrated vanillin oak edge.

Seamless palate combining ripe tannins, dark berry/chocolate Shiraz fruit and perfect oak.

Some "Turkish Delight" sweet fruit at the start and long and an almost spicy after palate. A classic McLaren Vale Shiraz.'

The 2004 Brokenwood Wade Block 2 Shiraz is available at a very reasonable price for this level of quality of \$39.

www.brokenwood.com.au

Life's a beach at Kim's Beach Hideaway

If the hustle and bustle of city life is getting you down and it's time to put your feet up and take the weight off your mind for a while, then you really should take a look at Kim's Beach Hideaway.

Toowon Bay is only an hour north of Sydney with its superb curving circle of sand and sparkling ocean is a lifetime from the cares and hassle of city living.

This idyllic retreat offers a range of beautifully crafted bungalows and spa villas nestled on the beachfront or hidden away in a forest of Norfolk Pines. It's a family-run resort that's been delighting discerning visitors since 1886.

Over the decades generations of Australians have found it the perfect place to relax and forget the stresses of everyday life.

The food is superb. The dining room overlooks the vast Pacific Ocean and offers a range of tempting buffet meals and a comprehensive wine list offering the best from Australia and abroad.

If you prefer, meals can be delivered to the privacy of your own bungalow.

The cocktail lounge offers live entertainment to get your holiday off to a lively start.

The appropriately named Pampering Place offers the luxury of relaxing massage treatments if you prefer a more laid-back approach to holiday life.

If it's time you took a break then you owe it to yourself to check out Kim's Beach Hideaway.

You'll find further details at www.kims.com.au



Time to go Wylde about art investment

Investing in art has always been a most enjoyable form of investment as it offers benefits that general investing can't match.

When you invest in art the appreciation is two-fold your daily life is enriched by having a beautiful piece to hang on your walls to cherish and appreciate each day, and of course your investment is appreciating in value.

You can't say that about share certificates, can you?

But if you're new to the world of art investment it might seem a little daunting. Where do you go for the right advice? Certainly not your stockbroker!

Rod Wylde has been making it easy for people to invest in art for over 20 years. His Wylde Art Gallery has been taking art to the people with a mobile art gallery since 1986.

Today he's extended that vision of making art accessible with his 'on line art gallery' at www.wyldesart.com.au.

There's some nice little thumbnails to whet your appetite and persuade you that contacting him for a look at his extensive collection is well worth your while.

When you do, you'll find Rod's a wealth of information about investments, valuations and framing and pretty well anything else about art investment.

I've always found Rod friendly and approachable and I can't recommend him enough if you're serious about this most rewarding form of investment.



Understand the property cycle and prosper

Like many things in life, property prices move in a cycle. There's a logic and pattern to the rise and fall of the property market - it's far from the random whim of a chaotic market. Understanding that cycle is the key to profiting from property investment.

It's a cycle driven by interest rates, supply and demand, inflation and employment, with interest rates particularly influential.

History tells us that property cycles typically last six to 10 years, with seven years the average length.

There are exceptions, as the last cycle lasted about 14 years, coming off the back of the recession of the 1990s.

One of the most useful diagrams for understanding the dynamics of the property cycle and the share market is the economic clock devised by the London School of Economics as far back as the 1930s.

It shows the progressive interplay of different economic factors and how they drive the cycle of growth and decline in the property cycle.

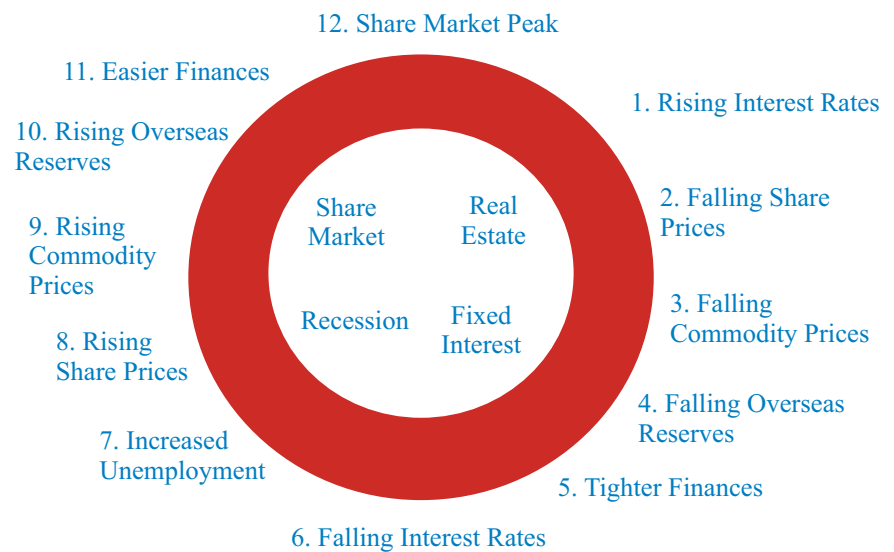
So just where are we in the cycle? While it's impossible to tell with absolute certainty, many pundits believe Perth is about 12 months into a market downturn, so the good news is that an upturn is imminent.

It's impossible to tell exactly when that will be, but astute property investors will prepare for it.

One strong indicator of an upturn has always been a rise in rental prices. These attract more investors and also cause frustrated would-be tenants to give up the rental chase and buy property instead. In turn this puts more buyers in the market and raises prices.

There are some excellent opportunities in Perth's property market at the moment, and it would seem to be the right time to buy.

As always, it's essential to get the right finance package so make an appointment with us today so we can help you profit from this favourable situation.



Ruah is helping Perth's disadvantaged

We're lucky to live in Western Australia, with its booming economy, stable democracy and outstanding quality of life.

And while life's good for many of us, there'll always be those who are marginalised by mainstream society, for whom daily life is a constant uphill struggle.

Ruah Community Services has been helping the disadvantaged in one form or other for more than 50 years.

An initiative of the Daughters of Charity

of St Vincent de Paul, Ruah helps many sectors within our community, ones sector where it provides invaluable support is their Refuge for women and children which we are pleased to have been able to assist in the past.

Ruah's services are innovative and responsive and very worthy of support that's why we're more than happy to give them our on-going support.

Their website can be found at www.ruah.com.au



Banks not satisfying their customers

It may not come as a complete surprise to learn that most of us are more than a little cheesed-off at the service we're getting from our banks.

A recent survey by East and Partners Pty Ltd gave banks a low score of 42.2 out of a 100 when it came to empathy, satisfaction, loyalty and advocacy. It's a figure that's actually dropped since a survey conducted in June 2006.

But then you probably didn't need a survey to tell you that, did you?

Happily, we still remember what service in the finance industry is all about.

Our happy-to-help staff, Joany and Christine, are always here to help look after your needs, and we'll always treat you as a valued private client, not just an account number.

We might know the banking industry inside out, but when it comes to finance, we're on your side, protecting your interests and getting what's best for you.

If you are having a major problem with your bank don't sit on a 1300 number for hours - please call our office perhaps we can push a few buttons for you.

Keep your valuable items safe

One of the few predictable things about life is that it's unpredictable - you just never know what's around the corner.

Despite the best laid plans, catastrophes can happen, so it makes sense to prepare for the worst by gathering your vital documents and keeping them in the safest place possible.

Think about it - what would you do if your home burnt to the ground? How and where would you start again? Where would your loved ones go for essential information if you were sick, badly injured or worse?

What documents would you really want (your insurance documents would be an excellent start)?

Mark Lewis is a past President of the Mortgage and Finance Association of Australia and he has some wise advice on what to store for safekeeping. He calls his safe place his 'Green Box'.

Here's what's in his:

- Wills and where they're lodged;
- Enduring powers of attorney and where they're lodged;
- Passports;
- Birth certificates;
- All credit cards (additional cards or copies);
- Property titles;
- Share certificates;
- Details of superannuation funds;
- Details of insurance policies;



- Jewellery valuations;
- Details of general insurance policies;
- Details of bank accounts, loans, mortgages, etc;
- Details of other investments, managed funds, bonds, etc;
- Details of all company or trust structures business and personal;
- Statement of assets and liabilities;
- Who to contact - business and personal;
- Contact details of advisors;
- Extra passport photos and identifying marks, etc;
- Details of doctor and dentist;
- Small keepsakes;
- Instructions for funeral and burial requirements;
- An "if you're reading this letter it means ..." Document.

You should also consider who to tell about the location of your 'green box' and to make sure your partner can access cash and accounts should the worst occur.

As an additional measure of comfort get all your valuable documents scanned and stored on disks both at home and at the office.

The Loose Box is the Grande Dame of Perth's fine dining

It may be a little out of the way on the Great Eastern Highway in Mundaring, but Perth's lovers of fine dining have always held a special place in their hearts for The Loose Box Restaurant.

In fact many discerning diners consider The Loose Box the best restaurant in the state, with *Gourmet Traveller* going so far as to award it the Best Restaurant in Australia.

The magazine's 2004 Restaurant Guide described it as:

'Perth's premier fine-dining establishment...a flawless dining experience...it is classic French fare, using local ingredients with a light, modern touch...The restaurant also has chalet accommodation...wine list is comprehensive and reasonably affordable.'

Chef Alain Fabregues uses his 30 years of experience to present French cuisine at its finest in the unique atmosphere of a

beautifully restored Federation cottage with a welcoming log fire in winter.

If you've not yet dined there, or haven't been back for a while, then it's high time you experienced this distinguished *grande madame* of French dining in the West.

Go on treat yourself - life's too short!

Bon appetit!

www.loosebox.com.au



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