



# Quarterly Finance Update

Issue 1, 2011

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prosperity  
finance advisers

Welcome to the first edition of Prosperity's Quarterly Finance Update.

This update will keep you informed of interest rate movements, competitive rates for various loan types and finance tips to help you save money!

## Rate update

Mortgage holders received welcome news on 7 June, with the Reserve Bank announcing interest rates would remain on hold.

The lending market is heavily geared towards capturing your refinance business. With nearly all lenders reducing or removing their delayed establishment fees and offering incentives for borrowers to move lenders. Now is the perfect time to take advantage of the market to see if you could be better off. Simply ask us to take a look at your mortgage!

The indicative interest rates available through Prosperity Finance Advisers, as at 28 July are outlined below:

### Equipment Finance

Chattel Mortgage, Hire Purchase, Lease from 8.35% pa

### Car Finance

Chattel Mortgage, Hire Purchase, Lease from 8.6% pa

### Commercial Loans

Fixed 1 year	7.89%
Fixed 2 years	8.09%
Fixed 3 years	8.19%
Fixed 4 years	8.54%
Fixed 5 years	8.59%
Fixed 10 years	9.04%

### Residential Loans

Standard Variable Package	6.9%
Line of Credit	7.15%

### Fixed Rates

1 year	6.94%
3 years	6.99%
5 years	7.64%

*\* Rates are subject to minimum lending criteria being met by the individual lender.*

As a valued client of Prosperity, we take the time to understand your financial goals, to then identify the best provider and product that suits your needs.

Whether you are looking to buy a new home, review your existing mortgage arrangements or purchase an investment property, our specialist mortgage broker, David Banks is available to discuss your needs. Please call 1300 795 515.



## Lending health check

Here are a few important questions to ask yourself, regarding your current lending arrangements and whether they are providing the best outcome for you and any future lending needs.

Your existing loan arrangements	Yes/No/Don't Know
Are you getting the best deal (rates, fees, service) on your loan(s)?	
Do you have time to compare your bank loan with competitors?	
Are you paying your loan off too fast or too slow?	
Do you repay your loan in the most tax effective way?	
Has the value of your house changed significantly?	
Your relationship with your lender	Yes/No/Don't Know
Is your current lender responsive to your needs?	
Does your current lender make you feel like an important customer?	
Does your current lender provide a dedicated person to look after your needs?	
Your future lending needs	Yes/No/Don't Know
Are you considering buying an investment property, do you know what finance you can access?	
Are you planning to renovate, have you identified your financial requirements?	
Do you have a plan in place to reduce your credit card and/or personal loan debt?	

If you answered 'no' or 'don't know' to one or more of the questions above, perhaps it's time to review your loan(s). At no cost to you, our specialist mortgage team can check your current lending arrangements and provide advice on available options to improve the health of your loans.

## Drive low kilometres and save!

As a result of 2011 Federal Budget changes, salary packaging a car has just become tax effective for people driving less than 15,000 kilometres a year!

The fringe benefit treatment of cars has been changed to remove the unintended incentive for people to drive their vehicle further than they need to, in order to obtain a larger tax concession. For car leases taken out from the evening of 10 May, a single flat rate of 20 per cent applies, regardless of the distance travelled.

With lease payments and running costs taken directly from your pre-tax salary, a novated lease provides great tax savings and other benefits.

For more information contact your Prosperity Principal Adviser or visit [www.prosperitysmartdrive.com.au](http://www.prosperitysmartdrive.com.au) to discover the benefits.



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