



# TotalCHOICE

## home loans

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It's never easy to strike a balance between work and family life but you might be surprised at what you can achieve if you put your mind to it. Juggling work and family commitments is one of the topics we cover in this issue, including advice about working smarter not harder.

It might be an age-old adage but 'work smarter not harder' holds the key to simplifying many areas of your life, from managing your time to

managing your finances.

With tax time looming we look at how smart strategies can minimise your tax bill (page 3) and even put you on the right path to purchasing a new home (page 2).



### EXIT FEES OUT



### TAX TIPS



### SECRETS EVERY HOME BUYER SHOULD KNOW



### WORK LIFE BALANCE

## Exit Fees Out

Switching home loans has become one step easier with the removal of mortgage exit fees.

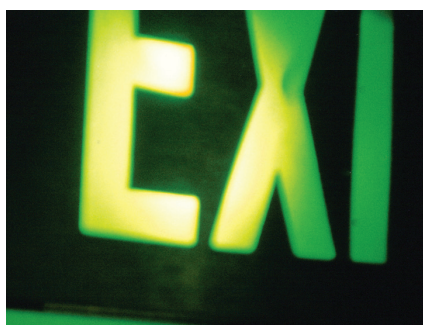
The federal government's ban on exit fees was passed into law on 23 March and will apply to loans taken up after 1 July 2011. The change won't include existing home loans, fixed rate mortgages or discharge fees.

While the removal of exit fees may not provide sufficient reason alone to switch mortgages, it may prompt consumers to shop around for what else is available in the marketplace. When it comes to refinancing to consolidate debt, purchase an investment property, find a home, undertake renovations or minimise mortgage repayments, consumers now have the flexibility to find a product to suit their changing needs.

Keep in mind that exit fees actually make up a very small proportion of the 25-year cost of a home loan and it is still interest rates that really dictate how much your loan will cost over the long term.

For this reason it pays to do your research and not be too influenced by the abolition of exit fees. More than ever mortgage brokers will play an important role in analysing the options that best suit your individual set of circumstances.

It may be that your current loan provides the best choice or that by switching to another product you can achieve savings. Whichever the case we can inform you of the current state of the market and help steer you through the confusion of comparing multiple home loan products.



Total Choice Home Loans is a Full Member of the MFAA the peak industry association which provides a code of conduct and ongoing professional development for its members.

We are committed to keeping up to date with all the latest finance developments and innovations to ensure you get the best product and service everytime you contact us.



Total Choice Home Loans is a proud sponsor of World Vision, whose aim is to help change the lives of children, families and communities in desperate need.



**It's nearing the end of the financial year, which means it's time to tackle your tax return. Here are a few tax tips from the experts that might help you lower your tax bill.**

**1. Open an offset account**

A mortgage offset account allows you to minimise your tax on interest earned on savings. It is an account that is tied to your loan account and allows you to use your saving account balance to reduce the amount owed towards your loan.

The interest earned on your savings is put towards the amount payable on the loan, enabling you to reduce how much you owe by cutting the time it takes to pay off your home loan.

There are two types of offset accounts: a 100% offset and a partial offset. A 100% offset means that the same interest is earned in the savings account

as is paid in the mortgage account, whereas a partial offset means that a lower interest is earned than is paid.

Contact us to find out more about opening an offset account.

**2. Consider salary sacrificing**

There are tax advantages in salary sacrificing items instead of purchasing them yourself. Under a salary sacrifice arrangement (also known as salary packaging), you agree to forgo part of your future entitlement to salary or wages in return for your employer providing you with benefits of a similar value. The type of benefits might include cars, property, home loan repayments, superannuation, mobile phones, computers and child care fees.

You only pay income tax on your reduced salary, but you receive the reduced salary plus the benefits. You can also make employee contributions out of your after-tax

income towards the cost of the benefits and reduce any reportable fringe benefits tax.

To be eligible, first check with your employer regarding their fringe benefit tax policy and items you can salary package as there may be existing policies in place.

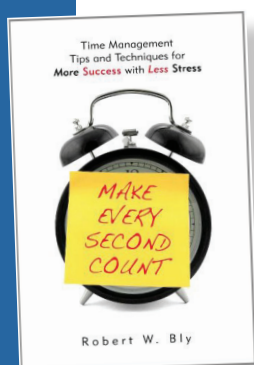
**3. Check your deductions**

Make sure you are claiming all the deductions you can for your specific occupation. There's a useful guide on the ATO website that shows allowable deductions for 20 different occupations. Go to [www.ato.gov.au](http://www.ato.gov.au) and search for 'deductions you may be able to claim'.

**4. Claim income insurance**

The ATO allows you to claim income protection insurance as a work-related expense. It is insurance worth considering for anyone in the workforce as it pays a portion of your salary for a while if you're temporarily unable to work because of sickness or injury.

# Book Review



## Make Every Second Count:

**Time Management Tips and Techniques for More Success With Less Stress**

**By: Robert Bly**

Make Every Second Count goes beyond the usual time-management books to bring you a broad range of strategies and tactics dozens of proven methods to get more done in less time.

You'll discover how to maximize your time by setting priorities, create useful schedules, and overcome procrastination, how to boost your energy level and productivity with proper diet, exercise, and sleep. You'll also learn how using the latest technology can enable you to manage information and communicate more effectively and efficiently.

Make Every Second Count also contains time-tested advice on goal setting, business travel, social networking, mobile technology, planning systems, and time management in the home.





# Secrets every home buyer should know

**In the market for a new home? Let's take a look at some industry secrets that will make it easier for you to choose a property that's right for you and your bottom line.**

## **1. Be clear on your budget**

Know how much you can afford to spend before you begin your search. It's not just the up-front costs of buying the property but also knowing how to manage the mortgage repayments and plan for any unforeseeable changes to lifestyle or income.

Make an appointment with us to talk through these issues and have your finance pre-approved. Pre-approval is recommended because it gives you a realistic budget to go house hunting with and it ensures you are treated as a serious buyer by agents.

## **2. Save a good deposit**

The bigger the better when it comes to the deposit. A decent deposit will give you more loans to choose from and even the offer of a lower interest rate because there is less risk for the lender.

The greater the deposit, the less you'll have to borrow, which means less in interest over the lifetime of the loan and the lower your repayments will be over a set term.

## **3. Know the hidden costs**

When planning your budget you need to factor in all the expenses included in purchasing a property. As well as the deposit, you may need stamp duty, inspections, insurance, legal expenses, valuations and title search fees.

## **4. Put away your emotions**

It's easy to be led by emotion when buying property, but do your best to make sure your decision is made by your head not your heart. It helps to conduct plenty of research and ask lots of hard questions.

## **5. Engage professionals**

Buying a property can be a complex experience and good advice can help ensure you don't make any costly mistakes. As your mortgage broker we can start the ball rolling in applying for a home loan and advise you of the steps involved in closing the deal.

## **6. Arrange inspections**

If you're serious about a property, it's wise to conduct a building and pest inspection. Make sure the person inspecting the home is qualified to do so, such as a licensed builder, architect or surveyor.

## **7. Seek government assistance**

There are various forms of government assistance for first home buyers, such as the First Home Owner Grant. Depending on the state you're in, there may be other forms of assistance like tax and stamp duty concessions. To find out more go to [www.firsthome.gov.au](http://www.firsthome.gov.au) or the Office of State Revenue.

# Did you know?

Lenders will check your credit file when you apply for a loan so it's a good idea to take a look at it in advance. The file shows credit applications you've made in the past – such as for credit or store cards – and whether you've defaulted on payments or have an infringement to your name. Find out how to check your credit on [www.moneysmart.gov.au](http://www.moneysmart.gov.au)

# Work Life Balance

Juggling commitments to work and family often seems to require the perception of a psychic, the balance of a tightrope walker and the stamina of an Olympic athlete. Striking the right balance has never been easy, but it will definitely become easier if you make the most of your time by becoming organised.

Start by keeping a time-diary to monitor where the hours in the day actually go. You can then decide if this is the best way for you to spend your time, and develop a set of priorities that will allow you to postpone unimportant tasks and delegate others. There will always be tasks that cannot be delegated, but if you look you can usually find opportunities to ease up your daily routine.

Put your health and happiness first with these four strategies for achieving a successful work life balance.

## 1. Work smarter not harder

Ask yourself whether you are doing things in the quickest, most efficient manner? Once you have worked out what tasks you can delegate and what you can't, consider how to go about working smarter, not harder. 'Smart strategies' include prioritising your workload, using technology, asking for help and setting yourself time limits and boundaries.

## 2. Be tech savvy

Don't neglect the convenience of technology, whether it's paying bills online or using apps on your iPod. It might seem daunting or time consuming to take on new technology but investing the effort up-front is worth the time-savings it will bring you down the track.

## 3. No screen time

Take plenty of 'no screen' time during evenings and weekends – with no emails, internet, phones or laptop. To prevent work spilling over to your personal life you need to set boundaries with staff and colleagues so they know when they can and can't contact you.

## 4. Schedule hobbies

Chances are you will never get around to your hobbies and interests if you don't schedule them into your day. Whether it's attending a gym class or learning a language, you need to put aside the time and treat it as you would any other important commitment.



## Profile

Total Choice Home Loans was founded by Jonathan Oxlade (B.Bus Finance) in 2005 who, with many years finance and industry experience is able to assist all types of clients. Our service offering is one of a relationship looking at your overall financial situation not just a one off transaction. In conjunction with Total Choice Wealth and referral to a highly qualified Financial Planner, our business offers clients a full range of financial services and assistance, including Property Investment advice, Wealth protection and Asset protection, Superannuation, Retirement planning.

We aim to offer a long term, value for money, quality service, with hassle free finance solutions while being at all times professional and caring in our dealings with clients and business partners.

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