

HOME

YOUR HOME • YOUR LIFESTYLE • YOUR CHOICE

WINTER 2008



ALL YOUR INSURANCE OPTIONS

There are many types of insurance to consider once you have made the financial commitment to purchase a property and take on a mortgage. Set out below is a brief summary of the various types of insurance:

By law in the ACT general building insurance must be taken by a purchaser immediately on the exchange of a Contract of Sale. In NSW the risk remains with the vendor until settlement. At exchange of contracts both parties become legally bound to the contract and even though the title of the property does not transfer to the purchaser until settlement, the responsibility and legal liability of insuring the property rests

with the purchaser once exchange is effected.

Contents insurance covers the replacement value of your household effects including furniture, clothes, CD's and other personal effects. It is relatively inexpensive and can often be combined with a house policy for a premium discount. Many people fail to insure their contents even though it would be beyond their financial capacity to replace these items in the event of a fire or theft.

Lenders Mortgage Insurance (LMI) may be imposed by your financier when you take out a mortgage. As a general rule, mortgage insurance is payable when the amount of

your mortgage exceeds 80% of the value of the property being used as security by the lender. For example, if you borrow \$ 350,000 against a property valued at \$400,000 the debt is 87% of the property's value (also referred to as the loan to value ratio or LVR) and you will have to pay LMI.

LMI is a once only premium, payable at settlement of the property purchase. The lender will deduct the premium from your loan advance and pay the mortgage insurer directly. For a standard purchase, the cost is typically in the range of 0.3%–2.2% of the

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amount borrowed, with the higher premiums reflecting the highest LVR's (up to 100%) and larger loan values. The premium can be considerable and must be budgeted into your finance arrangements, although some financiers will allow you to add it on top of your loan.

It is important to note that LMI protects the financier. In the event of loss or default on the loan, the property will be sold to recover the debt. Once the property is sold, any shortfall against the outstanding debt is claimed by the lender under the LMI cover. The insurer will then assume all the rights of the financier under the mortgage and will pursue you for the residual debt. LMI does not waive your obligation for the residual debt it simply allows you to borrow at higher levels than the financier would normally allow.

By comparison, Loan Protection Cover insures the borrower for the amount of the mortgage debt. This form of cover can be payable on incapacity, disability or death, depending on the option selected. The cover either makes the loan repayment for you (disability or incapacity) or repays the outstanding loan (death). Many financiers offer this form of cover. As a broader alternative to Loan Protection Cover, a borrower can protect themselves with Life & Trauma Insurance and Income Protection Insurance. These policies can be structured to provide cover beyond the loan repayment or the loan balance, they can cover wages and defined lump sums.

Life Insurance pays a lump sum amount on death, providing an opportunity for the mortgage to be extinguished as well as providing additional funds to the beneficiary. Trauma Insurance provides a lump sum payment on the diagnosis of a number of serious illnesses and traumas.

Income Protection Insurance covers a person for the loss of their income (up to 75% of their gross annual income) if they are unable to work due to injury or sickness. The weekly benefit helps to cover living expenses such as household bills and medical costs, as well as mortgage repayments. Premiums for income protection insurance are tax deductible. ●

FOUR SEASONS

Here are a few activities to keep your kids busy when the weather is too cold to play outside.

Indoor Camp Site

Keep younger children amused by helping them set up a camp site inside. You can drape an old set of sheets over a table or desk to make the tent. Find some old towels to make a pathway to the tent and use some pegs to hold back the sheets at the front for the opening. Provide a torch, books, board games, drinks and snacks and they should be busy for a good few hours!

Rainy Day Kit

To prepare for some of those cold windy days, put together a kit of craft goodies for the kids. Grab a big plastic box from a storage shop and collect items listed below: egg cartons, yogurt cups, plastic take away containers, cereal boxes (flattened), jars and lids, small corrugated cardboard boxes; fabric remnants, used gift wrap and ribbon; old hats and socks that are too small or have holes; a bag of dry beans, lentils and/or pasta; toilet paper and paper towel rolls, tissue boxes, paper bags; anything else you could reuse before recycling; as well as glue, tape, scissors, markers, foil, twist ties and rubber bands.

The kids can make masks, gifts etc. You can also make games based on making items using the contents of the box. Tell the kids to take 5 things out and see what they can make. For older kids,

you can put a time limit on the craft making activity to make it a bit of a competition.

Upside down faces

Get out some old makeup and get the kids to draw eyes on the bottom of their chins and the rest of the face of a character. They can stick wool, or paper to their chins to simulate hair, or make a small hat. Select a CD and get the kids to rehearse the lines of the selected song. Then get the kids to lie on the lounge with their heads hanging over the edge upside down. You'll need to get a sheet or towel to put across their faces from the nose up. Once the kids have rehearsed, and the scene is set, start the camera rolling. The kids can then watch the video and laugh at each other. This activity should keep the kids busy for hours. ●



WHO CARES... WE DO!

This is the catch phrase that we have chosen to describe our approach to our new Tuggeranong based real estate agency, Tuggeranong Real Estate.

Having successfully launched into real estate sales twelve months ago with The Home Loan Centre Realty, we found that we had unintentionally built up an agency that had a North side focus. As the North side is now covered, we are focusing on the South.

The Home Loan Centre has been committed to Tuggeranong for many years, having opened our office in Anketell Street in June 2002. We have also been a Gold sponsor of the Tuggeranong Vikings since 2003 and have enjoyed watching the club's continued success.

Our Executive Manager of Real Estate, Neil Williams, had done an excellent job establishing our real estate business.

Neil has over 15 years experience selling real estate in Tuggeranong. He has seen the growth of the area and has witnessed the market highs and lows. In this time Neil successfully established his own real estate agency, which was subsequently sold. After a short break Neil has returned to the real estate industry and The Home Loan Centre has been the lucky enough to lure him on board.



That brings us to March 11th where we took our Tuggeranong office, the highly experienced Neil Williams and the enthusiastic Sam Hoare, and launched Tuggeranong Real Estate.

So you may ask why would we launch a new real estate brand and commit to building the brand and business from the ground up? The answer is fairly simple, we felt it was needed.

As we sat down and designed the Tuggeranong Real Estate business we were conscious that we wanted to establish a local business that would be focused on delivering personalised quality service.

By design Tuggeranong Real Estate has limitations on how many listings it is prepared to have at any point, this is because our real

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BLAST FROM THE PAST

The days are getting shorter and the nights are getting colder. Winter is only around the corner and it is time to turn those heaters on. As surprising as it may sound, central heating is not a modern day invention. The concept has been around for thousands of years and has experienced a great transformation through the centuries.

25 BC Ancient Romans were the first to use central heating systems, conducting air heated by furnaces through empty spaces under the floors and out of pipes in the walls—hypocaust. The word literally means 'heat from below'. Hypocausts were used for heating public



baths and private houses. The floor was raised by pillars and spaces were left inside the walls into which hot air was piped to warm the rooms.

- 1202** The Cistercian monks revived central heating using river diversions combined with indoor wood-fired furnaces.
- 1700** Russian engineers had started designing hydrologically based systems for central heating. The Summer Palace of Peter the Great in St Petersburg provides the best existing example.
- 1716** The first use of water in Sweden to distribute heat in buildings. Martin Triewald, a Swedish engineer, used this method for a greenhouse at Newcastle upon Tyne.
- 1830** Angier March Perkins developed and installed some of the earliest steam-heating systems. The first was installed in the home of Governor of the Bank of England John Horley Palmer so that he could grow grapes in England's cold climate.
- 1855** The radiator was invented by Franz SanGalli. He was the first to produce a system of central heating and patented his invention in Germany and the US.
- 1990s** Electric underfloor heating. ●

* Source: <http://en.wikipedia.org> <http://www.yourdictionary.com>

Tuggeranong Real Estate has set its commission at a level that is competitive. We have not aimed to establish a discount commission agency, although we have been conscious to offer value in a competitive market. Our core offering is around the service levels that we guarantee to our clients, we also enjoy conjunctive listings with The Home Loan Centre Realty and access to The Home Loan Centre's preferred buyers list. All these aspects increase the volume of sales prospects for our clients.

The Home Loan Centre's preferred buyers list takes appropriately qualified buyers, who have finance pre-approval, and identifies their buying preferences. The preferred buyers then have first access to all properties listed with either The Home Loan Centre Realty or Tuggeranong Real Estate.

The preferred buyers list has been very successful accounting for a considerable percentage of the buyers through The Home Loan Centre Realty. The scheme provides great benefits to the preferred buyers and also to the vendors of a property who are able to have their property presented to a qualified group of buyers from the outset of the marketing program.

We are sure that we can offer you a compelling service but we can only do that if you invite us to give you an obligation free appraisal. From there you will make your own choice on our offer. Who cares... WE DO! And we hope that you do as well. ●



REMOVAL TIPS

Disclose all relevant access information

about your property when booking removalist. E.g. single storey, split level, two storey, apartment, townhouse, etc. Don't forget about truck access. E.g. driveway parking (steep, flat, battleaxe) or street parking. Is there lift access, stairs, how many flights? Mention all obstacles including power lines and overhanging trees.

Don't downsize quantities

Accurate quantities and item description are crucial for correct labour allocation and truck size. Type of furniture is always helpful information. E.g. piano, antique, glass style furniture, pots, garage tools, etc. This knowledge allows us to bring appropriate trolleys and lifting equipment for protection of the items and safe handling.

Pack and label your boxes correctly

Use removals cartons only, as they are designed to fit in Panteck and containers tightly. Use the appropriate sized boxes for the weight being packed. Use bubble wrap, butchers paper, foam beans and tape all boxes closed. Label boxes clearly, e.g. Fragile, Do Not Crush, Room From and Room To, etc.

Avoid extra fees and charges

Don't try to settle on the day of the removal to avoid additional hourly labour fees, truck holding and storage fees. Don't book carpet cleaners, house cleaners, gardeners, etc. for the same time as removal is taking place. Avoid moving into a house being built or under renovation. It may cause accidents and damage to your furniture/contents.

Transit and risk insurance

Transit insurance is generally provided, but all risk insurance is an additional request. Home and contents insurers often only provide transit insurance, not accidental damage cover. Always check fine print of policy.



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estate agents are committed to complete the full process of listing and selling a property. Our model is based on running a small team of professional and enthusiastic real estate agents. The business also has the significant advantage of the resources of the broader Home Loan Centre group of companies behind it.

In recent years several new entrants have sought to enter the market based on discounted commissions. Whilst commission levels are an important consideration in the appointment of an agent, they are not the only consideration. In retrospect they are rarely the critical consideration. A good real estate agent will command a reasonable commission and in return they will also use their significant negotiating skills to assist in optimising a sale.

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COMMUNITY CORNER

It has been another busy and successful period in our community support program.

For over 15 months Tuggeranong based Communities at Work had been negotiating to bring the Sydney based charity, OzHarvest, to Canberra. This was achieved on February 27th with the launch of the Canberra operation.

The Home Loan Centre committed its support to OzHarvest. We were attracted to OzHarvest as it is a project that is economically viable and adds value to the community. OzHarvest collects cooked food resources from restaurants and clubs, that would otherwise be discarded as waste, and distributes it to shelters and other persons in need.

The Home Loan Centre contributed the OzHarvest Van, which has been specially fitted with a refrigeration unit and painted in the OzHarvest yellow and logo.

OzHarvest has already delivered over 3,000 meals and this is expected to increase significantly once the ACT government amends its legislation to enable a wider range of food donors, this should occur shortly.

The Home Loan Centre commenced its second year as the major sponsor of the Ainslie Football Club by joining with the club to hold a charity Golf Day and a celebrity 'Footy Feast' dinner. The day commenced with a shot gun start ambrose at the Gungahlin Lakes Golf Club and concluded with a three course dinner and charity auction at the Ainslie Football Club, where guests were treated to the insights of AFL legends Stan Alves and Robert Walls. The effort raised over \$25,000 for distribution to local charities.

The Home Loan Centre and Ainslie Football Club have committed to making this an annual event. ●

MEET OUR STARS

Here is another star from our TV commercial. His name is Berani and he is a Sumatran Tiger. Berani is very talented and is one of the main vocalists singing our catchy jingle.

Sumatran Tigers are found only on the Indonesian island of Sumatra with only a small population of approximately 400 individuals. They are the smallest tigers of the subspecies and are currently listed as critically endangered. The biggest threats to the Sumatran Tiger today are habitat destruction



and poachers. Tigers are often sought for their fur and various body parts, which are used for their supposed medicinal properties. Even though they are the smallest of the tigers, Sumatran tigers are still very large reaching a full mature length of 2.7 metres and a weight of 90–120 kg. Their stripes are narrower than other subspecies, giving them a darker appearance. Sumatran Tigers have webbing between their toes that, when spread, makes them very fast swimmers. They also have very acute senses of hearing and sight, which makes them very efficient killers.

Berani was born on 14/9/2000 at Perth Zoo and arrived in Canberra in April 2002. He is an eager participant in the Zoo's interactive tours and is always keen to meet new people. He is well known for his playfulness and is often hiding in a bush or behind a clump of grass ready to surprise his unsuspecting visitors in one pounce. On the other side of the mesh of course! He also loves to swim and play tug 'o war with his bungy cables when food is attached. His cheeky and playful nature makes him a popular attraction at the zoo.

If you'd like to visit Berani and his friends, check out the National Zoo and Aquarium, or visit their website for more information www.nationalzoo.com.au ●

MEET OUR STAFF

Rowan began as a Mortgage Consultant with The Home Loan Centre in December 2005 after spending most of his working life in kitchens as a Qualified Chef. After being bitten by the travel bug in 2003, Rowan lived in London for two years which opened his eyes to moving out of the kitchen to find himself a career and not just a job. Rowan returned to Canberra and immediately felt suited to helping people with their home finance.

Over the last two and a half years with The Home Loan Centre Rowan has completed his Certificate IV in Financial Services (Mortgage Broking) to become an Accredited Mortgage Consultant. Rowan loves the opportunity to assist his clients meet their goals.

Position Accredited Mortgage Consultant

Life highlight Living and working in London

Favourite TV show A close call between 'Top Gear' and 'Underbelly'

Favourite movie Goodfellas and Casino

What inspires you My partner Melanie, and receiving a pat on the back for a job well done



Three people you'd invite for dinner

Well, Gordon Ramsay would be cooking, Robert De Niro for his insights, and Elle Macpherson for her looks

Three words to describe yourself

Thoughtful, interesting and well-seasoned

A must do Round-the-world honeymoon trip. This would actually involve getting married!

And one day Be taken as a passenger for a 'test-drive' in a Formula 1 car or a Jet Fighter ●

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