



key mortgage solutions

finance for home and business

Australian Credit Licence No 381336



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money matters

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Obtaining finance can be very difficult for casual employees

No matter how steady and secure your casual job may appear, some lenders make permanent employment a prerequisite when applicants apply for finance.

Recent Australian Bureau of Statistics data indicates that over 20% of the workforce is employed on a casual basis; which we're sure you will agree is a fairly significant part of the population! Despite this, many lenders have set criteria that dictate who they will and won't lend money to, and one of these requirements is the need to be in permanent employment.

This criterion hasn't been chosen on a whim, but to

protect both borrowers and lenders. The reason is that lenders need to make sure, as best they can, when approving to lend you money that you can comfortably afford to pay them back.

Assessment of your ability to repay a loan is generally calculated over five years, so because a casual or seasonal worker might not have any shifts or be working the next week let alone the next year, lenders may not be too confident that you will be able to make the repayments. This represents too much of a risk for many lenders, which is why they have set permanent employment as part of their criteria.

This does not mean you need to be in full time employment; permanent part-time may be adequate as long as you meet serviceability.

The same applies with personal loans while on probation. Lenders may want to see that you're out of probation before approving a loan. They may even go so far as to call your HR department to get confirmation of permanent employment direct from your employer – so not telling the truth isn't an option or recommended. This will only lead to an almost guaranteed decline which will then affect your credit score and ability to take out credit in the future.

For this reason it pays to know the things that impact your application before hitting the submit button.



HOME LOANS



COMMERCIAL



LEASING

PERSONAL LOANS



RISK PROTECTION



INSURANCE



INCOME PROTECTION



CASHFLOW

Winter is a perfect time for your mortgage health check

Getting yourself out of debt

If you're struggling with debt and you feel that you're in over your head, you need to think carefully about your financial direction. Here's a simple plan that will get your debt under control:

– Consolidate your debts into the one with the lowest interest rate. This could be your home loan where interest rates are the lowest. When it comes to credit cards, keep just one with the lower credit limit and destroy the rest.

– Now, there is no point in completing Step 1 without creating a budget to ensure that you're living within your means (where your income is higher than your expenses).

– Seek professional help with a financial adviser who can help you clarify your financial goals and work out a plan that suits your finances and lifestyle.

– Don't borrow more unless it's for a productive purpose such as investing or building future profits. Before borrowing, make sure you have a realistic plan for paying the money back.

– Don't worry about 'keeping up with the Joneses'. This is a deadly mindset that often leads us to borrow what we can't pay back.

– For businesses, managing debtors can make or break a business. Be prompt when invoicing; if you are slack getting invoices out, customers will assume you are not in a hurry for payment.

Winter is a time when many of us end up at the local friendly Doc's for a health certificate and a check-up. Even the healthiest of Aussies take time to invest in an annual health check to nip any problems in the bud before they become bigger concerns.

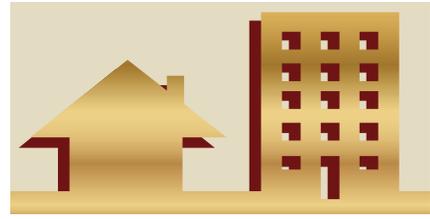
While you're at it, circle a date on your calendar for an appointment with your broker: your financial health also requires annual maintenance!

Your once-healthy home loan may be looking a little under the weather, no longer suiting your financial position, the wider market's norms or indeed your goals for next financial year.

A home loan health check will typically look at your all-important interest rate: does it match the ultra-low mortgage options now on offer?

There may be a better mortgage product available for you which reflects the RBA's latest rate cuts. A an appraising eye will also be taken to your personal circumstances: if your family has grown, the kids have moved out or your income pattern has changed, your once bushy-tailed loan might be looking worse for wear. The only way to know if your home loan is healthy?

Book your check-up now.



For all your Insurance needs contact Allianz direct on 1300 858 642 and quote broker ID 24946 to receive the Broker discounts.



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Our business is built on referrals and we would welcome the opportunity to assist any of your family or friends, also with their finance.

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