

2006 has been a year of increasing interest rates, escalating petrol prices, a slowdown in retail business, a declining housing market and a volatile share market.

You hardly need another financial publication to highlight these problems. Instead we will focus on the positives and include a few extra "one liners" to help cheer you up.

On the positive front, if you are having problems obtaining finance we can help you as we have access to various lenders that can offer the following:

- No financial statements required.
- Loans of up to 100% of the value of the property.
- Working capital finance without using property as security.

We wish to thank you all for your continued support and referrals during the year and wish you all a healthy and prosperous 2007.

Shortfalls in Used Car Values

As a result of the significant decline in the value of used cars, borrowers are finding that the value of the used car is less than the amount owing under the finance contract.

We can finance this shortfall if we include it in the amount financed on the new car.

Hard Work

How well you like hard work often depends upon whether you are doing it or paying for it.

Anonymous

No Financial Statements Required

Low Doc mortgages are now readily accepted forms of finance with most of the lenders offering this facility.

There are also a few lenders that offer leasing finance without the need to provide financial statements.

Hesitate

It's alright to hesitate if you then go ahead!

Bertolt Brecht

Patience

The secret of patience: Do something else in the meantime.

Anonymous

Equipment Rental Finance - Beware

Rental Finance is normally offered by suppliers of computers, telephones, faxes and photocopiers as this enables you to upgrade the equipment at any time.

Beware of the following:

- When upgrading, monthly payments are normally kept the same but the period is extended at terms totally in favour of the supplier.
- If you do not give the correct notice at the end of the contract it may automatically renew for a further 12 months at the same rate even though the equipment has little value.

Approximately Right

It is better to be approximately right than precisely wrong.

Warren Buffett

Average New Home Loans

"When interest rates hit 17% in 1989, the average new home loan was \$66,700 and mortgage repayments amounted to 25.8% of household disposable income.

Now the average new loan is \$222,000 and repayments account for 28.2% of after-tax income". – AFR 23rd August 2006.

Great Opportunity

When pessimists think that they are taking a chance, optimists feel they're grasping a great opportunity

Anonymous

What are the Odds?

If you are expecting to retire from your gambling winnings, below are the odds as supplied by the Centre for Gambling Research, ANU.

Winning Powerball	55 million to 1
Winning Oz Lotto	8 million to 1
Being killed by lightning	1.6 million to 1
Dying from a venomous bite or sting	1.1 million to 1
Winning \$2 lottery	180,000 to 1
Being murdered (NSW)	57,036 to 1
Picking the trifecta in 13-horse race	1,715 to 1
Marriage ending in divorce	2.3 to 1

Cost to amuse a child

It now costs more to amuse a child than it once cost to educate his father.

Vaughan Monroe

Working Capital Finance

There are Lenders that provide working capital finance using debtors or inventory as security instead of property. It is not the same as factoring, as you continue to administer your debtors and the funding is based on a percentage of your declared debtors at the end of each month.

Manufacturers

We are all manufacturers: making goods, making trouble, making excuses.
Anonymous

Fixed Rate Loans

If you are uncertain whether to fix the rate on your loan you can split the loan into a fixed and variable rate loan, thus minimising your exposure to any rate increases. You should be aware that if you repay a fixed rate loan prior to the expiry date there will be break costs.

Good Example

If you can't be a good example, then you'll just have to be a horrible warning.
Catherine Aird

Deferred Establishment Fees

With the significant increase in the number of home loan lenders during the past 10 years, loans are being switched on average every 4 years compared to every 7 years in the 1990's. To discourage the switching of loans most of the lenders have "deferred establishment fees" or "exit fees" payable by borrowers who leave within 3 to 5 years.

These fees are not included in the Comparison Rate calculations and should be ascertained prior to entering into the loan contract.

Committees

Committees have become so important nowadays that subcommittees have to be appointed to do all the work.
Laurence J. Peter

Loyalty to your Bank

There are numerous stories of borrowers that have been badly let down by their bank in spite of being with them for a number of years.

Most banks have centralised their processing leaving branch managers with less authority and they are being moved to different positions in the bank on a regular basis.

There are many new improved lending products being launched by an increasing number of lenders. Seems a pity not to take advantage of these products when there is no real benefit in remaining loyal to your bank unless they can offer you a similar product.

You are the Pilot

The bad news is time flies. The good news is you're the pilot.

Michael Altshuler

Only Live once

You only live once. But if you work it right, once is enough.

Fred Allen

Current Interest Rates

	Nov 2006	Comparison Rate
Leasing, Chattel Mortgage & CHP rates - from	7.80%	
Mortgage Rates - from		
Variable rates	6.79%	7.61%
3 year fixed rate	7.19%	7.39%
5 year fixed rate	7.15%	7.46%
Home Equity Loan	7.37%	

The Comparison Rates are based on an amount financed of \$300,000 payable over 30 years.

Try and Triumph

The only difference between try and triumph is the UMPH

Anonymous

What we do

If you are purchasing a car, computer, equipment, office furniture and fittings, property or refinancing a loan, we can arrange or provide the finance.

This finance is provided by a range of lenders depending upon your circumstances.

We are able to source finance at highly competitive rates because of the volumes that we generate.

Our clients are private individuals, salaried employees, sole traders, small businesses as well as large corporations and public companies.

We also assist clients who are experiencing difficulties obtaining finance.

The principal operators of the company are members of the Institute of Chartered Accountants of Australia.

We take care of all aspects of the lending process thus totally freeing up your time.

Who to contact:

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Disclaimer

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