



Hi Everyone,
I have spent the last six months actively interviewing, trying out and training new personnel. A very time consuming but necessary task. As many of you know, I have tried all sorts and have weeded out the wheat from the chaff so they say. Some of the experiences with staff I have found to be terribly stressful. But looking on the positive, I have ended up with a brilliant team. We have Heather, Office Manager Extraordinaire. A no nonsense and capable addition to the team. Heather keeps us all in place and has taken a load of administration work off my shoulders. And then there's John Tso (pronounced Cho) File Manager. Where has he been for the last 10 years? Reliable, straight as a dye, honest and detailed with pride in his work and

brilliant follow-up. With this team, we have put in place follow-up systems to track each loan every step of the way with trigger points and database reminders.

I am not sure if you are aware, I am now spending 80% of my time looking after existing clients and researching the market and only 20% of my time with new clients. This is the commitment I have to all my loyal clients. Loyalty deserves in return excellence and going that extra mile. I can see why so few brokers do my sort of follow up, as with many hundreds of clients it becomes a big call to ring each one 2-3 times a year



and follow up the myriad of bank errors we constantly come across. It is high standards I demand of myself and those around me and as I have said before "karma" brings back to us the goodness we send out. If you have any suggestions of how we can improve our service even further we would love to hear them.

Hope you've enjoyed the school holidays, Easter break and are ready for the winter ahead. I look forward to speaking with you soon.

JUDITH GOORJIAN

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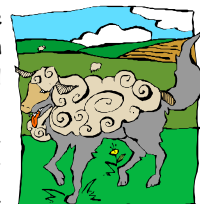
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BEWARE OF WOLVES IN SHEEP'S CLOTHING!

It is so hard to determine who is honest and we all know that hindsight is a wonderful thing. While there definitely are some really good brokers in then market, there are also those who are not always what they appear. Actual examples of "shark" like behaviour by other brokers in the industry are:

- Re-financed whole loan within same bank at higher fees for client instead of simple increase, in order to get more commission for broker;

- Re-financed whole loan to different bank when existing bank had matching product, cost the client a fortune. Did not stay with same bank in order to get higher commissions for broker;
- Pushing fixed loans constantly in order to tie client to broker for longer period even if not right for the client to fix; and
- Not lodged loan till last minute incurring thousands in penalties when client could not settle on time.



My clients who have had the above happen to them, did not know till it was too late and have vowed to never leave me for life.

The number of clients who have gone to a "family member" or "friend" who suddenly became a broker and were turned inside out is rather disgusting. I like to think that maybe it is a lack of training and experience in the marketplace as the thought that it is contrived and calculated is just too depressing. I probably get 3-4 a year like this and they come knocking on the door horrified with their experience. Don't get trapped by the wolf in the sheep's clothing, call me for an open and honest discussion. Everything I say can be researched and looked into by yourselves and I would suggest that you do just that.



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Email: admin@mortgageselect.com.au

HANDY HINT FOR SELF EMPLOYED BORROWERS

When applying for a loan please note that all company and personal tax returns and financials must be completed. Many self-employed clients automatically send us a copy of their full returns (co & personal) as soon as they are done. This enables us to do a full assessment when you make loan enquiries.



Can You Tell the Future? Shall we Fix or Not?

What an interesting time we've had in the last few months. As always, the greatest number of calls and questions we have are to do with "Fixing". I always find it amazing when a client sits at my desk and tells me their neighbour or friend who is a nurse, a mechanic, a dentist or any other profession have advised them what interest rates will do in the future and what they should do with their loan. I always laugh and respond, I must ask the bank manager for advice on what to cook, and ask the gardener for advice on which car to buy.

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*"The finest compliment I can receive
is a referral from my clients and friends"*

It is a very common human trait to try to convince others to do what you are doing as it re-assures that we have done the right thing. Of course, having a 50/50 chance of rates going up or down is rather good odds.

We all have our areas of expertise and knowledge and so much is gained from the media which is often tainted, misrepresented or not even complete. I know when I glance over the mortgage rates shown in the papers, there is a mixture of products which are not comparing apples to apples with the lenders and there are many lenders with great rates who do not even get a mention. The specials are too numerous to research and put into a matrix on a weekly basis.

All I can reiterate is that we cannot pigeonhole everyone, which is why I don't believe computer programs will ever truly takeover the role of the old fashioned personal touch. Each of you is individual and has different requirements, needs, and concerns with a range of future plans and they must all be taken into account when structuring a loan or a long-term plan. Fixed loans have their place and with the wonderful possibility of now being able to pay a fixed loan down to \$1 without penalty and to **re-draw** these funds once again, there is more scope and it negates the need to split and pay extra fees on two portions of loans. Please call us to discuss "FIXING" your loan.

SUCCESS stories

We have been urged by happy clients to share these stories.

- Clients, Peter & Lisa, were given a .6% discount by a major bank through our efforts. Three years down the track during one of our regular follow-up calls we discovered that the discount had dropped off one month after settlement. We took up the "**challenge**" and after six months of "towing and frowning" with the bank, we finally got a rebate of over **\$4,500**. Needless to say, Peter and Lisa were thrilled. This is part of our every day service, with no fee, no remuneration just lots of goodwill.
- Most of our clients who are moving from an introductory or a fixed rate to a variable do so armed with full knowledge, coached by ourselves, of what the bank/lender "**CAN**" offer and what they are able to waive as far as fees and discounts go. This allows you, the borrower, to save hundreds of dollars. **Knowledge is Power**. As in David's case, who took 3 attempts with Managers to finally have \$350 waived.
- Westpac recently put up their annual fee from \$300 to \$395. Again, looking at what specials are currently in the marketplace, we have been able to take the opportunity with disgruntled borrowers and place them into a better and cheaper option. **Any saving is a good saving**.
- Recently we pushed a lender to get a number of quotes for a valuation which reduced the fee from \$1,500 to \$715. Again, a large saving for our client. **Be Assertive not Agresive**.



What does mortgage insurance really cover?

Mortgage Insurance is required in most cases when you borrow more than 80% of a property. Why? The banks are not willing to take a risk on a fluctuating property market. They take out insurance in case the loan defaults to ensure that they at least recover their costs. The lenders, cleverly, pass the one-off, up-front premium directly to the borrower to pay. The premium is calculated on a sliding scale depending on the level of risk. An 81% mortgage would have a very low premium while a 95% mortgage would be at the higher end of the scale. They are Interest Only savings of 5% insurance when greater because There are a few and some department. Once in the mortgage insurance scenario, it is the bank's policy to bend to the insurer's assessment. If the insurers approve your loan then the bank is happy as they are covered. The insurance, due to their allergy to risk have much stricter criteria than the lenders. Premiums range from approximately .5% of loan amount to 1.5%.



Opportunity for Investors with a Return of 7.5%+ pa

After repeated enquiries from clients wishing to park funds somewhere better than a Term Deposit and having done a good deal of research, we are about to become an authorised representative of one of Australia's largest select mortgage pools.

This will allow you to either put your money into a pool for at least 7.5% return or to select a particular residential first mortgage on a rate higher than this for a select period of time. Please call

