



April 2015

Richard Bailey
0419 386 945

NEWS FROM RICHARD BAILEY



Hedge your Bet on Mortgage Rates

Wondering whether you should stick with a variable loan or go for a fixed rate? Well there is an option, split it. I found this article recently that I thought was food for thought !!

"There was a flurry of activity before Christmas as home owners switched to fixed-rate loans, probably driven by the thought that interest rates were as low as they could go. So when the RBA reduced rates last month, people were asking, how low will rates go? What is the RBA thinking? What should I do with my mortgage? Am I in the right home loan?"

Few people have seen rates this low, so experience in such a market is hard to find. What do you do? One of the options that increasing numbers of borrowers are using, but which you might not be offered by your lender, is the SPLIT LOAN. With a split loan you can nominate one part of your home loan to be fixed while the remainder is variable. You might not have this flexibility with a no-frills mortgage but most borrowers with a full-feature loan have access to a split loan. In fact, most lenders will allow you to nominate what percentage of your loan is fixed. If you already have a variable rate loan, you can nominate, for example, that 70% of your loan be fixed (leaving 30% variable).

Most lenders no longer require you to refinance into a fixed-rate loan, they "switch you", which means you simply sign a contract variation, saving you time, hassle and fees. A split loan gives you the certainty of a fixed-rate loan, or 2,3,4 or 5 years, while giving you the flexibility of the variable rate loan. Many fixed-rate home loans either disallow or limit extra repayments into the mortgage. But by keeping a portion of your loan as variable, you have the flexibility to make as many extra repayments as you want while still having the certainty of some of your loan being fixed.

In reality, all borrowers are different and if your lender hasn't mentioned a split loan option, there may be a reason. So it is suggested that borrowers take advice before changing their home loan, however here is another option."

I found this interesting, how about you?

Indicative Home Loan Repayments



AMOUNT	AT 4.25%	AT 4.54%	AT 4.74%	AT 4.94%	AT 5.14%
\$150,000	\$170	\$176	\$180	\$185	\$189
\$200,000	\$227	\$235	\$240	\$246	\$252
\$250,000	\$284	\$294	\$301	\$308	\$315
\$300,000	\$341	\$352	\$361	\$369	\$378
\$400,000	\$454	\$470	\$481	\$492	\$503
\$500,000	\$568	\$587	\$601	\$615	\$629
\$750,000	\$851	\$881	\$902	\$923	\$944
\$1,000,000	\$1135	\$1175	\$1202	\$1230	\$1259

NOTE: Weekly repayments based on principal and interest over a 30 year loan repayments are an indication only and are subject to lender's acceptance and conditions.



A Favourite Recipe

Beef, asparagus and mushroom stir-fry

PREPARATION TIME: 5 Minutes

COOKING TIME: 15 Minutes

INGREDIENTS

- 500 g beef rump
- 1 tbsp brown sugar
- 2 tbsp oil
- 250 g snow peas
- 1 bunch fresh asparagus, cut into 3cm lengths
- 100 g oyster mushrooms
- 100 g shiitake mushrooms
- 3 tbsp oyster sauce
- 1 tbsp soy sauce
- 2 tbsp blanched almonds, (whole or flaked) roasted

METHOD

1. Cut the beef across the grain into thin strips. Rub the brown sugar into the beef strips, then add a little of the oil to the beef. Mix well.
2. Heat the wok, ensure it is hot. Stir-fry the beef strips in 3 batches, reserving each cooked batch to rest in a warm bowl. Reheat wok between each batch.
3. Reheat the wok, add remaining oil and heat. Add the snow peas and asparagus, and stir-fry for 2-3 minutes. Add the mushrooms stir-fry for 1 minute. Add the combined oyster and soy sauces, stir-fry to mix.
4. Return the beef to the wok, toss to combine. Transfer to serving plate, sprinkle with almonds.
5. Serving suggestion: Serve with rice.

ESSENTIAL TIPS

- Cook meat in small batches, at a maximum of 250g at a time. When you add the meat to the wok, work from the outer side of the wok into the centre where it will be hottest.
- Best beef cuts for stir-frying: Use beef stir-fry strips or prepare your own from rib eye/scotch fillet/tenderloin, sirloin/porterhouse/New York, rump, boneless blade, round, oyster blade or topside steaks.

Best Day Ever

'The world always looks brighter from behind a smile'
- Author Unknown

The rain fell gently. I stared out my kitchen window as my morning coffee got cold. Pretty soon my quiet house would be bursting with activity, as it was every day. My husband would rush out the door to his twelve-hour shift. I would be in charge of the children, all five of them. Soon my three daughters would wake up to get ready for school. I would make sure they brushed their teeth, combed their hair, got dressed, and ate breakfast all in time to rush out the door to make the school bus. My son was in the afternoon kindergarten class, so I would have to repeat all of the above with him, while holding my infant son on my hip.

My mind drifted back to the years before I got married and had children. I had fantasized what my life would be like. I would marry my Prince charming, live in a beautiful house that was spotless.

My children would be well behaved, neat as a pin. I loved my children and husband, but I never imagined it would be so hard. My girl's alarm clock rang and startled me back to reality. I dragged myself away from the window, not ready for the day's marathon. This particular morning I was more sombre than most.

My oldest daughter picked up on my mood. "Mum, why are you sad?" She asked.

I asked her why she thought I was sad.

"I just said you look pretty, Mum."

I was so absorbed in my own self-pity that I didn't even hear my daughter tell me I looked pretty. I forced myself to smile and said I was sorry I didn't hear her. "See mum, when you smile, you look even prettier!" She chirped.

This time, I didn't have to force myself to smile.

When I woke my son for kindergarten that day, I did so with a big smile. At first I had to force the smile, because I didn't want him to pick up on my sadness as my daughter did. But that forced smile felt so good that before I realised it I was truly smiling.

That afternoon the clouds gave way to the sunshine. I decided to break our normal routine. Instead of putting my son on the school bus, I bundled him and his baby brother up and decided we should walk the ten blocks to school. The walk was invigorating, and my son gleefully chatted all the way to school.

As we approached the school he asked excitedly, "Can we do this again tomorrow? Please?"

"Of course we can," I said, and I meant it. As I walked back home, I practically grinned all the way. Wait; was that a skip in step? I picked up the speed and sang a silly song along the way. My baby boy started giggling as he bounced in the carriage. Soon I was giggling right along

with him.

When I approached the house, my neighbour waved to me and invited me in for a cup of tea. "I'm so happy to see you – it's been a long time," she said.

It had been. I couldn't even remember the last time I'd seen her, and we lived right next door from each other. As we sipped our tea, we caught up and had many laughs. We promised to get together more often.

Back at home, as my youngest child slept, I did some self-evaluating. So far, this day was one of the happiest I'd had in a long time. Not much was different, just the fact that I allowed myself to see things through a different perspective. And I allowed myself to smile.

My children would be home from school soon, and my baby would be awake. Instead of just watching TV and feeling sorry for myself, I took out my camera and photographed my baby boy as he slept. He was beautiful, a true gift, as all my children were. I was so clouded by the day's chores and obligations that I had been missing out on what was truly important in life, my family.

That evening I gathered my children in the kitchen and smiled at them. "Who wants to bake a cake?" I asked. In unison, they shouted, "I do, I do!"

As we started our cake, I looked at my children and felt truly blessed that I could practically hear violins playing in the background. Years ago, before I had my children, this was my fantasy of how it would be.

The right on cue, plop, my youngest daughter dropped the whole bag of flour onto the floor right next to where her baby brother was sitting. The flour was everywhere and my baby boy was covered from head to toe with it.

He looked up at us with his toothless grin and giggled contagiously. We all started to laugh until our sides hurt. I ran for my camera and took photos of my flour-covered baby and my children and our delightfully messy kitchen. Later that night, after I read my children a bedtime story, my middle daughter said, "This is the best day ever!" I couldn't have agreed more.

Dorann Weber

m: 0419 386 945

p: 6333 3615

e: richard@bushby.com.au

w: www.richardbailey.com.au

www.bushby.com.au

