



07 3264 7100

NEWSLETTER

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Concerns on Interest Rate Rises are the Hot Topic. What are your Options?

| Loan Amount | Monthly Repayment on 3.5% Loan | Additional Monthly Repayments Based on Percentage Increase | | | |
|-------------|--------------------------------|--|-------|-------|---------|
| | | 0.15% | 0.25% | 0.50% | 2% |
| \$500,000 | \$2,503 | \$41 | \$68 | \$136 | \$567 |
| \$750,000 | \$3,755 | \$60 | \$101 | \$204 | \$851 |
| \$1,000,000 | \$5,006 | \$81 | \$135 | \$272 | \$1,136 |

Please Note: The above tables assumes that the borrower is making monthly Principal and Interest repayments over a 30 year loan period.

If you are concerned about interest rate rises, don't panic, we are here to help you.

There are a number of positive options we can suggest over a Zoom appointment, just call us.

If you are eligible to refinance your mortgage and find a lower rate, this may be the perfect time to do so.

Remember, our services are complimentary as the Financial Institutions pay our fee. Your current bank accounts can remain where they are for your convenience.

Investor's Security Blanket

Most residential property investors are in for the long haul; they intend to hold their investment for a minimum of ten years and usually for a lifetime. Their main motivation is to provide financial security for retirement and tax minimization while working. Investors pay special attention to buying criteria that will maximize the security of their investment and minimize its risk.

They buy in what is commonly called the investors' security bracket. The investors' security bracket is different from location to location but it always ranges from between twenty percent below to fifteen percent above the median price.

To determine the security bracket for the area where you intend to buy, start by working out what sort of property is the most often sold in terms of age, construction, number of bedrooms and land size.

Depending on the location, the typical security bracket property might be a twenty-year old three bedroom brick veneer property on a six hundred square metre block.

Interestingly, most residential property investors use to buy within 8kms of their own residence. With the recent and current Boom in Queensland, the savvy investors are looking slightly further afield. With the critical shortage of rentals, our investors have discovered a high demand in places like Lowood, Deception Bay and parts of the Redcliffe Peninsular.

One of our clients, in his 50s at the time, secured his first investment property 10 years ago on an Interest Only loan. He soon realized that it was manageable to the point he now owns 7 investment properties. His future is secure! Talk to us!!

A NOTE FROM TRACIE

*Hi there,
Those about to enjoy a well earned break over the school holidays, I hope you have a wonderful time.
For those working, I trust your time will be productive and profitable.
All the best, Tracie*

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RENOVATE - ENJOY NOW - PROFIT LATER

With the equity growth in property over the past year it's exciting to see so many of our clients taking up the great opportunity to re-invest in their homes by renovating now for future gains later. Ideally, renovations should be seamlessly integrated to blend in with your original home. You don't need to go to the top of the range to achieve a modern, comfortable appeal.

Every homeowner wants a light, and airy home so it pays to concentrate on those aspects when renovating your home. The list below may add to your thought process as a guide only:

- A freshly painted interior with brilliant white ceilings and off-white walls will appeal to everyone and it lightens the interior, making the rooms look bigger. Feature walls are back in favour for living rooms and the main bedroom. Stay away from bold colours and use pastels like light blue, pale green, light grey, or soft brown.
- With our busy lifestyles, many homeowners are selecting timber look planks which only need a damp mop now and again to look terrific. They are easier on your legs, no grouting to clean and it's easy to clean up accidental spills with far less breakages.
- Window coverings have also changed over the years. Drapes have been replaced with modern blinds and shutters.
- The power guzzling window style air-conditioners can be replaced with highly effective 'Green' air-conditioners.
- Modern ceiling fans with lights have replaced the older style fans.
- Modest upgrades to the kitchen and bathroom/s will add significant sale value. Changing current light fitting with energy efficient downlights, add in some more power points and, while the electrician is on site, consider installing compliant smoke alarms ready for a future sale.
- The exterior fencing may need an upgrade, water wise plants are a good investment and using cypress forest mulch will assist to keep any termites away.

Your desires may be totally different. You may want to put in a pool for summer or perhaps a total upgrade to your outdoor entertainment area or a carport or shed. You don't need to put it off any longer.

Re-financing to allow \$50,000 - \$60,000 more or less for renovations is distinctly possible. Shopping around for items on sale will save you a lot of money and there can be thousands of dollars difference in contractor prices. It pays to always get at least three quotes and seek recommendations from friends.

Your life changing renovations will usually add double the spend amount to the value of your home while you can enjoy the lifestyle for years to come.

In some instances, we have been able to secure the right loan plus the renovation expenses without increasing your current mortgage repayments! Talk to us!!

HOME AND AWAY

GOING AWAY FOR THE HOLIDAYS? WORRIED ABOUT SECURITY?

With a little lateral thinking, home owners can outsmart aspiring burglars when they go on holiday. An empty house advertises itself without most owners realizing it. Once burglars get inside they can often come and go without the break-in being detected for days, even weeks. There are lots of ways to give your property a "lived-in" look that leaves no clues for would-be burglars.



1. Cancel milk and paper deliveries and ask the post office to hold your mail. Give a friendly neighbour your car key and ask them to park your (or their) car in the driveway every couple of days.
2. Think through your daily routines, the garbage bin for instance. Leaving it outside will give the game away. If you don't want to ask a neighbour to wheel it in and out each week, we suggest you put it away altogether.
3. If home owners want to really lead burglars astray a little electronic pottering will go a long way.
4. Install self-activating external lights and electrical timers to tune your radio to talkback radio during the day. Turn down the volume of your telephone and make sure that if you have an answering machine that you don't advertise your absence by leaving a message to that effect.

Happy Holiday!

Winter Warmer - Classic Beef Stroganoff With a Twist

INGREDIENTS:

1 Packet of Egg Noodles or similar
 2 Tablespoons of Butter
 Extra Virgin Olive Oil
 500 grams of Sirloin cut into bite size pieces
 Salt and freshly ground Black Pepper
 500 grams of thinly sliced Mushrooms
 1 chopped Onion
 2 teaspoons of fresh Thyme (Optional)
 1 tablespoon of Tomato Paste
 4 cups of Beef or Chicken Stock
 2 teaspoons of Dijon Mustard
 1 teaspoon of Worcestershire Sauce
 2 tablespoons of Corn Flour
 2 tablespoons of sour cream plus extra for serving
 2 tablespoons of freshly chopped parsley

METHOD:

Cook Egg Noodles and toss in the 2 tablespoons of butter;
 Heat 2 tblsps of oil in a large skillet over medium to high heat, add steak and sear on all sides - 8-10 minutes, season with salt and pepper and place aside in a bowl;
 Lower heat to medium and add another tblsp of oil to skillet, add mushrooms and cook until golden and tender, add to the set aside beef;
 Add another tblsp of oil to skillet, add onion and cook until tender, then add in the garlic, thyme and tomato paste - cook for a further 2 minutes, then add 3 1/2 cups of broth, mustard and Worcestershire sauce and allow to simmer;
 In a small bowl, whisk the corn flour and remain 1/2 cup of broth until completely smooth;
 Pour corn flour mix into the skillet and simmer until thickened by about half;
 Remove from heat, add mushrooms, beef and sour cream. Add salt and pepper and spoon over heated pasta and garnish with sour cream and parsley.



INTRODUCING OUR FIRST GARDENING SEGMENT!

We called upon *Brian and Kaylene Chapman*, founders of the Aussie Gardener Group for permission to share of their great products and their fantastic Blogs.



Most of our Cornerstone clients live in and around Brisbane, the Sunshine Coast and the Gold Coast which, in gardening terms, SUBTROPICAL AREAS covering Kempsey, Coffs Harbour, Clarence Valley, Ballina, Byron, Tweed Heads, Kyogle, Brisbane, Maryborough, Rockhampton and Mackayto name a few.

SUBTROPICAL AREAS CAN SOW NOW:

Broad Beans; Pea; Snow Peas; Broccoli; Brussels; Sprouts; Radish; Cabbages; Cauliflower; Celery; Kale;
 Leek; Lettuce; Rocket; Turnip/Silverbeet; Spinach; Beetroot; Carrots; Garlic; Onion; Potatoes.

I encourage our readers to check out the Aussie Gardener Group on Facebook or simply Google them. Take a look at the Seeds available to sew and the Mini Seed Dispenser. There are so many great gardening products available and a terrific delivery service.



Experience the Cornerstone Difference

Tracie Palmer - 07 3264 7100



Finance Specialist - Cornerstone Home Loans
Credit Representative #387282 of BLSSA Pty Ltd, ACL #391237

Hi there, I hope you are all able to take a break with the family over the June/July school holidays.

I have further exciting news since our last newsletter. The team and I have again won the Mortgage and Finance Award for Queensland in the most important category of, **Best Customer Service!** I am so thrilled and happy that we have been recognised for our service to our clients.

The conversation that's on the lips of every home owner in Australia at the moment is rising interest rates. Are you concerned or worried? Please reach out to me if you are. Interest rates have been at record lows for a long time. We have recently seen the Reserve Bank of Australia increase the official cash rate for the first time in 10 years!

You might be wondering how this will affect you and your family budget. Firstly, if you haven't already spoken to me about this please call or email and I am happy to do a review on your home loan to ensure you have the lowest possible

interest rates. I believe that we can ride the wave of rate increases if we first make sure that we are on the lowest possible rates & repayments.

Fixed rates started to increase in August/September 2021. The average 3 year fixed rate for owner occupied home loans is now into the 5% region. Why would you fix? If you want stability of knowing you have the same repayment for a period of time, fixing is for you. However, don't try to outsmart the banks, they don't fix their rates to lose money. Just call or email us if you want to talk about your personal situation. A review of your home loan costs you nothing and it may save you thousands of dollars.

Till next time, Tracie & Team



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CALL US TODAY FOR ALL YOUR FINANCIAL NEEDS...

Here at Cornerstone we can help you ...

- Get a Home Loan
- Review Your Current Home Loan
- Refinance your Existing Home Loan
- Consolidate Debt & Free Up Equity
- Find a Commercial or Business Loan
- Car & Equipment Finance



Get in Touch



07 3264 7100



Po Box 547
Albany Creek Qld 4035



admin@cornerstonehomeloans.com.au



cornerstonehomeloans.com.au



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