

Hello All,

The first domino has finally fallen for the positive, in this post Royal Commission apocalypse!

No longer do banks need to assess that you can afford your current and applied for loans at 7.25-8.00%. Some banks have already reduced their 'Assessment rates' to as low as 5.30%. We still have the tougher Metrix in place in other areas, but this is a positive change and a step in the right direction. Still a long way off from where we were in say 2016, but this is a clear sign that the government is loosening up.

I have been preaching for a while now; that it will take the government a while to realise they have gone too far. Fortunately, they can see that now via the property market slowdown, which has very negatively affected our economy. I think the penny has finally dropped for the government that; people need to be able to get easier money. If people can't get money, people can't buy and build houses. If people can't buy build and buy houses, we will surely enter into a recession! The property market and building industry is the lifeblood of so many Australians. This is also probably linked to 2 sudden RBA rate cuts.

So, most people can borrow around 30% less than 3 years ago. This new change to lender assessment rates means; you just got some of that borrowing power back! It's a big win!

INTEREST RATE REVIEWS:

If you settled on a loan with us previously; we got you the best deal possible at that time. Times have changed and you may be able to do better now.

I'd encourage you to call your bank and mention that you were looking to refinance, but you are happy to stay if they reduce your variable rate. If they won't reduce your rate, we need to possibly move you elsewhere. Apart from possibly doing better rate wise elsewhere, some banks will even pay you thousands at the moment to entice you to jump ship.

The variable rate you can achieve will depend on your loan size, loan purpose, security ratios etc. Below is an indication of the range of variable rates you can achieve in today's market:

For an Owner Occupied loan:	3.18% - 3.39%	(Principal & Interest)
For an Investment loan:	3.55% - 3.85%	(Principal & Interest)
For an Investment loan:	3.66% - 4.19%	(Interest Only)

For your reference also, Fixed Rates are below:

For an 'Owner Occupied' Loan:

2 Year Fixed: From 2.99%	(Principal & Interest)
3 Year Fixed: From 2.99%	(Principal & Interest)

For an 'Investment' Loan:

2 Year Fixed: From 3.41%	(Principal & Interest)
3 Year Fixed: From 3.49%	(Principal & Interest)

2 Year Fixed: From 3.64%	(Interest Only)
3 Year Fixed: From 3.64%	(Interest Only)

With any of the above; if the banks refuse you a better deal or you are not happy with the outcome, please call us. If your current bank won't change your rate in a changing market; another bank possibly will!

Legal and compliance blurb:

The above rates do not take into account any fees; exit fees, establishment and any start fees, annual fees, mortgage insurance etc. Comparison rates have not been quoted either, due to rates being quoted in a 'range'. If you would like a comparison rate or more info on anything in the above, please contact me and I will give you precise information, pricing and advice for your individual circumstances.

The Daniel O'Brien Laymen's blurb:

Some of the above rates look great. But some of them are with 3rd world lenders. Lenders that aren't the greatest to deal with and lenders that tend to increase rates on a whim. Definitely some great deals out there, so worth reviewing your options. But we need a balance between; good price and a safe and reputable lender!

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