



Festive Greetings

Mortgage Link would like to take the opportunity to wish all our clients and partners a happy, safe Christmas and prosperous New Year. We value our relationship with you and look forward to working with you in 2010 to help you to achieve your financial goals.



Plan Early For 2010

Mark Childs of Mortgage Link Wairarapa, who is the 2009 NZMBA Broker of the Year, says balancing the books is much easier if people start planning early for the most expensive time of year.

“Some people may put it in the too hard basket but if you’re serious about not overspending it’s not too difficult to calculate most of the costs of the Christmas holiday period and then stick to a budget,” Mark says.

He expects most people will cap their spending after a difficult year of nil wage rises and cutbacks in overtime. “We are

encouraging people if they haven’t reviewed their finances in the last 6–12 months to come in and have a chat.

“If people are finding it tough, it may be necessary to review their mortgage, and decide if it is worthwhile to change its structure.

“A bank may have put them on a fixed term and we can look at different options and see if it’s worth paying the penalty to come off a fixed rate, for instance. It’s all about giving people information and advice so they can make an informed decision.”

For those who are serious about long term financial planning, brokers can arrange a visit to a financial planner, and in some cases they are based within Mortgage Link offices.

So tuck the credit card away and find the calculator – with some careful planning and tips from your Mortgage Link adviser, you can approach the New Year with confidence – and a healthy bank account.

What
makes
a broker
better?

Our friendly winning team have all the right advice and answers.

Phone 0800 466 784
or see contact details on back page.
www.mortgagelink.co.nz

What Makes a Good Borrower?

When people apply for a home loan their Mortgage Link adviser is intent on establishing the quality of their loan application. They look at these factors:

Cause – the reason for the loan, is it legitimate and will the loan be used for that purpose?

Capacity – the borrower's ability to generate enough income to service the loan as well as other outgoings.

Collateral – a deposit.

Capital – what is the borrower's equity and what sort of financial position are they in?

Character – is the borrower reliable and likely to repay the loan? Stable employment, clean credit checks and account conduct are evaluated.

While these items determine loan suitability, Peter Henderson from Mortgage Link Southland points out that many applicants do not fit all the criteria but they can still be helped.

"Sometimes, people will have a lot of outside debt due to something unexpected, such as a death in the family. Or there may have been a credit hiccup, often for a valid reason. It's our job to present the best possible application".

Wendy Yorke of Mortgage Link Taupo says people need to be mindful that if they have defaulted on a commitment to a bank, finance company or a business over a hire purchase, it can scupper their chances.

"It is crucial to talk to the affected party and try and find some solution. If you don't address it, the bank or finance company will ensure it is impossible to get a home loan."

Be mindful about going into unarranged overdraft regularly as this is seen as poor management.

People must be honest as to the purpose of the loan. "We have a duty of care to the lender so we rely on people to tell us exactly what the loan is to be used for."

Peter says "the world is your oyster" if you are a good borrower because that is what lenders are looking for. However, with strict lending criteria being relaxed a little as the recession fades potential clients who don't meet all the standards should talk to their Mortgage Link adviser about their chances.

Once you've found your new home,
who does the rest?

Finding your new home is just the start. Getting finance and knowing how to make it fit with your life (and your plans) is the next stage. But relax, with us it's not difficult. We can help you to work out what you can afford, assist you to find the most appropriate deal, with the right rate, term and conditions.

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Clean and clinical for a quick sale

De-cluttering has emerged as a key approach to preparing a property for sale in 2009.

Real estate agents say potential buyers need to imagine a home they are inspecting would be the right setting for their possessions. To achieve this "clean" look tidy away any unnecessary furniture and mementoes such as photos and sports awards, organise and tidy cupboards and wardrobes, ensure paintwork around windowsills is not peeling, and maybe hire a water blaster to give everything that fresh and clean look.

Other tips: Check all door, window and cupboard latches open and close easily. Make sure all lights work and leave some on if necessary. In the bathroom check the seals around the bath and basin are in good repair. All small appliances should be cleared away in the kitchen to give an uncluttered look, while the main appliances such as oven and fridge should be spotless. Try to make your home as warm and inviting as possible with good lighting, flowers and light music. Avoid leaving pets at home during open days.



Mortgage Link (NZ) Limited

To contact your local Mortgage Link office
Go to www.mortgagelink.co.nz
Or call 0800 466 784

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