

NAVIGATING THE MAZE

YOUR GUIDE TO ALL THINGS FINANCE AND FINANCIAL PLANNING

IN THIS ISSUE

He bought a Jeep | The power of time | Rapid Fire Q & A | The history of some common customs

WE'RE BACK TO OUR CAMPING ROOTS.

Some of you might have seen on my Facebook page that I have bought a Jeep!

I decided to get the Jeep because I wanted to get the best use of the branding and my previous car was becoming impractical with the domestic trips that we wanted to do. I spoke to the guys at 1 Day

Wraps and they came up with an awesome concept for the car which has been a great success.

I've had a Jeep before and I really enjoyed it and I suppose since we're not going to be doing any international travel any time soon it allows myself and the family to do a bit more camping and travelling

FEBRUARY NEWS 2021

up and down the New South Wales Coast.

I know many families are thinking the same thing as every four-wheel-drive store I go to every camping store they seem to be out of the essentials. We sold our camper a few years ago because the boys didn't really want to sleep in the camper with their parents, they wanted to sleep in their swags.

It seems we've gone full circle, we will be in tents again and the part is the boys still want to come with us. I know camping is not for everyone but I just love being in the fresh air and out of the city. It reminds me with that we really need to see this great country of ours before we spend all our money overseas.

Ben

- Principal, FYI Money



PEACE OF MIND



Once Buddha was walking from one town to another town with a few of his followers. While they were travelling, they happened to pass a lake. They stopped there and Buddha told one of his disciples, “I am thirsty. Please bring me some water from that lake there.”

The disciple walked over to the lake. When he reached it, he noticed that some people were

washing clothes in the water. Right at the same moment, a cart pulled by an ox started crossing the lake.

As a result, the water became very muddy.

The disciple thought, “How can I give this muddy water to Buddha to drink?” So he came back and told Buddha, “The water in there is very muddy. I don’t think it is fit to drink.”

After half an hour, Buddha asked the same disciple to go back to the lake and get him some water to drink. The disciple obediently walked back. This time he found that, with everybody else gone, the lake had absolutely clear water in it. The mud had settled down and the water above it looked fit to drink. So he collected some water in a pot and brought it to Buddha.

Buddha looked at the water, then looked up at the disciple and said, “See what you did to make the water clean? You let it be, and the mud settled down on its own and you got clear water.

“Your mind is also like that. When it is disturbed, just let it be. Give it a little time. It will settle down on its own. You don’t have to put in any effort to calm it down. It will happen. It is effortless.”

“ QUOTES OF THE MONTH

In the arithmetic of love, one plus one equals everything, and two minus one equals nothing.

—MIGNON MCLAUGHLIN

An early-morning walk is a blessing for the whole day.

—HENRY DAVID THOREAU

There must be quite a few things that a hot bath won’t cure, but I don’t know many of them.

—SYLVIA PLATH

Safety is an illusion, and trying to protect ourselves does nothing more than protect us from experiencing a full, evolved, and juicy life.

—JEN SINCERO

Living in the past or living in the future—those aren’t real. The moment is now, and that’s where safety and comfort and all that good stuff is.

—MARC JACOBS

Everything is theoretically impossible, until it is done.

—ROBERT A. HEINLEIN

Just don’t give up trying to do what you really want to do. Where there is love and inspiration, I don’t think you can go wrong.

—ELLA FITZGERALD

The law of work seems unfair, but nothing can change it; the more enjoyment you get out of your work, the more money you will make.

—MARK TWAIN



Congratulations are in order!

FYI Money would like to thank the following clients who settled a loan with us in the last 60 days. We really appreciate your business. We wouldn't be in business without each and every client.

- Adam and Amanda
- James and Suzanne
- Greg and Jenny
- Martin & Sally
- Peter and Ella
- Anthony and Tina
- Simon

YOU HAVE QUESTIONS, I HAVE ANSWERS...

BY BEN WHITE

In our neck of the woods housing prices were up 3.5%, an amazing number at the best of times and quite remarkable in a pandemic. It feels like we have turned the economic corner and are well on the road to recovery. Even in adverse circumstances we are by and large getting on with life as best we can in the given circumstances.

I've got clients coming to me asking about doing renovations or starting to build a new home. They are asking if they should put it off for 6 months or get started now.

My response is, *"The building industry just keeps going. They've been flat out all 2020. With everyone at home, everyone is doing all sorts of projects because they've been home and haven't really taken any holidays.*

"When have you known a builder to get cheaper in 6 months or a year? They never do. There have never been interest rates this low. If the market keeps going on its current path, then you'll probably be paying more in 6 months' time.

"Money isn't likely to be cheaper than it is right now."

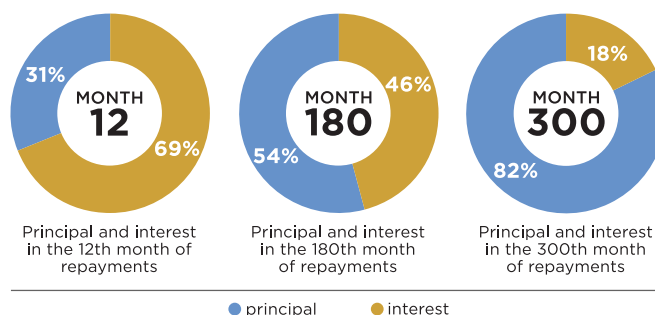
An Important 'Nuts & Bolts' Question.

Of late, I've been asked a few times 'how the balance of a home loan gets paid off?'

Basically each day, the bank calculates how much interest you owe based on your outstanding balance. If you pay 'Interest Only' (IO) you pay that off each week/fortnight/month and the principal stays the same.

When you pay 'Principal and Interest' (P&I), after you pay your interest and the rest of your payment, the

principal payment reduces your outstanding balance so that next payment, means you pay less interest (because you have a smaller balance for the period) and pay off even more principal. On and on we go for life of the loan.



This does mean that extra repayments (especially at the start of the loan) really add up, because they save you interest on each subsequent repayment and a 30 year loan has between 360 and 18,720 repayments.

Anything Else We Need To Be Aware Of?

Banks are busy, there are a lot of applications being put in, plus the summer holidays, plus the covid factor means that we can be waiting up to a month for an application to even be looked at. So make sure you factor this in to your applications - don't come to me and say I need this next week. You'll really be hampering your chances of getting it approved and to get it approved fast you may be missing out on a better deal to get it fast.

Banks are now automatically declining loans where the debt to income ratio exceeds 6. I.e. if your combined income is \$200,000, if you try and borrow more than 1.2 million you'll be automatically declined at most banks (not all, most - there are some but it's too complex to explain quickly).

If you want to get renovations done or build or anything else my advice right now is start your application early to avoid it being a problem. Call **0416 294 483** or email me on **ben.white@fyimoney.com.au** and we will help you navigate the finance maze.



Thank you for the referral!

It means a lot to us when you stick your neck out for us and recommend our services to peers, friends and family, you don't have to do it and each time you do we feel incredibly grateful. Thank you to the following clients - we are truly humbled.

HOW DID IT START?

You cross your fingers for good luck, or to excuse yourself from lying, but do you ever wonder how customs like that originated? The Cracked website explains the beginnings of everyday behavior we take for granted:

Painting fingernails. Babylonian warriors in 3200 BC would paint their nails before heading off to battle to signify their social class.

Thumbs up. English archers in the Middle Ages would use the gesture, which was the correct brace height of a longbow, as a signal that they were ready to shoot.

Encores. Baroque audiences would demand repeat performances of songs of they enjoyed, sometimes in the middle of the piece.

Yawning. Covering your mouth while yawning developed from an ancient belief that evil spirits could enter your mouth during a yawn.

Blowing out candles. Making a wish while blowing out birthday candles derives from cultures which thought that smoke delivered prayers to the heavens.

High-fiving. The first recorded high-five occurred on Oct. 2, 1977, when Glenn Burke of the LA Dodgers reached up to slap the hand of teammate Dusty Baker, who had just hit a home run, and Baker slapped his hand in return.

Crossing fingers. Crossing fingers to catch good luck originated in ancient pagan cultures. The practice for lying came from early Christians who wanted to absolve themselves from lies they told their persecutors.

- Jessica for referring David and Amanda
- Yazmin for referring Mark
- Going for referring Marilyn
- Barbara for referring Amanda and Jeremy
- Nicole for referring Martine
- Larren for referring Larry and Lana



FYI MONEY

Helping you navigate the finance maze