

# A Great Local Summer's Ride

## Wanting A Story With A Few Twisties?



Sometimes you don't get a full day off and the weather isn't always how you have ordered it for that time off to RIDE BABY RIDE! It leaves one feeling down right tormented and what's more, you know that there is only one thing that will make the itch go away. You know that feeling right? So here is a great "quickie" that'll combat that deep itch without having to cause total consternation or divorce proceedings.

Ok, so you need to set aside a minimum of 3 hours from Pukekohe. Pack a thermos of coffee and a few munchies if you have more time available as coffee shops en-route are a little scarce. Speaking of routes, Pukekohe, Waiuku, head to Karioitahi beach (if time prevails carry on to the beach as it's a great coffee break) and turn right into Kohekohe Karioitahi Road and follow the map! It's a great ride full of twisties but watch out for odd patches of unmarked gravel and stock over the road cow scheissen. Best to ride defensively, not like a >

Awhitu Peninsular, a sensational ride with the best scenery. Marinus Van Wijk on his Classic 750cc 1990 Paso Ducati. That's my 916 S4 Monster Ducati 'feel the love!'.

## Welcome to the eLocal monthly Financial Update

My name is Tina Webb and I will be offering some balanced insight into the current financial situation plus property and interest rate snippets.

Life isn't getting any easier for the RBNZ. Every time they have reviewed the interest rates this year the global credit crisis has been deeper, the outlook for economic growth has deteriorated and policymakers around the world have become more aggressive in their responses. While the official cash rate has come down the cost of buying funds offshore has become more expensive. This is why the mortgage rates do not always come down to the same extent as the OCR.

At the moment quite a number of borrowers want to break their existing fixed rates and find that there can be costs involved. I often get asked the question as to how the funders work out these costs.

Bear in mind that lenders run a business which needs to make money. If the lender has lent you funds at 7% and the current rate is 9% then they are only too delighted for you to give them the money back since they can 'sell' it at a higher rate and therefore make a higher profit. However, at present the converse is true. If you are currently on 9% and the funder can only get (say) 7% for the same funds then they will make a loss. Every funder has their own way of doing these calculations but basically they take into consideration the difference between your existing fixed rate and the current rate that they can 'sell' these funds for. They then look at the length of time your fixed rate still has left to run.

Some of my clients have found that most of the break fee is recoverable by re fixing for 6mths on the lowest rate possible with a view to re fixing for a longer period when the rates settle down. Historically the lowest rates have been around 7.2%. They have never been as low as some of the overseas rates of 5%. This is certainly not a time to go overboard with spending, but rather to make the most of what you have and keep a positive outlook. Life goes on and property and finance cycles have been happening for a long time. Part of enjoying the good times is having to cope with these market conditions.

I wish everyone a happy New Year and hope that 2009 may give you the strength to overcome any challenges that come your way.

Investment property still works very well for those who are not over exposed and have a balanced portfolio. Anyone interested in finding out more could check out [www.gettingstarted.mypropertymindset.com](http://www.gettingstarted.mypropertymindset.com)

On a lighter note "The greatest discovery of my generation is that human beings can alter their lives by altering their attitudes of mind." William James The poor man is not he who is without a cent, but he who is without a dream. - Harry Kemp  
If money doesn't grow on trees then why do banks have branches?  
Anon



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