

## ***Banks, profits and principal & interest styled loans***

**A typical Principal & Interest loan:**

**Loan amount:** \$300,000.00, **Term:** 30 years, **Comparison rate:** 6%, **Monthly Payment:** \$1,798.65

Payment Number (Year 1)	Current Payment		To Date		Balance
	Interest	Principal	Interest Paid	Principal Paid	
1	\$1,500.00	\$298.65	\$1,500.00	\$298.65	\$299,701.35
2	\$1,498.51	\$300.14	\$2,998.51	\$598.79	\$299,401.21
3	\$1,497.01	\$301.64	\$4,495.51	\$900.44	\$299,099.56
4	\$1,495.50	\$303.15	\$5,991.01	\$1,203.59	\$298,796.41
5	\$1,493.98	\$304.67	\$7,484.99	\$1,508.26	\$298,491.74
6	\$1,492.46	\$306.19	\$8,977.45	\$1,814.45	\$298,185.55
7	\$1,490.93	\$307.72	\$10,468.38	\$2,122.17	\$297,877.83
8	\$1,489.39	\$309.26	\$11,957.77	\$2,431.43	\$297,568.57
9	\$1,487.84	\$310.81	\$13,445.61	\$2,742.24	\$297,257.76
10	\$1,486.29	\$312.36	\$14,931.90	\$3,054.60	\$296,945.40
11	\$1,484.73	\$313.92	\$16,416.63	\$3,368.52	\$296,631.48
12	\$1,483.16	\$315.49	<b>\$17,899.78</b>	<b>\$3,684.02</b>	\$296,315.98

This Principal & Interest Repayment Chart - sourced from [infochoice.com.au](http://infochoice.com.au) - shows that after 12 months you would have paid back to the bank \$17,899.78, and yet all you were able to reduce the loan by was \$3,684.02.

A whopping **BANK REVENUE of \$17,899.78** in 12 months!

*Here's what we can show you...*

## **How to Lower the Total Cost of Your Mortgage!**

LOAN **A** \_\_\_\_\_ ? or LOAN **B** \_\_\_\_\_ ?

The Money Builder Loan comes with your own loan manager, at a variable rate with no extra fees or charges.

How it works is that you work out how much cash you need to have each week to spend, and the rest of your wages/income goes to your loan account. When you receive a bill, such as electricity rates, etc. you call or email your loan manager and they will transfer the amount to your account. The more you have in your account and the longer you have it in there, the more you save.

This keeps you in control; you know how much you have to spend and you save having the additional funds against your loan for the longest possible time.

Your loan manager keeps in constant contact letting you know how much you are in front, sending you detailed reports and graphs. This keeps you motivated and your confidence builds as your loan decreases and your investments build.

How safe is it? 100% secured by NAB, as well as funds can only be transferred into your nominated account. You can take over from your personal loan manager at any time and you can obtain additional funds.

This loan is a gift, a gift for people who want to build their wealth and payoff their loan quicker. It is like having a personal trainer. Some people can get up at 6am and jog every day. Others want to but somehow it just does not happen. However, they get a personal trainer who come knocking and calling at 6am, and get you going - no more excuses and your feeling great, your confidence is building and you're loving it. This is the same as the Money Builder Loan.

#### 4. Premium All-In-One Account

The latest loan product on the market with built-in money management



brocading debt and new lending. "We have been using budgeting tools for Jointcap couple Richard and Renee Brown. The couple used a 30-year, \$1-million loan, consolidated their mortgage, credit-card debts and car loan into one \$198,000 loan. The 10% interest rate on the new loan with Crown Lending enabled them to reduce their monthly debt payments by 25%," says Brown.

According to Scott Perry, executive director of Crown Investment & Financial Services, the loan facility can be passed off much faster because it is not a traditional principal-and-interest, 25 to 30-year loan.

He estimates the Browns will save \$80,000 in interest payments because the new facility will enable them to pay off their loan in 10 years.

Over the next four months, Brown, 27, and Richard, 30, will have reduced their principal from \$198,000 to \$194,000.

The financing arrangement works by passing funds from the mortgage and major expenses into a premium

account, which is offset against the loan principal.

Mr. Perry claims the premium loan account is more effective than the offset account, which offsets traditional principal-and-interest loans.

This is because every cent in the premium account goes towards paying down the principal, which reduces daily interest rates and discounts them and there are no ongoing account-keeping fees.

A separate living account has been set up for everyday expenses.

"We worked out a budget with them so they had enough money left for their lifestyle," says Mr. Perry, adding that the Browns had no debt.

"All other money for the mortgage, major bills and holidays, goes into the premium account."

Mrs. Brown, who works in administration for a building company, says the family's improved cash flow will help them earn more money towards their future wealth. "We hope we are now going to buy a small apartment property in this market."



**"In four months, Renee, 27, and Richard, 28, have reduced their principal from \$198,000 to \$194,000"**

## AINSLIE CHANDLER

Being debt-free might seem like a dream but experts say by making a few simple changes to your spending and repayment habits you can pay off your mortgage years sooner and save thousands of dollars — all without signing up for the latest loan reductions scheme.

The number of people with mortgages has grown steadily in the past 10 years, with the national property market booming on the back of low interest rates and first homebuyer incentives.

Australian Bureau of Statistics figures showing that in the 2002-03 financial year, 48 per cent of owner-occupied dwellings had a loan or mortgage against them, up from 40-41 per cent in 2000-01.

Mortgages also are getting bigger. ABS figures show the mean size of mortgages went up by 37 per cent in

Mortgage Industry Association WA State secretary Jeff Rammer said there was no need to sign up to a get-out-of-debt-quick scheme to pay off your mortgage because there was no secret to paying off a home loan sooner.

Simply paying more money more often was the quickest path to being debt-free.

Mr. Kinner said mortgages were generally simple products which could be easily handled by tracking and managing household spending using a spreadsheet on a home computer.

Interest on home loans was calculated daily so by making repayments weekly or fortnightly, instead of monthly, mortgages could be paid off sooner, Mr Rimmer said.

Mr. Rimmer said controlling your spending, super-sizing your repayments and getting rid of your mortgage sooner had one clear benefit — you would be out of debt.

Think you lack the monetary



A "loan coach" helped Jeff Beres consolidate his family's debts and pay \$14,000 off his home loan in six months.

Clients were provided with budgeting software which allowed them to see what impact every dollar they put on their mortgage or redraw from their mortgage would have in

Southern suburbs father of five Jeff Stern said living on a single income and renovating their home twice had pushed him and his wife's credit to the limit.

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Working with Crown had helped them pay \$14,000 off their \$274,000 home loan in six months, after they consolidated their credit card debt into the loan.

Because having a loan manager controlling their money made them think twice before redrawing from their mortgage, the system had

"A loan coach helped  
Jeff Beros consolidate

his family's debts and  
pay\$14,000 off his

home loan in six months."

Statement of Account

Lender Perpetual Trustees Victoria Limited  
Account Manager Crown Lending Pty Ltd

CAN WE HELP YOU ?

Call your Account Manager for statement and account enquiries.

Phone No 1300 602 901  
Fax No 1300 602 899

Loan Start Date	21 Oct 2009
Loan Maturity Date	15 Oct 2038
Loan Amount	\$255,000.00
Issue Date	1/05/2012
Statement Start Date	01 Mar 2012
Statement End Date	01 May 2012

Account Name

Account Type & Loan Number

Premium -

FullDoc

Date	Details of Transaction	Debit \$	Credit \$	Balance \$
01-Mar-2012	Opening Balance			
05-Mar-2012	Drawdown 1			55,711.69
12-Mar-2012	Drawdown 1	600.00		56,311.69
14-Mar-2012	Direct Credit 1			56,911.69
16-Mar-2012	Drawdown 1		6,269.91	50,641.78
20-Mar-2012	Drawdown 1	600.00		51,241.78
31-Mar-2012	Interest		900.00	51,841.78
02-Apr-2012	Drawdown 1	334.39		52,176.17
05-Apr-2012	Drawdown 1	600.00		52,776.17
12-Apr-2012	Direct Credit		600.00	53,376.17
16-Apr-2012	Drawdown 1	600.00	6,269.92	47,106.25
23-Apr-2012	Drawdown 1	600.00		47,706.25
	TOTAL AT END OF PERIOD	5,124.39	12,539.83	48,306.25
	CLOSING BALANCE			
23-Apr-2012	Total interest charged(s)	304.39		
Current interest rate(s)%		7.38		

Annual Percentage Rates for current period

Date from which the rate applied

Annual Percentage Rates

Higher Rate

24-Feb-2012

7.38%

11.38%

Biller Code:

Biller ID:

Contact your participating Bank, Credit Union or Funding Source to make repeat payments from your cheque or savings account.

KEY TO TRANSACTION DETAILS

(P) Partial Payment	(D) Drawdown / Disbursement	(I) Interest Payment	(S) Statement Payment
(F) Finance Charge / Fee	(R) Repayment	(T) Tax Payment	(U) Unpaid Payment
(V) Voucher Payment	(W) Withdrawal	(X) Xero Payment	(Y) Yolo Payment
(Z) Zero Payment	(AA) Annual Payment	(AB) ABN Payment	(AC) AC Payment
(AD) AD Payment	(AE) AE Payment	(AF) AF Payment	(AG) AG Payment
(AH) AH Payment	(AI) AI Payment	(AJ) AJ Payment	(AK) AK Payment
(AL) AL Payment	(AM) AM Payment	(AN) AN Payment	(AO) AO Payment
(AP) AP Payment	(AQ) AQ Payment	(AR) AR Payment	(AS) AS Payment
(AT) AT Payment	(AU) AU Payment	(AV) AV Payment	(AW) AW Payment
(AX) AX Payment	(AY) AY Payment	(AZ) AZ Payment	(BA) BA Payment
(BB) BB Payment	(BC) BC Payment	(BD) BD Payment	(BE) BE Payment
(BF) BF Payment	(BG) BG Payment	(BH) BH Payment	(BI) BI Payment
(BJ) BJ Payment	(BK) BK Payment	(BL) BL Payment	(BM) BM Payment
(BN) BN Payment	(BO) BO Payment	(BP) BP Payment	(BQ) BQ Payment
(BR) BR Payment	(BS) BS Payment	(BT) BT Payment	(BU) BU Payment
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(BZ) BZ Payment	(CA) CA Payment	(CB) CB Payment	(CC) CC Payment
(CD) CD Payment	(CE) CE Payment	(CF) CF Payment	(CG) CG Payment
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(HJ) HJ Payment	(HK) HK Payment	(HL) HL Payment	(HM) HM Payment
(HN) HN Payment	(HO) HO Payment	(HP) HP Payment	(HQ) HQ Payment

### Client Details-

Young single professional.

She purchased her first home in September of 2009 and has already paid \$90,000 off her debt in 3 years.

## The Most Dynamic Part

This is the hardest part, but the most dynamic: the spending plan. Most people do not want to look at their finances; however this is where you really start to save and build your debt into investment and FREEDOM.

Picture this: your house is paid off and you can then invest in property, managed funds, etc. You can cut down your work from full time to part time or give up completely and do what you have always dreamed of doing - without high risk and with the same income as if you were working full time. You can make this happen. And Loans will help you work out your finance plan and obtain your Money Builder Loan.

Money Builder will assign you with your own Personal Loan Manager, and it begins - your start to financial freedom.

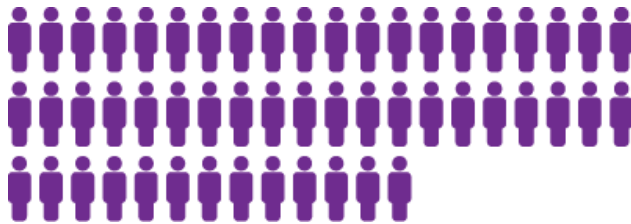
## Spending Plan

Total Net Income		\$		W F M B Q A (Please Circle)	
<b>Food &amp; Lifestyle</b>					
Food & Grocery	Amount \$	Frequency	= Annual \$		
Pet Food	\$	W F M B Q A	\$		
Lunches	\$	W F M B Q A	\$		
Dining Out	\$	W F M B Q A	\$		
Take Away	\$	W F M B Q A	\$		
Magazines/Newspapers	\$	W F M B Q A	\$		
Hair/Nail/Beauty	\$	W F M B Q A	\$		
Clothing/Shoes	\$	W F M B Q A	\$		
Presents/Gifts	\$	W F M B Q A	\$		
Alcohol/Cigarettes	\$	W F M B Q A	\$		
Lotto	\$	W F M B Q A	\$		
Donations	\$	W F M B Q A	\$		
Doctor/Dentist/Glasses	\$	W F M B Q A	\$		
Prescriptions/Vitamins	\$	W F M B Q A	\$		
Sport/Recreation	\$	W F M B Q A	\$		
Tools/Books/Hobbies	\$	W F M B Q A	\$		
Home & Garden	\$	W F M B Q A	\$		
Other	\$	W F M B Q A	\$		
<b>Long Term Expenses</b>					
Sheds/Plow/Curtains	\$	W F M B Q A	\$		
White goods/Furniture	\$	W F M B Q A	\$		
General Household	\$	W F M B Q A	\$		
Holidays	\$	W F M B Q A	\$		
Savings Plan	\$	W F M B Q A	\$		
Other	\$	W F M B Q A	\$		
<b>Transport</b>					
Car Registration	\$	W F M B Q A	\$		
Car Maintenance	\$	W F M B Q A	\$		
RAC Membership	\$	W F M B Q A	\$		
Fuel/Public Transport	\$	W F M B Q A	\$		
Other	\$	W F M B Q A	\$		
<b>Bills</b>					
Council Rates	Amount \$	Frequency	= Annual \$		
Water Rates	\$	W F M B Q A	\$		
Water Consumption	\$	W F M B Q A	\$		
Electricity	\$	W F M B Q A	\$		
Gas	\$	W F M B Q A	\$		
Telephone	\$	W F M B Q A	\$		
Internet/Cable TV	\$	W F M B Q A	\$		
Mobile	\$	W F M B Q A	\$		
Pets/Veterinary Visits	\$	W F M B Q A	\$		
Home Security	\$	W F M B Q A	\$		
Work/Union Fees	\$	W F M B Q A	\$		
Schooling/Education	\$	W F M B Q A	\$		
Child Care/Maintenance	\$	W F M B Q A	\$		
Accounting/Legal Fees	\$	W F M B Q A	\$		
Other	\$	W F M B Q A	\$		
<b>Insurances</b>					
Home & Contents	\$	W F M B Q A	\$		
Health	\$	W F M B Q A	\$		
Income Protection	\$	W F M B Q A	\$		
Life	\$	W F M B Q A	\$		
Car	\$	W F M B Q A	\$		
<b>Other</b>					
Business Expenses	\$	W F M B Q A	\$		
Invest. Property	\$	W F M B Q A	\$		
Expenses	\$	W F M B Q A	\$		
Other Investments	\$	W F M B Q A	\$		
Rent	\$	W F M B Q A	\$		
Leases Payments	\$	W F M B Q A	\$		
Super Contributions	\$	W F M B Q A	\$		
Other	\$	W F M B Q A	\$		

So, call us now or fill in the on-line application and we can begin making finance freedom a reality.

## Take 100 Australians at age 25 - Look what happens after

### 40 years.....



54 Depend on Government or Charity



24 Have Died



12 are totally broke



5 are still working



4 are independent



**Only One is Financially Free**