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## A few reasons to celebrate

By Michael Coombes



We're on a high at the moment. Our end-of-financial-year figures indicate Southshore Finance's turnover increased 30%

over last year. The amount of repeat and referral business has been staggering and a huge compliment.

It's also exciting each time a client comes back to us to expand the business we helped finance or to purchase new investments due to your deserved success in business. Congratulations and thank you.

### A new face

During the processing of your loans in the last three months, you may have come in contact with our Finance Manager, Lou Moretti. With over 20 years in bank lending experience, Lou has been a valuable asset, liaising between clients and lenders and following each loan through to settlement.

### Positives in consolidation

I've been slightly annoyed lately with the media's negative portrayal of debt consolidation. These loans can be a key turning point for people who are weighed down with too many high interest loan commitments. They are a saviour when handled properly.

Since I don't have enough space to tell you in detail here, I've included a story and example on page two. Please don't hesitate to call me if you have any questions after reading it.

### A special skydive birthday celebration

It was a special day on September 23rd, when we were able to be part of Peggy Oram's 90th birthday celebration, having sponsored her birthday wish of a skydive! See photos on page 2.

## Howards Storage World gets a boost from an industry specialist

**After nearly three decades in a corporate career and international lifestyle, Rune Johannesson has chosen Western Australia to live and Howards Storage World as his business to build.**

Rune's career with IKEA took him to Sweden, Germany, France, Italy and seven years ago brought him to WA to be General Manager of their Osborne Park store.

Deciding it was time to break away from the corporate world and "be his own boss", Rune researched business opportunities in which he could best utilise his marketing and merchandising experience within the home furnishings industry.

When Rune saw the opportunity to be WA's Master Franchisee for Howards Storage World, he knew it would be a winner. With two thriving stores in the Perth Metro area, Rune could see the Franchise's potential in this booming State.



Rune began by contacting three finance brokers and said Michael Coombes of Southshore Finance "was the one who always picked up the phone. But more seriously, I could talk to Mike about everything and he helped me see exactly how the bank would be looking at every aspect of the venture."

"Importantly, for the business, Mike helped me set up sufficient finance buffers and a plan A, B and C."

When researching the business, Rune said he must have created up to 30 spreadsheets of projections that Mike helped him evaluate and they felt the Howards Storage World business would be a win. He confidently promotes the franchise as an excellent business model with outstanding support.

People looking into purchasing a franchise can do so with the knowledge that their Master Franchisee has a strong background in the industry and can provide a high level of support, along with a 40-strong head office team of specialists in finance, marketing, store design, merchandising and strong relationships with over 80 suppliers.

The first thing Rune did was open a store in the heart of Subiaco's busy Hay Street shopping district in March.

Since then, he's been overwhelmed with requests from people interest in opening franchises. Stores in Melville, Midland, Morley, Cannington, and Bunbury will open in the coming months.

"I love this business. I haven't looked back for one second and the best part is that I have the final say in business decisions now."

# Helping business migrants get started

**New country. New business. New home. It's a big step starting a business in a new country. Who will give you finance? Where will you live? How do you do it? Well, plenty of people are managing. We've processed a number of loans for business migrants recently and they're making great success stories.**

It's a common mis-conception among business migrants. They expect the banks wouldn't be willing to lend money to a new resident. The opposite is true.

Most times the banks feel that, if the applicant has jumped through all the necessary hoops and background checks allowing them to be in Australia on a Business Migrant Visa, then they would be an eligible applicant for a business bank loan.

In fact, it seems banks are relatively comfortable lending to them, as they've already been background checked by immigration, to be here.

Business migrants generally have to prove they hold a minimum value of assets or cash (usually \$250,000) and meet a number of other conditions in order to receive a provisional business migration visa. Once they have purchased or established and operated a business for a specified period, they are entitled to apply for a permanent visa under this class\*.

Recently a client moved to Perth from the UK and we were able to assist him in purchasing a business and properties in Mandurah. We were also able to help friends of his do the same thing.

Should you require further information on any topic relating to business or commercial property finance, residential property finance or equipment financing we'll be more than pleased to assist.

The information contained within this newsletter is of an advisory nature only and due to constant changes we advise you to contact us before making any formal financing decisions.

**SOUTHSHORE**  
finance

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## Popular business choices

Many new migrants are choosing traditionally low-risk businesses, such as a news agency, lotto, or post office. Others have opted for the security of an established business franchise, such as Automasters, cafes like Gloria Jeans or Merchant Tea & Coffee, Bedshed and Ranger Camping Equipment stores.

Camping equipment sales have really taken off with the popularity of holidays at home in Australia. People are looking less to flying overseas and more to exploring our own Country.

We're extremely familiar with the processes involved in helping business migrants achieve their goals and are able to help them through the process of



*We've helped a number of migrating families get settled with new homes and businesses.*

purchasing a business, liaising with their accountants and solicitors where necessary.

\* Southshore Finance makes no claims, promises or guarantees about the absolute accuracy, or completeness of the details regarding Business Migrant Visa applications. Detailed information on Business Migration Visas can be found online at [www.immi.gov.au](http://www.immi.gov.au)

## Peggy celebrates 90th with a skydive!



*Peggy Orum celebrated her 90th birthday on September 23rd with a Southshore-sponsored skydive which was featured on Rove Live - all to raise money for Camp Quality, a charity for young people living with Cancer.*

## Don't believe everything you hear

**You may have heard or read recently that debt consolidation lands borrowers in trouble. But you should also consider that mishandling anything in life can cause problems. Debt consolidation works well when handled the right way.**

Like the average family, since buying your home, you may have completed renovations or acquired a new car, boat or other luxury item via personal loans or credit cards. The payments on these various debts can be overwhelming. Debt consolidation is an excellent plan for getting back on track with your finances.

The savvy way to handle it is shown in the following example:

### Smith family finances

Home Loan: \$250,000 at 7.32% (25yrs)

Car loan: \$30,000 at 9.0% (5yrs)

Credit cards: \$5,000 at 19%

Boat loan \$20,000 at 9.0% (5yrs)

**Total debt: \$305,000**

### Current monthly payments:

Home loan: \$1,818

Car loan: \$625

Credit Cards: \$150

Boat loan: \$415

**Total: \$3,008/month**

You could continue to pay these loans separately at various interest rates and waste thousands on interest. Alternatively, add all these debts together and obtain one 25 year home loan for \$305,000. You would then have only one new monthly payment of \$2,218. But don't stop there.

Cut up your credit cards (keep one for emergencies). What you don't want to do next is go out and rack up new debts at high interest rates so that you're facing this same situation again in a year's time.

### The crucial step

The best thing you could do is keep paying \$3,008 per month on the new loan. The extra \$790 being added to the mortgage each month will result in the mortgage being paid in full - along with all of those high interest debts - in just over 13 years instead of 25 years.

A major bonus is that the extra payment is at your option. Therefore you can reduce the payment to \$2218 at any time without having to seek permission or incur costs with the bank.