

Money Talk

Solutions and service - not just products

Business Finance Solutions

- *Business Acquisition*
- *Refinance & Restructure*
- *Working Capital*
- *Import /Trade Finance*
- *Invoice Discounting*
- *Professional Practice Finance*
Accountants
Financial Planning
Legal Practices
- *Franchise funding*
- *Rent Roll acquisition*
- *Business Succession*
- *Management Buy Out / In*
- *Agricultural Finance*
- *Vehicle & Equipment Finance*
Finance Lease
Novated Lease
Personal Lease
Commercial Hire Purchase
Chattel Mortgage
- *Equipment rental*
- *Advisory Services*

Commercial Property Finance Solutions

- *Acquisition*
- *Refinance*
- *Development & Construction*
- *SMSF Loans*

Residential Property Finance Solutions

- *Purchase*
- *Refinance*
- *Construction*
- *Wealth creation*
- *Consolidation*

Other Personal Finance Solutions

- *Vehicle Buying Service*
- *Personal lease - non business*

A Merry Xmas and prosperous New Year

On behalf of us all at AFN we would like to thank our clients, Alliance Partners and friends for your support during what has been a challenging year. We wish you a safe and joyful holiday season and a prosperous 2010.

(Our office will close 24th December and reopen 4th January.)

The Economy - Cautious optimism

As we prepare to see out the current year, there is an air of cautious optimism in the Australian economy. Whilst we appear to have escaped very lightly from the worst of the Global Financial Crisis and its aftermath it will take a number of years for the economy and for a lot of individuals and businesses to recover fully. The Dubai Debt crisis also serves to remind us that the world economy is still very fragile.

A period of rebuilding and austerity?

The next 10 years will be an interesting period for both Australia and the world economy. There has been a seismic shift in the world economy with dominance shifting to China and Asia. The US and Europe will enter a period of rebuilding and austerity as they fund the recovery.

In Australia, we may see a massive deleveraging in the property market as the baby boomers retire - or will we be the first generation to work longer than our parents?

The Finance Industry

The last 18 months have been a tumultuous period for the finance industry, and there are many more changes to come

- National regulation of the finance industry will see the licensing of finance brokers and a consolidation of the industry - most of the "fringe" brokers will exit the industry.
- Low doc loans are now very difficult to fund, and under the new legislation will virtually disappear.
- New disclosure requirements will add substantially to the paperwork associated with loans - but little real protection.
- Non bank lenders have already started to return to the market place. They will be more competitive, and provide more head to head competition for the banks for prime clients.

New Products and Services

At AFN we've used the last 12 months to refine our product offerings and services to meet the new realities.

Our traditional focus on business owners, 2/3 home buyers and investors remains - with a continued emphasis on adding value for our clients. Overleaf we've listed three new products for you.



Indicative Interest Rates - 17 Dec 09

Average Rate	V	F 1Yr	F 2Yrs	F 3Yrs	F 4Yrs	F 5Yrs
BBSW	4.10%	5.08%	5.64%	5.98%	6.20%	6.30%
Commercial	6.60%	7.58%	8.14%	8.48%	8.70%	8.80%
Home Loan SV	6.24%	6.64%	7.34%	7.74%	7.94%	8.04%
Vehicle CHP	N/A	10.55%	10.55%	9.80%	9.80%	9.80%

AFN Residential and Corporate Finance is a specialist mortgage manager, finance broker and consultant

Helping you to achieve your personal and business objectives

Add over 150 years of combined banking and finance industry experience to your advisory team ...

AFN Residential Finance

Australian Finance Network Pty Ltd
(ABN 34 089 429 218)

AFN Corporate Finance Pty Ltd

(ABN 44 107 865 681)

Suite 3, 109 Union Road Surrey Hills Vic 3127

Phone: (03) 9890 0822 Fax: (03) 9898 9296

Email: loans@australianfinance.com.au

Web: www.australianfinance.com.au

Cash Flow Finance - Invoice Discounting

We are pleased to announce that Garry Teychenne has joined our Corporate Finance team. Garry has more than 30 years experience in the industry as both a lender and broker specialising in cash flow finance. He has good working relationships with all lenders and an unrivalled knowledge of the options available to our clients.

Equipment Rental - Operating Lease

Rental or operating leases are particularly suited to goods that have a limited working life such as computers, electronic whiteboards, smaller items of plant and equipment, or equipment that is required for a fixed period contract.

The full amount of the monthly rental is deductible as a business expense and at the end of the rental term (normally 1-5 years) the equipment is returned to the financier and upgraded to new equipment as required. Contact us for more information.

Personal Lease for new motor vehicles - non business purposes

AFN is now able to offer a bank funded **Personal Lease** facility for non business use vehicle purchases. Similar to a normal lease or CHP, the **Personal Lease** offers a competitive fixed rate with the option of a residual payment at the end of the term. The facility offers terms of 3 / 4 / 5 years. Finance approval normally takes 24 hours from receipt of your application.

Integrated Motor Vehicle Buying Service and Finance for Business and Personal Use

For many purchasing a new motor vehicle can be almost as traumatic as buying a new home. If you're in the market for a new vehicle for personal or business use, and don't want the hassle of traipsing around the car yards our new vehicle buying service offers a time saving solution. The service is provided in conjunction with Jivve" (a vehicle buying service) and Macquarie Leasing. We'll provide you with:

- 1) A highly competitive quote for the new vehicle of your choice (limited to cars, SUVs and utes), including options. As long as the vehicle is new, make and price are not limited.
- 2) Finance approval before you purchase to maximise your negotiating power.
- 3) When you're ready to proceed, the service's nominated car dealer will contact you, and arrange to bring the car of your choice to you for a test drive.
- 4) You're under no obligation to purchase from the nominated dealer, if you find a better deal elsewhere. Your finance approval will still be valid.

Good buying

The information contained in this newsletter is of a general nature, and does not take into account individual objectives, needs or financial circumstances. You should seek independent advice from appropriately qualified and experienced advisers prior to making any financial decisions based on the information in this newsletter