



WHY 320,000¹ FAMILIES SHOULD BE JUMPING FOR JOY THIS MONTH!

So you've taken the obligatory 'standing by the front door' photo with your child in full school uniform with an oversized backpack (that they nearly fit into themselves) on their first day at 'big school'. The day has come and gone, and life is not going to be the same moving forward.

Are you as excited as they are? If you're not, you should be!

Why? If your day care fees have recently diminished, or halved, as your children start big school, have you considered your **exciting NEW financial future?**

No? Then you are not alone. Most don't. But here's why you should be...

No more day care fees!

It is anticipated that the average Australian parent spends, even after rebates, close to \$10,000 a year on their child's early education and care¹. Now they are in full-time compulsory education (unless you've just popped them into a private school) this means, potentially, you have thousands of dollars a year extra in available cash flow.

And what will YOU do with those savings?

If you are like most families, life just gets that little bit easier financially and the additional cashflow ends up being

absorbed by your day to day living. A few additional treats here and there, perhaps planning that long awaited holiday, the bathroom renovation you've been holding off or an upgrade to a new car.

But wait... there's more...

With the little ones at school, this can also mean some families will reconsider their work arrangements with a return to the workforce or increasing their hours. Viola! More additional income and potential cashflow!

Whether you are saving on day care fees or earning additional income with a return to work, this is a great time and opportunity for you and your family to re-assess your short and long term goals and how this additional cashflow can be utilised in achieving these goals.

What are your considerations?

Let's face it – you've probably been paying day care fees for a few years now and have managed to stay on top of your everyday living expenses. So rather than this newfound cashflow being utilised for many minor items that are potentially not going to have a meaningful impact upon your future lifestyle, ideally this money (being a considerable amount) could be used to make a significant difference to your future lifestyle.



Living within the same means, enables you to:

- invest in property
- upgrade the family home, or
- pay down debt and your existing mortgage.

Please, contemplate your financial future before this additional cashflow is gobbled up.

1. Invest in property

Did you know that you don't need to have repaid off your own home loan to purchase an investment property?

Now you have additional cashflow (and probably equity in your home from the recent property growth) there is no need to put delay investing off any longer. With the right investment property, it may now be an affordable option for you to fund an investment property.

If you'd like to learn more about property investment contact us for our article **9 Steps to Successful Property Investment**.

Alternatively, if you don't have enough equity in your home, then the additional cashflow can be accumulated and **saved towards a deposit** for an investment property.

Whether you're a first-time investor or ready to climb that property ladder, it's never too late to look after your family's financial future.

2. Upgrade the family home

With children starting school, it usually means they become more active and start to need more room to run around and play. It's not surprising that around this time many families consider upgrading their family home with a larger yard for the children to play.

In this instance, the additional cashflow from day care fees could be utilised to fund additional repayments for your dream home and provide much needed additional space for the family. The children will love you for it.

Call the office to assess your new borrowing power.

3. Mortgage repayments

Starting out and recently bitten off a large mortgage? Not currently in a financial position to invest in property or upgrade the family home?

Then now could be the time to position yourself for the future and take charge of your current mortgage. Making additional repayments on your home loan can be a positive step to saving thousands of dollars in interest and reducing the term of your loan.

Better still, when utilised properly, putting your additional savings into an offset account could also save you tens of thousands over the lifetime of the mortgage.

Your loan type (fixed or variable) should determine the appropriate strategy. *Limits may also apply as to how much*

in additional repayments you are able to make. Make sure you call the office before making additional payments to ensure it fits with your overall financial strategy.

How can you get ahead financially?

Contact the office TODAY so we can discuss and determine the optimal way to move forward in using any additional funds available from reduced day care fees or other lifestyle savings.

Source:

1. [abs/statistics/people/education/childhood-education-and-care-australia/latest-release](https://abs.gov.au/statistics/people/education/childhood-education-and-care-australia/latest-release)

Contact us for our topic sheet **"9 Steps to Successful Property Investment"**

