



"Lifestyle, Recreation, Farming, Investment & Residential Pursuits"

"It is better to deal with an honest man with the shake of a hand than a signed contract with a crook"

In this Addition:

Beware of the banks margin calling &

The poorest country in South Asia

Recently I was completing a property settlement and paying the commonwealth Bank of Australia back 106% of the loan on the property. I requested the surplus funds of 6% go towards another mortgaged property. To my shock and disgust the C.B.A requested they revalue another property with in my portfolio? They had originally loaned 80% LVR on two separate properties, with a 30 year loan contract. I had requested stand alone loans, and the properties were valued separately. The mortgage incurred mortgage insurance due to the loan being 80% LVR. The mortgage insurance company Genworth no longer offer the C.B.A 80% LVR on this particular property type. It is now reduced significantly and the bank called back the difference along with a lower value forcing a total call back of 36% of the original loan? Despite the loan contract being 30 years, it was not worth the paper it was written on.

Fortunately I was in the financial position to obtain funds quickly to pay out what I call [**The banks ransom money**], so settlement took place, as opposed to the C.B.A suggesting, I put up more security. The question I put to all on my data base is, if the banks you deal with requested a 36% call back of your loan, would you be in the financial position to do so?

There are hundreds of hard working Business people at present that have had the same thing happen to them, but were not in the position to pay back a margin call and the banks have sold them up. When I was younger I listened to many older business people who had lived through the depression, had warned me to Never trust the banks?? Their hidden motto I believe is “Profit first people second” and have as much social conscience as Genghis Khan or Adolf Hitler. The Golden rule is

“He who has the gold make the rules”

If anyone has similar bad dealings with the banks, send me an email I would like to know of it.

How to protect your self from the banks

1. Even if you requested stand alone loans and the banks valued your properties separately, never allow them to create accounts with loans linked together for banks admin purposes. Have all loan accounts separate.
2. Never try to refinance your existing loan, until you are sure the banks position has not changed with their LVR criteria.
3. Make sure you are aware if Mortgage insurance still applies to your existing loan, and if it is no longer available, what will be the ramification if you refinance with the existing lender.
4. Never submit a loan application with the same lender to access equity, unless you are comfortable your property will be valued higher in value, and LVR has not changed.

The poorest country in Sth Asia

The photo above I had taken on a trip through Nepal last year. To me it is the face of Nepal. A begging woman trying to survive by the only means she knows of survival. It is a common occurrence through out India and Nepal desperate people with the only want in life is food. So despite my grievance I have with banks and the corporate world, we must be truly grateful we live in this fantastic country, but we can not be complacent, and allow the monopoly of large business or the corporate world to rule and dominate. We must continue to have a social conscience as the upmost priority above profit. Or we will find ourselves going down the track as Nepal or India.

“People first, profit second”



Photos I had taken while I travelled through the poorest country in sth Asia. Happy beautiful faces of Nepal. left to right, Hindu women of chitwan & young Buddhists of Lumbini

I get asked by many people, why do a travel to these third world countries. It's for this reason, to understand others, either how the amassed fortunes or more importantly how and why they are unfortunate, learning about other cultures their stories, true humanity.

Listening to their stories of victory or struggle. And when I return to Australia one can really appreciate how fortunate we truly are. Of the 7 billion people in the world, there is really only a small percent that is able to buy their own piece of land. Without going into battle to occupy or defend it. There is an old saying.

"WEALTH GOES TO THE PERSON WHO OWNS THE LAND"

In Australia one can own acreage, even people with small incomes by buying on terms, without any threat or little sacrifice. This truly is a great country

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