



NEXUS

PRIVATE WEALTH MANAGEMENT

PERSONAL FINANCE SERIES



5 | Immediate Debt-Structuring Steps for Reducing Bad Debt

These recommendations alone have cut years and \$1,000s in interest from existing debts held by my clients...

Please consult a qualified financial adviser as to the appropriateness of these recommendations for you, before implementing.

Debt-Structuring Steps for Reducing Bad Debt

- 1** Consolidate all personal debts to the lowest interest rate, using a line of credit or a redraw facility with a 100% offset account attached.
[For advice on the right lending structures contact our mortgage broking team]
- 2** Maintain pre-consolidation payments – the same applies for any future interest rate drops.
- 3** Direct all income and savings into your offset account or line of credit. Any windfalls such as work bonuses or tax returns should also be added.
[If you are consolidating, our team can structure appropriately during set-up]
- 4** Use a 55 day interest free credit card to keep your account balance offsetting interest for longer. Be sure to pay the credit card off before interest is charged and unless you are entitled to discounts for early payment, pay all of your bills at the 11th hour.
- 5** With all funds (income, savings, bonuses, money aside for monthly expenses) accumulating in your offset account, a budget can help you keep track of spending
[A budget will also highlight your excess monthly cash flow that can be put toward step #6]

For Wealthy Finances...

- 6** Invest to get ahead – reducing debt requires income, to earn more you can trade more hours for more income or acquire your own income producing assets, this is where equity plays a vital role.
[For advice on the right lending structures contact our mortgage broking team]
- 7** Separate yourself from your investment for this to work you need to know your available cash flow, establish an investment plan and contribute regularly. Seeking advice from a wealth planner can ensure the right structures are in place and your cash flow has been correctly calculated, with guidance, your wealth building should then switch to auto-pilot.

Expect More From Your Mortgage Broker!

For Specialist Knowledge of **Investment Lending** and **Debt Structuring**
Talk to the Mortgage Specialists at Nexus Private...



See Over for
Video Link and
Specialist Lending
Services...

Nexus Private offer professional lending advice for a wide range of requirements, including:

- ✔ Limited recourse borrowing for SMSFs
- ✔ Debt consolidation and reduction strategies
- ✔ Debt recycling
- ✔ Lines of credit
- ✔ 100% offset accounts
- ✔ Fixed, variable, interest only and split facilities
- ✔ First home buyer finance
- ✔ New home finance
- ✔ Property investment loans
- ✔ Home loan refinancing
- ✔ Personal and car loans
- ✔ First home owner's grant
- ✔ Insurance

As qualified financial advisers we have access to "Private Client" special offers that are periodically offered by some banks. These offers are not made to the general public and may include such incentives as discounts on interest rates, waiving of fees, or even higher loan-to-value ratios (LVRs) without the need to pay mortgage insurance.

Top 5 Debt Management Mistakes Explained...



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