

# Is your Password Secure?

If you use a family name, a pet's name, a birthdate or numbers between 1 and 6 as your online password, you are an easy target for a hacker.

The recent cyber-attacks on a spate of organisations, from eBay to Apple, has emphasised the importance of choosing strong passwords that can't easily be discovered. An alarming 25 per cent of the top most common passwords are first names and the average password people use (and hackers know about!) is six characters and all lower case.

The security risk becomes even greater if you are one of the 73 per cent of Australians who use the same password for multiple sites. Once a hacker has discovered your password for one site, they will use automated software to fire it at a whole bunch of other sites.

Experts advise that not only should you have a different password for every site, but also that you make your password as long as possible and change it regularly.

To make a password easy to remember, think of a sentence and change some of the characters (known as a pass phrase). For example, 'be good, be wise' could be modified to: B3g00db3wi5e\$. Avoid using famous phrases, movie titles, song lines etc.

Here are some Do's and Don'ts on password creation.

## DO

- Make your password eight or more characters.
- Use a mix of all character types: ABC, abc, 123, @\$!&
- Make a diary reminder to change it regularly.
- Use a password manager to help generate strong passwords and remember them for you.
- Construct a password from a sentence or the line of a song.

## DON'T

- Use passwords like 'abc1234', 'password', 'admin', 'iloveyou', 'aaaaaa' – these were the most popular passwords discovered after Adobe's systems were hacked.
- Use public information like kid's names, anniversaries, partner's names.
- Let your web browser remember important passwords for you.
- Use the same passwords for multiple accounts.
- Log into private accounts on public computers.
- Send your password via email or store it in plain text on your computer.
- Use complete words – they are much easier to crack.



## About Us

Hunter Lending Solutions is part of TFS Group. We are financing professionals here to help you through the complex process of securing a loan.

Our Mortgage Broking business was established in 2007 to primarily provide additional services to the Financial Planning clients of our sister company TFS - The Financial Planning Professionals. However our business has now grown beyond that and services the broader community.

Our loan writer is Adam Greentree, Adam is a member of the MFAA and is authorised to provide Credit Advice through Vow Financial Group. Adam is also a Certified Financial Planner and holds a Masters of Financial Planning. With over 20 years in the Financial Services Industry, Adam is well positioned to provide our clients with professional and comprehensive advice.

Hunter Lending Solutions is more than just Adam. He is backed up by a total staff of 7 to ensure that we provide the highest level of service.

We have a working relationship with many banks and non-bank lenders and can provide you with access to hundreds of options when it comes to financing a home, allowing us to provide you with the most efficient and cost-effective method of obtaining a loan that fits your financial goals and circumstances.



## The Team

Back: Taryn, Adam, Virginia, Maureen  
Front: Cathy, Naomi, Jackie



JULY/AUGUST 2014 | NEWSLETTER

**Hunter Lending Solutions**  
More than just a home loan

If you haven't already started investing in property, now is as good a time as any to begin. Research shows that investment loans dominate the market as more and more people discover the benefits of building wealth through investment.

If you already own one property and are considering acquiring a second, we'll talk you through the steps required. Read the article on page 2 – 'how to buy a second property' - and give us a call to find out how we can help you put your investment strategy into action.

Our page 3 article gives tips for getting the most from your Home and Contents insurance and on page 4 we look at the Do's and Don'ts of online password security. Did you know for example that passwords like 'abc1234' and 'aaaaaa' were the most popular passwords discovered after Adobe's systems were hacked.

Enjoy this newsletter and feel free to pass it on to family and friends.



**THUMBS UP FOR INVESTMENT**



**HOW TO BUY A SECOND PROPERTY**



**GETTING THE MOST FROM HOME INSURANCE**



**IS YOUR PASSWORD SECURE?**

## Thumbs up for Investment

Investment loans dominate the market and the majority of investors use a mortgage broker, according to new research.

Investment property loans have grown by 37 per cent in the last four years, while owner occupied loans grew by 4 per cent in the same period, according to the Roy Morgan Research Consumer Single Source Survey.

In another survey, conducted by Property Investment Professionals of Australia, almost 70 per cent of 800 property investors say they have sought services from a mortgage broker.

So what is it that draws property investors to mortgage brokers? Undoubtedly one of the biggest selling points is that brokers

can shop around to secure the best product and lender to suit the client. As a mortgage broker we invest our time in staying up to date with the latest products and we have a large panel of lenders from which we can compare loans.

Mortgage brokers have a wealth of knowledge and many investors don't have as much time as they would like to devote to the financial dealings involved in a property purchase so it helps to know they can rely on a broker to step them through this process.

It is often reported by property investors that what sets brokers apart is a passion for their job and a willingness to go the extra mile for their clients. That certainly describes us to a tee!



DISCLAIMER: This newsletter is intended to provide general news and information only. Readers should rely on their own enquiries before making any decisions touching their own interests. Please do not rely on any part of this newsletter as a substitute for specific legal or financial advice.

**Hunter Lending Solutions**  
More than just a home loan

**a** 28 Sowerby Street Muswellbrook NSW 2333

**t** 6541 5626

**e** borrow@hunterlending.com.au

**f** 6543 3614

**W** www.hunterlending.com.au



We're a member of the Mortgage & Finance Association of Australia (MFAA), the peak industry body. As a member, we adhere to the industry Code of Practice which requires high standards, fair business practices, ethical behavior and compliance with the letter and spirit of relevant laws and regulations.





# How to Buy a Second Property

You already own one property and now you want to purchase a second. How do you get started?

We have helped many clients with this scenario and this is what we tell them:

## 1. Choose a strategy

There are various ways to approach property investment so it is important to decide which one works for you. First ask yourself what you are trying to achieve: long term financial security? A little extra cash flow? Multi-million dollar portfolio?

Then decide how best to go about it: do you want to renovate and then sell for quick profit or would you prefer to buy and hold the property to achieve capital gain?

Going ahead without an investment strategy not only leads to confusion during the property search, but also opens you up to all kinds of unwanted risks like buying the wrong kind of property, paying too much or reduced investment return.

## 2. Assess your finances

Have a conversation with your mortgage broker. We'll let you know what competitive loans are out there, what you can borrow, and which lenders are likely to maximise your loan capacity. Come to us before you even begin looking at properties because that way we can work together to put your investment strategy into action.

For some, the best funding option might be to unlock the equity of an existing property and combine this with savings. For others, it might involve debt consolidation and savings or even investing within a self-managed super fund.

The bottom line is that if you have a sound income then you're in good shape to buy more than one property because each property you purchase adds income and equity, which aids further loan serviceability.

## 3. Research areas to invest

Choosing well means everything when it comes to making money from property. Too many investors make the mistake of buying a property based on an area they might know, rather than researching the market. Once you have decided on a definite strategy and sorted out your finances, you can compile a list of criteria that will help narrow down your property search.

## 4. Make debt work for you

Not all debt is bad. The best debts are investment loans used to buy assets like property - this kind of 'good' debt allows you to build a larger portfolio sooner, potentially earning more income and capital gains, paying off your borrowings from your enhanced returns.

Debts to avoid or to pay down quickly include car loans and credit cards — borrowings used purely to fund consumption or buy depreciating assets



# Getting the Most from Home Insurance



Taking out home insurance is a requirement of most lenders, but it pays to become familiar with the fine print before you choose a policy.

If your home is burgled and your electronic gear is stolen, did you know there is probably a cap on how much you can claim. If your child accidentally lobs a ball through the kitchen window, you might not be covered for broken glass. If your property is burnt down, the cost of temporary accommodation might be taken out of the amount you insured your home for.

A good place to start is by understanding the difference between 'total replacement' cover and 'sum insured' cover. Total replacement cover typically has the highest premium and includes all the costs to rebuild your home to the standard it was prior to an event. 'Sum insured' will cover you up to a set amount that you have selected. Check whether your insurer increases the sum-insured each year or offers additional coverage to account for projected rebuilding cost increases.

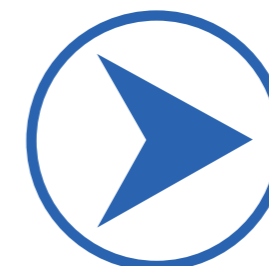
Don't risk being left under-insured because you haven't accurately calculated the rebuilding cost or made inaccurate representations about your building. To check rebuilding costs, use the web calculators offered by many insurers or obtain advice from a builder. If you have renovated your property since your policy was taken out, update your insurance to reflect its improved value.

The same rules apply for 'contents' insurance. Each year, before you renew your policy, review the replacement value of your contents and adjust your cover accordingly. Walk through each room, listing all your belongings and how much it would cost to replace them. Keep receipts as you may be required to provide evidence of value.

The type of contents cover you choose will affect the premium you pay: some policies will cover the value of your possessions while others will replace them with new items ('new' for 'old'). It is unlikely that your policy will cover every loss situation so be aware of common exclusions like 'accidental damage', 'antiques and collectables', 'lack of property maintenance'.

Most contents policies set limits for items like jewellery, artwork and electronics, which means that if you have a specific asset worth more than the standard limit then a capped policy won't replace them unless you insure these items separately.

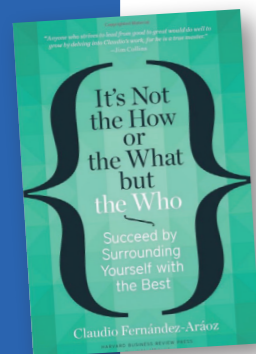
Want to know more about home insurance? Let us know and we'll point you in the right direction.



## Did you know?

- Damage caused by insects like termites is usually not covered.
- Any damages to your home office probably won't be covered without a separate business insurance policy.
- Leaving your property unoccupied for an extended period of time may void the policy.
- Many policies don't cover damage done by pets.
- Even if your policy protects against 'fire', this may not include damage by burning or scorching where there have been no flames.
- You are not covered for any part of a building that can't be locked.
- You may have to pay more to protect fridges, washing machines, pool pumps etc. against motor burn outs.

## Book Review



### It's Not the How or the What but the Who: succeed by Surrounding Yourself with the Best Resilient Investment Strategies Through Biomimicry

In fact, in professional environments, getting people right—what global leadership authority Claudio Fernández-Aráoz calls “the art of great ‘who’ decisions”—marks the difference between success and failure. To thrive, you need to identify those with the highest potential, get them in your corner and on your team, and help them grow. Yet surprisingly very few of us are able to meet that challenge.

This series of short and engaging essays outlines the obstacles to great “who” decisions and offers solutions to address them in a systematic way. Drawing from several decades of experience in global executive search and talent development, as well as the latest management and psychology research, Fernández-Aráoz offers wisdom and practical advice to improve the choices we make about employees and mentors, business partners and friends, top corporate leaders and even elected officials.