

mortgagematters

Compliments of Rein Weber

TMG The Mortgage Group



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"Life is trying things to see if
they work"

– Ray Bradbury

May 2009 Bring You Peace,
Health and Happiness.

All the best,

Rein



THE "GOOD OLD DAYS" ARE NOW!

We've all sat around at some point, shaking our heads about the low prices our parents paid for their homes, lamenting that, "if we'd only known..." home prices would rise, we would have bought property years ago, sold it when the prices went up, and would be enjoying the proceeds today.

With all the news about property prices declining in so many neighbourhoods, some investors are looking at today's market as the new "good old days", when property can be picked up affordably.

History has proven time and time again that "what goes up must come down", and rapidly rising home prices over the past few years have demonstrated that prices may have been high in some areas. Now that prices have come down and many properties are available at a more reasonable cost, savvy consumers are looking at real estate as a long-term investment opportunity, or an opportunity to move into a neighbourhood that they couldn't previously afford.

If you're considering a change of your primary residence or the purchase of a second property, make sure you talk to me about your financing options first. Even if you haven't yet found your next home, you'd be wise to get your financing in order so that when you do come across the perfect property, you can move on it immediately.

I have the latest rates and updates on mortgages and loans, and am happy to provide this information not only to you, but to any of your friends, colleagues and family members who have questions on home financing. I appreciate your referrals!

CNMB

REASONS TO REDECORATE

Be it one room in your home or all of them, understanding why you're redecorating is important for achieving your decorating goals. Here are five great reasons to get inspired.



IT'S A NEW YEAR

Happy New Year to you! If you're like most people, the ushering in of a new calendar year marks an opportunity to make a fresh start. For some, this may mean improving their work/life balance; for others, it may mean a commitment to getting in shape. For you, perhaps the arrival of 2009 is just the excuse you've been looking for to shake up your surroundings. So, will this be the Year of the Art Deco Interior? Or maybe the Year of the Mediterranean Décor?

YOU'RE EXPECTING

With your family about to expand, you may need to convert that guest room, home office or home gym into a space fit for your new arrival. The décor in baby's room will likely change as your child matures. And don't forget other areas of your home that may require a little revamping to accommodate a child – perhaps you'll want to create a play area or maybe you'll need to put that china collection away for a few years.

COHABITING WITH A PARTNER

When you live alone, your décor is usually a reflection of you as an individual. But when you're cohabiting with your significant other, your living environment should be representative of your life together. Decorating can be a source of tension for couples, so set some ground rules before you begin: focus on your style similarities instead of your style differences; don't criticize each other's taste; solicit each other's opinions; and be prepared to compromise. When all else fails, hire an interior decorator.

SELLING YOUR HOME

As any professional home stager will tell you, a home that's on the market needs to be decorated differently than a home that's not for sale. While you're living there and have no intention of moving, your home's décor should appeal to and reflect your individual tastes. But once you decide to sell, you need to change your décor so it appeals to the broadest selection of people possible. That means neutral colors and subdued patterns; an understated look is your goal.

YOUR TASTES HAVE CHANGED

As people, we're always evolving, so it stands to reason that our tastes evolve, too. What you may have liked 10 or even five years ago, you might not like now. When your décor is no longer an accurate representation of you and your lifestyle, it's time to make some changes. Just be sure that you are, in fact, adhering to your own style, not everyone else's – following the trends is tempting, but doing so will only result in your having to redecorate that much sooner.

JUGGLING ACT

Unless you're a first-time homebuyer, moving likely means selling your current home at the same time as you purchase your next. To make this juggling act more fluid, consider the following advice.

- **IF YOU HAVE THE LUXURY OF CHOOSING WHAT TIME OF YEAR TO MOVE, CHOOSE SPRING.** There are more buyers out looking for properties at this time of year than any other. And, as a buyer yourself, spring offers the greatest selection of available properties from which to choose, increasing your chances of a simultaneous sale and purchase.
- **BE A MOTIVATED SELLER.** Doing this includes: pricing your home realistically to have the best chance of selling quickly, having a home inspection performed and making repairs as needed, making sure your home shows well, considering the use of a home stager, making your property easily available for showings, and being open to lower offers if they are unconditional or allow for a long or flexible closing.
- **BE A MOTIVATED BUYER.** Figure out how much you can afford to spend on your next home and find out what's available in your price range: don't waste valuable time looking at unaffordable properties. Get pre-approved for a mortgage. Line up a home inspector and any other professionals whose services you may require once you're ready to make an offer.

- **NEGOTIATE FOR A SMOOTH TRANSITION.**

This could mean, for example, negotiating a long close with the seller of your future home, giving you time enough to sell your current property; or negotiating a rent-back provision with your current home's buyer, whereby you rent your recently sold home until such time as you can move into your new one.



It seems there are almost as many reasons to move as there are people. Do any of the reasons below apply to you? Or do you have an entirely different reason for contemplating a move?

- It's preferable to renovating. Renovating or remodeling can be intrusive, disrupting your life for months at a time, depending on the work being done. This is simply more inconvenience than some people are willing to withstand. For others, the anticipated cost just isn't worth it.
- To shorten your commute. Maybe you've accepted a new job further away from where you live now, or perhaps you feel that your current commute to and from work has become too costly, whether in terms of fuel spending, time lost at home or increased stress levels.
- Your relationship status is changing. Getting married, getting divorced, deciding to live with a partner, or splitting up with a partner – each of these events likely means you'll be moving, be it out of necessity or simply a desire for a fresh start someplace new.
- Better schools. Where you live typically determines where your children attend school. Whether you're expecting, have children about to enter the school system or aren't happy with your child's current school, pursuit of a better education is always a great reason to move.
- Your floor plan doesn't work for you. A property's layout can make or break your enjoyment of it. Unfortunately, you may not realize your home's floor plan doesn't suit your lifestyle until you've lived there for a while. And you're likely stuck with it – until you move.

Understanding Mortgage Insurance

Mortgage insurance is often misunderstood. There are two types of insurance related to mortgages. The first type – mortgage loan insurance – protects the lender in case the borrower defaults, and the second type – similar to a life insurance policy – protects the homeowner and family by making mortgage payments if the homeowner dies or becomes disabled and is unable to make payments.

Mortgage loan insurance protects the lender in case you are unable to make your mortgage payments, and is therefore mandatory in Canada if you are purchasing a home with less than a 20 percent down payment. Offered by the Canada Mortgage and Housing Corporation (CMHC) and a few other private insurance companies, the insurance premiums for this type of insurance are typically amortized right into your mortgage, so you do not pay a lump sum upfront. Talk to us about how mortgage loan insurance can help you qualify for a new mortgage with less money down and with better terms, and how you can even save money on the insurance premium itself with a special CMHC discount for energy-efficient homes!

The second type of mortgage insurance is mortgage payment protection for you – the homeowner – to help pay your mortgage in case of your death or disability. There are many types of mortgage payment protection insurance plans, available from any licensed insurance agent, and the monthly premiums are based on your individual situation.

Please call me if you need more information about mortgage insurance, or about any other matters relating to a new or existing mortgage loan.



Terminology Tip

Balanced Market - A balanced market, also referred to as a transitional market, is a market in which supply equals demand. This tends to result in stable pricing (sale prices are more in line with a property's fair market value) and negotiations. Sellers tend to accept reasonable offers and properties tend to sell within a reasonable amount of time.

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My commitment is to deliver the highest level of service to earn the deepest level of trust. I want you to be so satisfied with my services you feel compelled to refer your friends, family, neighbours and co-workers to me. Not by obligation, but because you truly believe they will benefit from my services.

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