

mortgagematters™

Compliments of Rein Weber

TMG The Mortgage Group



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No matter how long the winter, Spring is sure to follow.

~ Proverb

Have a wonderful Spring!

Rein



TMG THE MORTGAGE GROUP CANADA INC.

"Experts, in Your Best Interest"

Key Information

Illness, sudden unemployment and a number of other unfortunate events can unexpectedly descend upon any of us, leading to repercussions on both a personal and a financial level. Before your world spirals out of control, it's important to remember that your mortgage broker is always available with financial options to help carry you through.



You may have heard stories about situations stemming from the mortgage meltdown in the U.S., where families who could no longer afford their homes, or who found that their homes were worth much less than what they owed on them, simply forfeited their ownerships and walked away from the properties. The owners in these cases would have had non-recourse mortgages, meaning that if the owners couldn't pay their mortgage loans, the lender's only option would be to take over the property and sell it to recover as much of its money as possible. The owners would suffer a bad credit rating at that point, but in most cases nothing beyond that.

For the most part, non-recourse mortgages do not exist in Canada.

You can still, essentially, walk into your lender's office, plunk down your house keys and then walk away. If, however, the bank cannot sell the home for the full value of what is owed on it, you are still responsible for the difference between what the bank sells your property for, and what's owed on your mortgage.

While you will hopefully never have to think about such an extreme option when it comes to managing your mortgage, it's important to know that part of a mortgage broker's job is to help clients through, not only initial financing, but also re-financing solutions. Please call at any time, for home financing help or information.

CNMB

SPRING CLEAN

Like the Pros!

Will the change of seasons mean a change of address for you? Or just a change in mood? Whatever the reasons for why you want to make your home shine this spring, it's often wise to have a room-by-room cleaning checklist to refer to, just like professional cleaning services do, so that no corner gets forgotten!



BEDROOMS:

- Remove your window coverings and launder them as per the manufacturer's instructions.
- Clear off and wipe down the outside and inside of your dresser, nightstands and armoire. Put back only those items you use. The same goes for your closet.
- Take off your bed linens – including the skirt, mattress cover and pillows – and wash them. Now's the time for those who live in cooler climates to switch back to lighter bedding.
- Vacuum your box spring and mattress. Flip over and rotate your mattress for even wear.
- Vacuum all upholstered furniture, as well as any rugs and lampshades.
- Vacuum or wash the floor, depending on its surface.

BATHROOMS:

- Remove and wash your shower curtain. Clean the liner, or replace it altogether.

- Empty out and clean the inside of your medicine cabinet, linen closet, drawers and cupboards. Throw out expired medicine, makeup, etc.
- Clean your bathtub and/or shower, toilet (inside and out), sink, fixtures, vents/fans, wastebasket, mirror, rugs and floor.

FAMILY/DINING ROOM:

- Dust and wipe down light fixtures, artwork, electronic equipment and ceiling fans.
- Take down your window coverings and wash them according to the manufacturer's instructions.
- Remove knick-knacks, picture frames, books, etc. from tables and shelves so you can dust and clean/polish them and the surfaces they sit on.
- Vacuum couches and chairs, using the attachments to get down into those areas where crumbs tend to collect. Launder slipcovers, throws, etc.
- Vacuum windowsills, moldings, lampshades, rugs and carpets. If rugs and carpets are especially dirty, consider having them professionally cleaned or renting a shampooing machine.

KITCHEN:

- Working quickly, turn off the power to your fridge; clean its coils with a vacuum attachment and defrost its freezer.
- Empty your fridge, tossing expired/unnecessary items. Remove shelves and drawers; washing them and wiping down the fridge's interior before putting back what you're keeping.
- Empty your cupboards and drawers, throwing out what you don't use. Clean them out, putting down new shelf paper as needed.
- Run your dishwasher with nothing in it but some baking soda or vinegar.
- Clean inside your oven according to manufacturer instructions. Remove oven knobs and spill catchers; wash (or replace) them and clean the oven's exterior.



Now open your windows and enjoy the fresh smell of spring — both inside and out!



A Winning Offer

You might be in the market for a new home this spring, but so will a lot of other people. When you're ready to make an offer, here are a few things you can do to better the odds of your offer being the winning one.

- **WORK WITH A REAL ESTATE SALES REPRESENTATIVE.** A winning price is an essential part of a winning offer — especially when bidding on a property whose owners are entertaining multiple offers. A real estate sales representative with expert knowledge of the area where you're buying is essential to determining a winning price, while ensuring you don't overpay.
- **GET PRE-APPROVED FOR A MORTGAGE.** By doing so, you assure the sellers that if they accept your offer, they won't have to wait for you to get approved, which means a faster closing for them, and a better chance the deal won't fall through due to inability to secure financing.
- **MAKE A CLEAN OFFER** — that is, one with minimal contingencies. Inspection contingencies are typical and to be expected. But if you make your offer conditional upon the sale of your current home, for example, the sellers might not want to wait for you and, other factors being equal, will likely accept an offer without such a condition instead.
- **CONSIDER HANDWRITING A LETTER TO THE SELLERS.** Discuss this with your real estate sales representative as a way to stand out in a multiple-offer arena. While it's not for everyone, sometimes an emotional appeal can be just what tips the scale in your favor.

SMOOTH MOVE

Entrusting your belongings into the care of strangers is just one reason why moving can be stressful. To help ensure you're putting your possessions in the right hands, ask these questions of potential movers.

- How long have they been in the business? Can they provide references? Are they members of any type of movers' association? The answers will give you an idea as to how reputable the mover is.
- What additional fees might you be charged? For example, some movers charge extra if the home is hard to access (e.g., there's no elevator and the crew has to use stairs) or if they have to move big, awkward items like a piano.
- Will your stuff be stored or transferred? During long-distance moves, your belongings may have to be transferred from truck to truck, meaning greater potential for damage. And if your belongings will be stored, you'll want to know where and how.
- How will your belongings be protected from damage during the move? A reputable mover should be able to explain what sorts of packing materials they use. Also, are those materials included in the quote or charged separately?
- Do they provide insurance to protect your possessions against loss or damage? What limitations exist on their liability? Is the coverage included in their quote or charged separately, and how would you go about filing a claim?
- Do they have workers' compensation insurance? If the moving company can't provide proof that they carry this kind of insurance, you could be held liable should any of their workers get injured while on your property.



Smart, Simple Mortgage Solutions

Home ownership, for most of us, means a lengthy mortgage. While you know that a home loan is necessary, wouldn't it be nice if you could pay off your mortgage faster, freeing up your money for home improvements, your children's education, your retirement fund, or all the other dreams that you need financing for? If your answer is "Yes," then it's time to sit down with a mortgage broker and talk about your current mortgage situation. Up for discussion:

1. **INCREASING THE FREQUENCY OF YOUR PAYMENTS.** If you get paid every two weeks, why not make biweekly mortgage payments instead of one big monthly payment? You could reduce the term of your loan and save hundreds of dollars in annual interest costs!
2. **DECREASING THE TERM OF YOUR LOAN.** If you can afford the higher payments, choose a shorter mortgage term and pay substantially less interest over the duration of the loan.
3. **PAYING AS MUCH AS YOU CAN.** Don't pay more than you can comfortably afford. However, if interest rates decrease when it's time to renew your mortgage, for example, then keep your mortgage payments the same, allowing more money to go directly to your principal.
4. **STRIVING TO MAKE AN ANNUAL LUMP SUM PAYMENT.** If you receive a tax refund or an annual bonus, why not apply all "windfalls" directly to your principal? You'll pay off your mortgage faster and reduce your annual interest cost.

Please call today to discuss these, and other smart home ownership solutions.



Terminology Tip

Prepayment Privileges — Also known as prepayment rights, this is a mortgage clause that allows borrowers to make voluntary payments against their mortgage without incurring a penalty. Extra payments are applied to the principal owing, thus allowing borrowers to reduce the amount of interest owed and to pay off the mortgage more quickly. Prepayment terms vary from lender to lender, so check with your financial institution to see what limitations might be placed on your ability to make prepayments.

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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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