

mortgagematters

Compliments of Rein Weber

TMG The Mortgage Group



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Have a wonderful Spring and
Summer!

Take the time to enjoy Mother's Day
and make sure she knows how
special she is!

All the best,
Rein



According to statistics compiled by PhoneBusters, a national anti-fraud call centre jointly operated by the Ontario Provincial Police, the Royal Canadian Mounted Police and the Competition Bureau, over 4,600 Canadians were victims of Identity Theft in 2007, and suffered combined losses of over 6 million dollars. Identity thieves can take your valuable information and use it to conduct different types of real estate fraud. The Canadian Bankers Association points out two types of real estate fraud that consumers should be especially aware of: mortgage fraud and title fraud.

MORTGAGE FRAUD occurs when an individual intentionally provides inaccurate, fraudulent or incomplete information to a lender in order to secure a mortgage that they might not be granted otherwise.

TITLE FRAUD occurs when a fraudster assumes the identity of an individual homeowner and then uses that false identity to pose as the homeowner. The fraudster can then assume the title on the home, sell the property or obtain a mortgage on that property or other properties in the homeowner's name.

So what should you do to avoid becoming a victim of identity theft? A good start is to follow these "SCAM" rules:

- S** Be **stingy** about giving out your personal information to others unless you have a reason to trust them.
- C** **Check** your financial information regularly, and look for what should be there and what shouldn't.
- A** **Ask** for a copy of your credit report periodically.
- M** **Maintain** careful records of your banking and financial accounts.

Identity theft can take its toll on your credit rating, drain your bank accounts and even allow your house to be stolen or new mortgages to be registered without your consent or knowledge. As your mortgage representative, I can help protect you against these very real risks. Please call me for more tips on how to protect your personal information and investments.

CNMB



A GREENER CLEAN

Now that spring has arrived, you may be thinking of giving your home a thorough cleaning. However, most commercial cleaning products actually serve to pollute your home. For a cleaner clean, consider going green.

The majority of commercial household cleaning products contain chemicals like acetone, ammonia, bleach, formaldehyde, naphthalene and turpentine. Clinging to the surfaces we touch and floating through the air we breathe, these toxins have been linked to nausea, eye and skin irritation, asthma, and even liver and kidney failure, emphysema, cancer and more.

If creating a healthier home for you and your family isn't enough incentive to start cleaning green, consider the impact of chemical-based cleaning products on the environment. When disposed of or rinsed down the drain, they pollute our waters; when used normally, they release Volatile Organic Compounds (VOCs), which contribute to smog levels and hinder plant growth.

So what is a health- and environment-conscious homeowner to do? One option is to buy greener commercial alternatives, increasingly easy to find in hardware and health food stores, for example. Look for non-aerosol products whose ingredient lists are plant-based rather than chemical-based and whose packaging is reduced or reusable. Though green products generally cost a little more than their chemical-based counterparts, they tend to be all-purpose, meaning you won't need to buy a different one for each job, cutting down on waste.

Another alternative is to make your own cleaning agents at home. It's much less expensive and you likely have many of the ingredients you'll need in your cupboards already; if not, all of them can be found at your local grocery or drug store. Your green cleaning kit should consist roughly of the following: lemon juice, salt, white vinegar, baking soda, borax, olive oil and Castile soap.

RECIPES FOR GREEN CLEANING CONCOCTIONS ARE ALL OVER THE INTERNET, BUT HERE ARE A FEW OF THE SIMPLEST, BROKEN DOWN BY TASK.

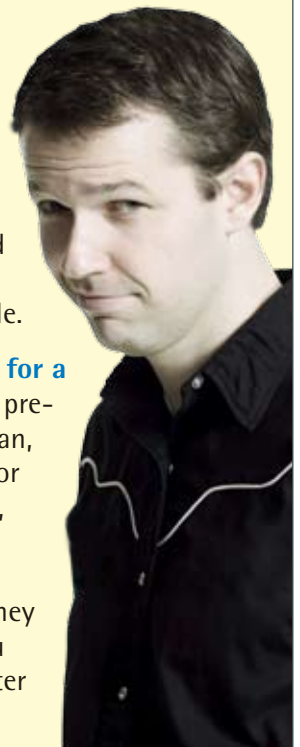
- **For tubs and sinks:** sprinkle with baking soda and wipe down with a damp rag. Add some Castile soap to the rag for greater cleaning power.
- **For toilets:** pour one cup of borax into the bowl and let it sit overnight. Scrub the next morning and flush.
- **For windows and mirrors:** spray a mixture of equal parts water and white vinegar (or straight vinegar) onto the surface and wipe with balled up newspaper.
- **For clogged drains:** pour half a cup of baking soda down the drain, followed by half a cup of vinegar. Wait a few minutes, then pour down some boiling water.
- **For wood furniture:** mix olive oil and white vinegar in equal parts and use a soft rag to polish.
- **For pots and pans:** mix equal parts of vinegar and salt. Scrub, then rinse well.
- **For ovens:** apply a paste made from one cup of baking soda and water to oven surfaces and let it sit overnight. Scrub with a scouring pad.



BEST LEFT UNSAID

Many a buyer has overpaid for a home or even lost out on one altogether because they said the wrong thing. Don't let that happen to you – avoid statements like the following.

- **“This is the home I've been looking for!”** Never make statements in front of the seller or their agent that let them know just how much you want their product. If you do, you'll put yourself at a disadvantage when it comes time to negotiate price and will likely end up paying top dollar for the home.
- **“We're offering less because those hideous floors will need to be replaced.”** Décor choices are utterly personal – don't risk offending the seller by telling them you're making a lower offer because you don't like their kitchen cabinets or flooring, for example. The seller doesn't need to know that you don't share their style.
- **“I need to get settled fast because of a job transfer.”** Whether due to a career-related change or the start of a new school year for your child, you may be under a deadline to move. However, if you arm the seller with such information, they'll use the fact that you're a motivated buyer to squeeze as much money out of you as possible.
- **“We've been pre-approved for a loan of \$X.”** If you've been pre-approved for a mortgage loan, it would be advantageous for the seller to know. However, you should never ever tell them how big a loan you've been approved for – once they know how much money you have to spend, they'll go after as much of it as they can.



Protecting Your Privacy

Your home can reveal a lot of information about you. But when you put it on the market, the less it tells buyers about you, the better.

Selling your home means opening it to strangers; unfortunately, you run the risk that not everyone who enters will do so because they're interested in buying. While most people are trustworthy, it doesn't hurt to protect yourself from theft by making sure that credit-card bills, financial statements, checkbooks and the like are not accessible. Your computer, which likely has sensitive information on it, should be off and password-protected.

Your home can also reveal personal information about you that buyers can use as a bargaining tool. For example, keep divorce papers, collection notices, or a Comparable Market Analysis indicating your price could be lower, well out of sight, to avoid the temptation of some buyers who might use such information as leverage against you at the negotiating table.

Never assume that buyers won't read any personal documents you leave out in the open or that there's any nook or cranny of your home they won't peek into. Keep sensitive items locked up in a safe or filing cabinet, or even store them outside of your home while it's for sale.

It's not unknown for buyers to form prejudices based on what your home reveals about you, such as your profession, sexual orientation or religious beliefs, for instance. Don't provide buyers with any more information about you than they need to know – remove personal items like diplomas, photographs and holiday decorations. You're going to have to pack them up anyway, so this will help you get a head start.

Fixed Or Variable, Which Is Right For You?

For many Canadians, deciding which type of interest rate to take on their mortgage is a difficult decision. Here's a look at the differences between two major types: the fixed-rate mortgage and the variable, or adjustable rate mortgage.

1. A **fixed-rate** mortgage offers you the certainty of knowing your interest rate will not change for a specified term (usually five years). As time goes on, more of the mortgage payment goes towards the principal and less to the interest. With a **variable-rate** mortgage, changes in the Canadian prime rate will affect the interest rate of your mortgage by changing either the payment amount each month or the portion of your monthly payment applied to the principal.
2. Fixed-rates and variable-rates do not change in unison. **Fixed-rates** change with fluctuations in the Canadian bond market, while **variable-rates** rise and fall based on the prime rate set by the Bank of Canada, as determined by the Canadian economy. A keen eye on both markets will give you the edge when making your decision.

If you are looking for long-term stability in your mortgage obligations, the fixed-rate mortgage is definitely the way to go, as it offers you peace of mind and certainty in both the interest rate and payment amounts. Alternatively, if you are comfortable with a little risk, or are taking on a short-term mortgage, then the variable-rate mortgage could reward you for your ability to read the marketplace properly. Either way, it's a good idea to contact your mortgage representative for some advice on trends, and what to look for before making your decision.



Terminology Tip

Appraisal Value - A property's fair market value as estimated by a certified appraiser. The appraiser's estimate is based primarily on comparable sales, but also takes into account the condition of the property, current market conditions and other factors. An appraisal value is an important factor in determining how much money may be borrowed for a home loan. The appraiser is typically selected by the lender, while the appraisal is generally paid for by the borrower.

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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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