

mortgagematters

Compliments of Rein Weber

TMG The Mortgage Group



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"The Best Way To Predict The
Future Is To Invent It!"
-Alan Kay

All the best,
Rein



Let Me Help With Your Mortgage Debt

Owning your own home, free and clear, ranks high on the barometer of financial stability, and can bring considerable peace of mind. However, only a small percentage of Canadian homeowners don't have a mortgage.

According to the latest Statistics Canada data available, 68.4 percent of Canadians are in the housing market. Collectively, however, we share almost \$850 billion in mortgage debt – more than double what it was a decade ago. The average Canadian uses upwards of 37% of their after-tax income to pay their mortgage alone. When we look at the fact that for the first five years of every new mortgage, roughly 80% of each payment is lost in interest, and then the fact that Canadians tend to move every five to seven years, often upgrading their homes and taking on bigger mortgages, we can see how the debt continues to grow. It's not surprising that about 90% of Canadians do not own a home free and clear.

Every Canadian homeowner should pay more attention to their mortgage. It's wise to reassess your payments from time to time, and find out if you have the ability to accelerate paying off your mortgage, thus saving you thousands in unpaid interest charges. As your mortgage broker, it is my job to present all your options to you and help you realize any available savings.

Most people think of their mortgage broker only when they're seeking a new mortgage. While that is a big part of my job, I am also here to help you effectively manage your debt. Why not take a few minutes to review your mortgage payments now, and then call me with any questions or concerns you may have. I look forward to hearing from you!

CNMB



A MATTER OF PRINCIPLE

If you think a well-designed room just happens, think again. As professional interior designers well know, any successful décor is dependent on the five principles of design: balance, focal points, proportion and scale, rhythm, and unity. Below is an introduction to each.

BALANCE

Balance refers to the distribution of visual weight in a room. There are three different types of balance: symmetrical, asymmetrical and radial. Symmetrical balance involves repeating the same objects on either side of an axis, a hallmark of formal interiors. Asymmetrical balance is characterized by a lack of focal point or mirroring, and lends rooms a more casual feel. Radial balance refers to arrangements where elements radiate around a focal point.

FOCAL POINTS

Every well-designed room features a focal point, a point of emphasis that draws the eye and gives it a place to rest. That point of emphasis could be a work of art, a piece of furniture, or an architectural detail such as a fireplace or window. Whatever it is, your focal point should be immediately apparent upon entering the room. Depending on its size, a well-designed room can incorporate more than one focal point; in fact, large spaces may need multiple points of emphasis.

PROPORTION AND SCALE

These refer to the shape and size of objects. Proportion has to do with how the elements within a room relate to the room as a whole, while scale refers to how the elements in a room relate to one another in terms of size. For instance, small delicate pieces of furniture in a large room would make for an ill-proportioned interior, while a heavy lamp on a small end table would be out of scale. Ideally, all the elements in a room should be proportionate to each other as well as to the room itself.

RHYTHM

Rhythm refers to how the eye moves about a room. There are four ways to use rhythm in decor: repetition, progression, transition and contrast. Repetition involves repeating the same element – be it a pattern, color or line – throughout the space. Progression means increasing or decreasing one or more of an element's qualities, like its color or size. Contrast results from combining opposing elements, such as black pillows on a white couch. Transition is less obvious, and serves naturally to lead the eye from one area to another, such as through an arched entry.

UNITY

An interior has unity when all of the elements and principles of interior design combine to create a pleasing area and lend spaces a sense of order. In addition to establishing unity within each room of your home, your home should be well designed as a whole, its rooms, halls and stairways all part of one larger space. However, too much unity is bland, while too little is disorienting. Striking just the right balance is tricky, which is why so many call in a professional.





THE FAST TRACK

There's no guarantee how long it'll take to process your mortgage application, but there are things you can do to help ensure a smoother, quicker process.

First, be sure of your credit worthiness: request a copy of your credit report. It will likely be blemish-free, but never discount the possibility that it could contain errors: closed charge accounts may show up as available credit, repaid loans could appear outstanding, or you may discover you've been a victim of identity theft. Address any mistakes now so they don't slow or altogether stop your application process later.

Next, gather documents to support the claims you'll be making on your application. Include things like listing and purchase agreements, home appraisals, credit reports, pay stubs, income-tax returns, letters from employers, bank statements, lists of assets and liabilities, and proof of income from sources like rental properties, pensions, alimony, or child support. The more information you provide, the faster the lender can make a decision.

When filling out your loan application, do so honestly and accurately. Make sure all information is correct and legible and no questions have been missed.

Once you've filed your application, make sure you can be easily reached should your lender require any further information or paperwork from you – and be able to respond quickly to such needs. Now is probably not the time to go on vacation.

Lastly, check in – occasionally – with your lender to see how your approval is coming along. This will also lessen its chances of getting lost in the shuffle.

While many homebuyers wait until they find the perfect property before applying for a mortgage, you may want to consider having a pre-approved mortgage in hand before even starting your new home search. This gives you the best idea of what you can afford, and also gives you the edge when negotiating with a seller who is looking for a swift closing.

ROLE MODEL

You may not have a builder's budget, but that doesn't mean you can't apply the same strategies used in model homes to sell your own property. Read on to learn how.

- **ZAP CLUTTER.** If you've ever toured a model home, you likely remember nothing was out of place or looked like it didn't belong. This is because builders want buyers to focus on the home itself, not what's inside. You should adopt a similar zero-tolerance policy on clutter. Consider asking a friend to help you spot your home's problem areas.
- **NEUTRALIZE.** A model home's décor never offends; its colors are muted and patterns subdued to appeal to the greatest number of buyers. You should likewise strive for universal appeal: repaint bold walls with soft, light tones; strip loud wallpaper. If you have a room with a theme – be it Elvis or equine – get rid of it.
- **DEPERSONALIZE.** You never see family photos, trophies, or other personal items in model homes, do you? "Of course not," you're probably thinking. "No one lives there." But what model-home stagers know – and what you should remember when preparing your home for viewing – is that buyers want to see their lives, not yours, when viewing your property.
- **LIGHTEN UP.** Model-home stagers pay a lot of attention to lighting design, which is important as it serves to highlight a home's architecture and make it appear larger. So keep your window coverings open to maximize natural light. Make sure all your fixtures are turned on and consider switching your bulbs for some with greater wattage.



Plan Ahead, Save Money!

Time flies when you're busy, and a hectic lifestyle doesn't leave a whole lot of time for pondering mortgage payments. So when homeowners receive their mortgage renewal notices in the mail, many are surprised that it's come up so quickly, and will often automatically renew with the same lender because it's the fastest, easiest thing to do, especially if they assume the lender will give them the best rate possible.

Be aware that the rate and terms included in your mortgage renewal may not necessarily be the best available. In fact, many lenders will simply offer you the current posted rate for your renewal. We strongly suggest that you take a few minutes to have a good look at your new paperwork. Your financial situation and other factors in your life may have changed since you initially signed up for your mortgage, while the mortgage market itself may have developed products that may fit your current situation better.

My job as your mortgage representative is to make sure you get the best possible deal and most appropriate features in your mortgage loan, by presenting you with a selection of options that fit your individual scenario. I strongly suggest that you contact me up to four months before your mortgage matures, so that I can review what you currently have versus what is available in today's market.

Remember, I work for you, not one individual lender, and I do have the time to sort through all the options in today's market to make sure you continue to receive the best financing to fit your situation.



Terminology Tip

Assumption of Mortgage -

The agreement undertaken by the buyer of a property to assume personal liability for payment of the seller's existing mortgage. When a buyer assumes a mortgage, they do so at the same terms and interest rate specified in the seller's original mortgage documents, just as if the loan had been issued directly to the buyer. Mortgage assumption is an attractive option when the interest rate on the seller's mortgage is lower than current market rates.

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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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