

mortgagematters

Compliments of Rein Weber

TMG The Mortgage Group



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**"Autumn is a second
spring when every leaf is
a flower."**

- Albert Camus

All the best,
Rein



Stronger Home Sales Lift National Forecast

The Canadian Real Estate Association (CREA) increased their 2009 national home sales forecast to 432,600 units, just 0.4 percent less than levels set in 2008, and a significant upward revision from the previously forecast decline of 14.7 percent from last year. The national MLS® home sales activity is projected to continue rising, with an expected 5.3 percent increase to 455,400 units next year.

"Sales activity started off the third quarter on a strong footing," said CREA President Dale Ripplinger. "The difference in the resale housing market now, compared to the beginning of the year, is night and day."

Chief Economist Gregory Klump noted, "Low interest rates are boosting sales by returning homebuyers to the market who moved to the sidelines late last year." He added, "Buyers are also shifting purchase decisions forward as they take advantage of attractive interest rates now before financing costs increase."

If 2010 is the year you plan to sell your home, and upsize, downsize or move to a more appropriate living arrangement, please remember that a qualified mortgage broker can make the difference between an efficient, informed financial transaction and a stressful financing or refinancing experience.

A mortgage broker's job is to take care of the paperwork for you, negotiating on your behalf and then making sure all the details of your mortgage are attended to on a timely basis. By having a broker arrange and follow through on every point of your financing arrangement with your lender, you are not only saving precious time, but are also achieving the peace of mind that comes from efficient financial management.

Please call for the latest information on home financing.

CNMB

DECK THE HALLS?



If your home will be for sale this holiday season, you have some décor decisions to make. Should you maintain tradition and put up your holiday decorations as usual or forego them altogether? If you do decorate, how can it best be done while not turning off buyers?

The argument for foregoing holiday decorations while your home's on the market goes like this: Adding holiday-themed accessories to your décor can cause your home to look cluttered and less spacious. As well, holiday decorations can hide important selling features from buyers' eyes (for example, a tree placed in front of a window could obscure a great view). Privacy is another reason to forego holiday

decorating — people can be prejudiced, so, it's best to avoid sharing personal details, such as your religious beliefs.

On the other hand, some homes feel warmer and more welcoming when they are all dressed up for the holidays — an atmosphere that can entice buyers. As well, just as holiday decorations can hide a home's assets, they can serve to detract from its flaws (for example, a tree placed in front of a window can camouflage an unappealing view).

The decorating decision is ultimately yours, of course, but you'll only gain from soliciting your real-estate sales representative's opinion on the matter. Your representative can help you determine whether holiday decorating might be beneficial or detrimental, depending on your particular home, area and buyers.

If you decide to decorate, keep in mind the following tips to help you balance your desire to observe tradition with the need to keep your décor appealing to buyers:

- If your holiday traditions include a tree, buy a small one. Consider a tabletop tree — they don't take up any floor space and aren't big enough to hide any of your home's selling features.
- Keep blatantly religious decorations packed away this year, and opt instead for decorations of a seasonal, secular nature: garlands and wreaths, pinecones and cranberries, candles and poinsettias, etc.
- Use only a portion of your decorations, or, for every holiday decoration you add to your décor, temporarily remove another item. Both strategies will help you curb clutter.
- Put your decorations up a little later and take them down a little sooner than you normally do. Since you're planning to move, you'll have to pack them up anyway — might as well do it sooner than later.



Celebrate With a Green Tree This Year

Celebrate the environment while you celebrate the holidays! Buy LED holiday lights — they last substantially longer than old-fashioned strings and use considerably less energy. And if buying a holiday tree, get a real one. Provided you buy from a sustainable tree farm, real trees are actually the greener option — a lot of energy and chemicals go into the manufacture of artificial trees.



SILENCE IS GOLDEN

REALTY REALITY

Many a seller has lost money on their home sale, or even lost the sale altogether, because they said the wrong thing to buyers. Don't let it happen to you — below, learn what *not* to say.

Don't disclose why you're selling — you might inadvertently help buyers decide they don't want to purchase your home for the very reason you want to sell it. Alternatively, if buyers discover you're selling because you *need* to (whether due to financial reasons or a job transfer, for example), you'll be relinquishing the upper hand you want to have during negotiations.

You also risk giving buyers the upper hand if you reveal that your property hasn't had a lot of people through to view it or that it hasn't generated many offers. Because you want your house to appear desirable, keep this kind of information to yourself. Similarly, keep mum about the lowest price you'd be willing to settle for.

Also, you may think you're being helpful by volunteering information about your neighbors and neighborhood, but what you find appealing the buyers might find off-putting. For instance, saying, "This is a mature neighborhood — mostly retirees," might make buyers with children think twice. This is especially true of matters pertaining to religion and politics.

As you can see, there are many ways even the best-intentioned seller can succumb to "foot-in-mouth" disease. That's why it's beneficial for you to be absent during your home's showings, and to let your real-estate sales representative handle the buyers.

Real estate is one of those professions people have a lot of preconceived notions about. Below are some commonly held myths — and their realities — about working with real-estate sales representatives.

- *"I shouldn't tell my representative how much I dislike this property; I might offend them."* Actually, your honest feedback about the homes you and your representative view — even if it's negative — is not only welcome, it's valued. The more honest you are, the more time and energy you will save both you and your representative.
- *"If I work with multiple real-estate reps, I'll find my next home that much faster."* Most real-estate representatives use the same MLS® and, as such, would likely provide you with the same listings. Plus, when you work with multiple representatives, you may miss out on the high level of service you can expect when loyal to one.
- *"I don't need a representative; I'm buying brand new."* Remember, the builder's onsite salespeople work for the builder — it's the builder's best interests they're concerned with, not yours. A real-estate sales representative can be valuable to you in modifying the builder's contract for your protection, negotiating pricing and upgrades, protecting you against builder's liens, and more.
- *"I'll save money by not hiring a real-estate sales representative to help me with my next home purchase."* On the contrary, with representation you're less likely to overpay for a home, as real-estate sales reps have access to information (known as comparables) that help them determine what you should be paying for a property, and they are experts at negotiating the best deal.



Who Do Mortgage Brokers Work For?

There are two top questions mortgage brokers are asked: Do you work for a particular bank? How much does your service cost? The short answers are that mortgage brokers are not employed by a particular bank — they work for you, the borrower — and in most cases it won't cost you a dime!

Mortgage brokers represent borrowers in the quest to find the best loan at the best rate. Unlike a bank employee, or a broker who is tied to a bank, mortgage brokers are not committed to any financial institution. This offers you the advantage of having someone peruse the entire loans market to compare the hundreds of mortgage products available, and assess their features, benefits, terms and rates to find the one that best fits your situation. Because loan procurement is a mortgage broker's main function, brokers are acutely aware of new loan products that enter the market on a daily basis — particularly specialized products for clients with specific needs. This could include self-employed borrowers, first-time borrowers or borrowers looking for a minimum down payment allowance.

So, if you're not paying the broker to find you the best mortgage product for your needs, how do they earn their money? Well, once you choose your new loan, the lender usually pays the broker a direct commission. This is preferable for the lender as, even with the commission, they still save on their overhead compared to paying a full-time employee.

You expect your bank to give you their best rate and product, but they can only negotiate with the products they offer. The best product for your needs might not exist at your bank. Let's talk about your loan requirements, and find the lender that accommodates your specific needs.



Terminology Tip

Homeowners Insurance — Homeowners insurance protects owners against losses caused by the inability to live in your home (known as "loss of use") or damages to your property and/or its contents. As well, it covers liability for any third-party injuries sustained while on your property. Homeowners insurance can protect against damage resulting from a number of specified causes, including, but not limited to: fire, lightning and smoke; theft and vandalism; impact from falling objects; wind and hail; and explosions. Check with individual insurers for limitations.

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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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