

# Home & MORTGAGE

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## Pinnacle

MORTGAGE CORPORATION

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Do you have the time or energy to figure out the difference between all the mortgage options available to you? Conventional vs high ratio, fixed vs variable, open vs closed. Then there's still the long list of payment options to consider. At Pinnacle Mortgage Corporation we do that for you.

Shopping for a mortgage can be frustrating never mind time consuming if you do it yourself. We can shop dozens of lenders in the time it takes to book an appointment with the bank.

Thank you to those who have referred Pinnacle Mortgage to your family, friends and colleagues. If you have any questions about a mortgage please give me a call or drop me an email. I am always happy to assist you.

## How much will that home *really* cost?

**Closing costs can add to the price tag of the home you're thinking of buying, so it's best to be prepared.**

**W**hen you're house-hunting, be sure to factor in the closing costs when determining what you can afford. Fees will vary depending on where you live and the type of home but, in general, closing costs such as the following add from 1.5% to 4% to your purchase price.

■ **Mortgage loan insurance.** If your down payment is less than 20%, the loan must be insured. The cost is generally 1% to 3.15% of the mortgage amount.

■ **Land transfer tax.** Some provinces and municipalities charge a fee to transfer the title of the home. Cost varies by province and municipality, but usually runs from 0.5% to 2%.

■ **Insurance.** You will be required to insure your home against fire or damage in order to get a mortgage. You may also need to purchase title insurance to protect yourself from fraud. Many lenders require this.

■ **Home inspection.** Before you make a firm offer to purchase, it's wise to have the house inspected by a qualified professional. For a typical single-family residence, the inspection is likely to cost from \$500 to \$1,500, plus GST or HST.

■ **Survey.** If the seller cannot provide an up-to-date survey, your lender may require that you obtain a new one.

■ **Legal fees.** You will need to pay your lawyer for searching the title, drawing up the papers, and so on. Budget at least \$1,000, plus GST or HST.

■ **Adjustments.** You will need to reimburse the seller for any prepaid utilities and property taxes.

I can help you ensure you can cover all the costs involved in financing your home purchase. Call me to review your situation. 🏠



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# Get ready to buy

If you're a first-time buyer, the best thing you can do before you even begin to look for a home is get your finances in order. Here's how you can start preparing.

## Gather your documents

Your lender will want to see key financial and employment-related documents that show your household income, employment history, and current debts:

- T4 slips.
- A recent pay slip, along with a letter from your employer confirming your position, hire date, and earnings.
- If you are self-employed, tax returns and Notices of Assessment (for the past two to three years, if possible).
- Most recent statements for all loans and credit card debt, showing account and bank details, minimum monthly payments, and total outstanding balance.

This information helps you calculate how much of your income is dedicated to paying down debt — a factor that will be taken into account in determining how much you can borrow. It may also help speed up the application process.



Your lender will also want to know that you have a down payment of at least 5% of the home purchase price. Collect the last three months of statements for any income sources you plan to use to fund your down payment, such as your bank accounts, investments, Registered Retirement Savings Plans, and Tax-Free Savings Accounts.

## Check your credit rating

Order your credit report from Equifax ([equifax.ca](http://equifax.ca)) or Trans Union ([tuc.ca](http://tuc.ca)). In addition to seeing how healthy your credit score is, you'll have advance notice of errors, fraudulent activity, or forgotten debts. This will allow you to resolve these issues before applying for your mortgage.

Advance preparations can make homebuying easier. Remember that I'll be here to help by taking you through each step of the mortgage application process, providing guidance for your specific situation. 🏠

# Renewing? Get the mortgage that's right for you



If your mortgage is coming up for renewal, this is a great opportunity to get the best interest rate and conditions for your current situation. That's because you can choose a new mortgage without being penalized for making changes. Start by considering:

- Do you plan to move within the next year? If yes, then an open mortgage or one that's portable will give you the flexibility you need.
- Do you want to pay down your mortgage more quickly? If you can increase your regular payments or choose an accelerated payment schedule, you'll save thousands in interest over the life of the mortgage.
- Is your monthly cash flow a little tight? Increasing your amortization will lower your payments and free up cash for other needs.

Before your mortgage comes up for renewal, call me – I'd be happy to help you assess your options from a wide variety of lenders to make sure you get the best mortgage for you. Remember, my service to you is always free. 🏠

# Use these strategies to buy at the best possible price

Negotiating is a key part of buying a home. The seller wants to get as much as possible, while you, as a buyer, don't want to pay any more than necessary. These strategies may help you negotiate the best price for the home you want.

## Make comparisons

Start by considering how the asking price compares to the actual recent selling prices of similar homes in the same neighbourhood. Your real estate agent can provide this information.

If the asking price is significantly higher than the average price of comparable properties, you may be able to successfully make a lower offer based on these stats.

## Be flexible where you can

If you are able to meet conditions that are important to the seller, such as an early closing date, you may be able to shave down the price. If you're a first-time buyer, you have an important advantage: you don't need to make your offer conditional upon the sale of your current home.

## Look for motivated vendors

Properties that have been on the market for some time and listings that specify a "motivated vendor" (those with a firm deadline or a financial need to sell quickly) are likely to be more open to price negotiations.



## Keep your head

If you are up against other buyers for a property, it's easy to become emotionally attached, which can lead you to make a higher offer than you'd planned.

Try to remain objective and stick to your price limit. Before you start looking, we can review your budget and determine how much you can afford.

## Count on your team

Having the help of an experienced and knowledgeable real estate agent is a real plus in helping you land the home you want at the right price. Be sure to clearly communicate your price limits, so that your agent can establish the right negotiating strategy for your situation.

I'm here to provide the best financing opportunities for your situation. 🏠

## Mortgage ABCs

Helping you be an educated homeowner

**Subject to financing.** A clause making the Offer to Purchase conditional upon the buyer and the property being approved for a mortgage by the lender. This condition is often used to protect the buyer, even when the buyer has been pre-approved for a mortgage.

**Subject to inspection.** A clause making the Offer to Purchase conditional upon completion of a satisfactory home inspection. If the home inspection reveals any issues, this condition helps ensure that the buyer can negotiate with the seller regarding how to cover the costs of repairs or can walk away from the purchase.

## Your **summer** vacation security checklist

Summer vacation: who can wait? Before you dash out the door, be sure to take a few extra precautions to help keep your home safe while you are away.

- Cancel newspaper subscriptions.
- Set up programmable timers so that lights, the television, and the radio turn on and off at various times to make it look like someone is home.
- Turn off the ringer on your phone so no one can hear that it's not being answered.
- Ask a friend or trusted neighbour to pick up mail, water plants, water the lawn, and make the place look "lived in."
- If you usually keep the drapes open, leave them that way. Keep valuables out of sight.

■ Leave a spare key with someone you trust, along with a contact number in case of emergency.

Remember to notify your alarm company that you will be away, and check with your home insurance company to see if you are required to have someone visit the premises during your absence. 🏠



## How to spot tree topplers

Well-established trees beautify a neighbourhood, but can pose a threat during stormy weather. How can you tell if a tree on your property might be ailing?

- Look at the leaves. New buds and leaves are signs of a healthy and robust tree. Discoloured leaves, smaller shoots, and dead twigs should be monitored.
- Check for crown dieback — gradual death of the upper part of the tree and a sign of longer-term damage.
- Watch for loose bark, mushrooms, and fungi, which can signal decay.

If you think your tree may need a checkup, an arborist can advise you about the best method of care. 🌳



## Add some sizzle to your barbecue

Nothing says summer like a barbecue. Follow these tips to get the most from your barbecue and prepare tastier meals.

- To lock in juices — and flavour — sear both sides of meat on a grill pre-heated on high, then reduce heat to the cooking temperature in the recipe.
- Use a spatula or tongs, not forks, for turning, to prevent piercing meat or foil packages and releasing the juices.
- Only apply sweet marinades made with sugar or honey towards the end of the cooking time to prevent burning.
- Diversify the menu. Almost anything can be barbecued, including fish, shrimp, pizza, vegetables, and fruit. Foil packets, skewers, and baskets make it easy to grill small or delicate foods. 🍷

