

How to check your credit rating and WHY everyone should!

Everyone who's ever borrowed money to buy a car or a house, or applied for a credit card or any other personal loan has a credit file. Almost every Canadian has a credit file, and most of us have no idea what's in them.

A credit report contains information about every loan you've taken out in the last six years, whether you regularly pay on time, how much you owe, what your credit limit is on each account, and a list of authorized credit grantors who have accessed your file. Each of the accounts included a notation that includes a letter and a number.

Equifax encourages all consumers to review their credit report on a regular basis. By doing this, you can ensure that your report contains information that accurately reflects your credit history.

For more information, please visit www.equifax.ca

To keep up to date on:

- Economic news important to *your* mortgage
- Get a heads up when interest rates are changing
- Current interest rates

Contact us today at:
(604) 313-3199

info@gibbardgroup.com
www.gibbardgroup.com



How to demonstrate the source of your down payment

You've found the perfect home, have an accepted offer and have already started sending in all your paperwork to the lender. One of the requirements involves your down payment and verifying the source of your down payment. Why do the lenders need all this information? Lenders use this information to ensure that borrowed money is not being used for the down payment.



There are three main sources for your down payment.

1) Down Payment from the sale of your current home

When selling your current home and buying a new property, proceeds from the sale are usually used put towards the down payment for your new property. In order to verify this form of down payment, the lender will need to see a copy of the purchase agreement for your current home along with a statement showing the balance of any mortgages currently tied to the property. The difference between the sale price of your current home, and the outstanding mortgage balance represents the amount that can be applied to your new home purchase in the form of a down payment.

2) Down Payment from personal savings

To confirm a down payment from your savings account, the lender will need to see a 3-month history of the funds to confirm they are not borrowed. You must be able to verify that you have held the funds in your name for a minimum of 90 days. If you've recently sold investments to put towards the down payment, you will also need to provide evidence of these transactions as well.

3) Down Payment from a Gift

Gifted funds can make up all or part of your down payment. However, the following conditions must be met in order for the gifted funds to be acceptable:

- The gift provider must be an immediate family member
- The gift provider must declare that the money is indeed a gift and that there is no requirement for the home buyer to repay the gift. The gift provider will be required to complete a gift letter for the lender and the funds must be in the account at least 10 days prior to the closing date.

If you have any questions about your down payment, please don't hesitate to contact our office at (604) 313-3199

Moving? Canada Post has a service to redirect your mail

Permanent Change of Address redirects your mail from your old address to your new address. Whether you're moving to a new home or moving your business, submit a **permanent** change of address if you don't plan to return to your old address.

Why submit a change of address?

Don't miss important mail:

- Residential — driver's license renewals, tax forms, credit cards, etc.
- Business — tax refunds, financial statements, contracts and purchase orders

Prevent identity theft — ensure sensitive mail follows you to your new address

Get special offers and deals on moving-related stuff

For more information, please visit www.canadapost.ca

Calculating a Home Buying Budget



When house-hunting, some factors, like the features of the home, can be adjusted once you've made your purchase, while other factors, like the location, cannot be. Finding the right home is about getting the right balance and at a price you can afford. Here is some advice on how to calculate a home buying budget.

Learn about your options - When house-hunting, you look for places that suit your needs and lifestyle. Do the same when deciding on your mortgage. Know the differences between fixed and variable interest rate mortgages and decide what amortization period best suits your situation. Payment flexibility is also important when deciding on a mortgage, to know what you can prepay, as well as options to pay less at a later date if something unexpected comes up.

Calculate your mortgage numbers - Run the numbers and settle on a price range you can afford using a convenient online mortgage calculator, which factors in your income and the size of your down payment and compares different mortgage options and payment plans. Understanding what you can afford lets you narrow your search and shop with confidence, knowing that the houses you view fit within your budget.

Get pre-approved - The home-buying process can happen very quickly, so be prepared when you find a home you want. Getting pre-approved for a mortgage puts you in a good position to make an offer when you find the right home. There's usually no cost or obligation, and it's a good opportunity to come in and talk to a mortgage expert to clarify any questions.

Don't forget to budget for closing costs. The total cost of home inspections, legal fees, land transfer taxes, property taxes, property insurance, utility hook-ups and moving expenses can add up. As a guideline, expect closing costs to be about 2% to 2.5% of the purchase price, though this can vary greatly, especially if GST applies. Please visit our website, www.gibbardgroup.com to help you get a better idea of your closing costs.

Best Mortgage Rates

Term	Our Rates
1 year fixed	2.29%
2 year fixed	2.24%
3 year fixed	2.29%
4 year fixed	2.44%
5 year fixed	2.49%
5 year special**	2.44%
7 year fixed	2.99%
10 year fixed	3.59%
5 year variable	P - 0.35%
5 year special**	P - 0.40%

Rates subject to change without notice. OAC
**Special conditions apply



O 604 313 3199 ext 111
F 604 648 9974
E karen@gibbardgroup.com
W gibbardgroup.com

