

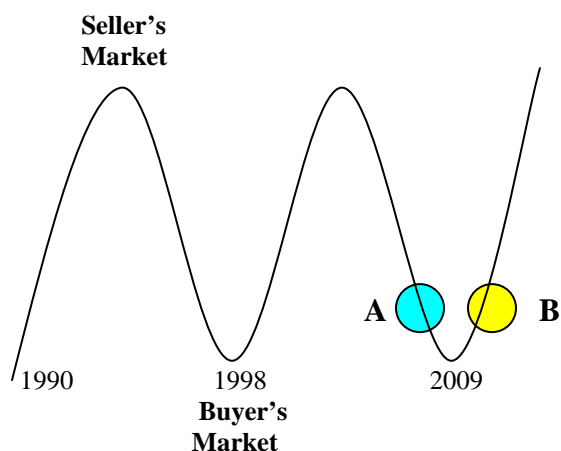
# The Greg Nowik Team

Sharing your Mortgage Moments...



## The "R" Word: Recession?

Canadians are certainly talking about the economy, both north and south of the United States border. We are questioning our next steps as a country, and analyzing the micro-economy under our roofs. What we seem to be forgetting is the cyclical nature of the economy. Let's get past the media hype. Did you know that there have been seven to eight "recessions" in the last 48 years? We aren't in a bad position this time; unemployment rates are low and we are one rate drop away from historical lows. The average five year fixed term rate since 1981 is 9.63%; our current best five year fixed term rate is sitting pretty at 4.29%.



## Buying at "Point A" versus "Point B" ...

We know that the market still appears to be going down, but knowing that it will go back up is extremely important. What's the difference between purchasing a home at Point A and Point B?

Point A - "buyer's market" Point B - "seller's market"

In describing economic practices, Warren Buffet once stated that "We attempt to be fearful when others are greedy and to be greedy only when others are fearful."

## Talk About a Buyers Market

Are you waiting to purchase a new home? What are you waiting for? The housing market is cyclical, meaning that like the current economy, it will turn back around. If you are wanting to and waiting to purchase, you could find yourself in a "seller's market", wherein the value of homes will be increasing, there will be more competition with other purchasers, and you will have less freedom, flexibility, and choice. Current, prices are low, and rates are even lower. **If you are a seller...** you may be selling in a buyers market, but again, you will be purchasing in a buyers market; it's all relative. **If you are an investor...** what a fantastic time to buy a rental property. With the rent trend increasing, low vacancy rates, and great rates, products, and prices available, a "buyer's market" is an unbelievably opportunistic time for you to start planning for your retirement. Often when people are toying with the notion of purchasing a rental home, they find themselves asking whether the rental income will cover the mortgage payments. What many people do not consider is that subsidizing a rental home is not necessarily a bad thing; it is an effective long-term money saving strategy. More often than not, we spend the "extra" money that we have sitting in our bank account. By putting out and subsidizing a rental property, you are putting your money into an asset that you will eventually get your money back out of. The perception of losing out on money when subsidizing a rental property is more of a myth than a reality; let this money saving strategy become part of your reality and future plan. Try thinking of real estate as a long-term investment

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## Debt Consolidation

For many, the holidays have created that typical January and February turmoil of bills. Did you know that you can take your high-interest consumer debts and roll them into one easy, low rate mortgage? High-interest debt eats up your cash-flow without you even blinking an eye, and you could actually save thousands by bundling your debt with your mortgage.

Re-mortgaging aside, it is worth remembering that you may have equity in your home, which may be used as your emergency fund. Your home is your biggest asset; sometimes understanding how to make your money work for you is difficult, which is why we are here. We are your team of expert Mortgage Planners. We strive to make your life easier, more cost efficient, and balanced. With everything in your financial life based on cash flow, these budgeting tools can help you figure out how to pay off debts, increase assets, and have fun!

## Renewals

Is your mortgage coming up for renewal? Your mortgage renewal is an important financial milestone. You have officially worked your way through your mortgage term. Chances are that a lot has changed since we last spoke to you. The market is on the move, and while we try not to think about the negative aspects of a recession, many are facing possible unemployment. This could be a crucial time for you to make sure that you are in a mortgage that fits your needs. Our team of mortgage planners can design a mortgage around you and provide you with budgeting tools that will assist in your mortgage planning

In 2008, we supported a wide variety of charities, including the BC Children's Hospital, Big Brothers Big Sisters of Canada, the Canadian Breast Cancer Foundation, and the Juvenile Diabetes Research Foundation. As well, one of our team members personally ran in the Easter Seals 24 hour relay to raise money for camp programs designed for children and adults living with disabilities. In 2008, I participated in the BC Heart and Stroke Foundation's "Lose Weight-Lose Inches" program. February is the BC Heart and Stroke Foundation's Heart Month. In Canada, one in three deaths is heart or stroke related, so put your heart into it; this month in particular, whether you donate, eat healthier, or go out for a walk on the weekend, know that you are making a difference. Be an active member of your future: physically, mentally and financially.

*Greg Nowik*

## A Speedy Way to Pay-down YOUR Mortgage...

Changing your monthly mortgage payments to weekly or bi-weekly can help you pay-down your mortgage faster. Did you know that by making biweekly payments on your mortgage, you can pay off your "25 year amortization" mortgage in 21 years and 1 month? Without even trying, you could be paying off your mortgage faster.

Do you have someone you would  
like to refer to us?

Do you know a potential  
First-time Homebuyer?

First-time homebuyer or not, we always welcome referrals. The reason we mention first-time homebuyers is that we are in the process of lining up a First-time Homebuyer Seminar: one on the Lower Mainland and one in Nanaimo, on Vancouver Island. If you think that you know someone who might be interested, or should be interested in attending, please feel free to pass along their contact information to us. The greatest gift and compliment to us is a referral from a past client. Once the deal completes, we will send you out for dinner, as our way of thanking you.



*...designing a mortgage to fit your needs*

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