

Product Update.

80% Conventional.

The Bank Act has been amended as of April 23, 2007 to change the conventional financing ceiling from 75% to 80% of the value of the property. This means that no longer will borrowers be paying high ratio mortgage premiums provided they have either a 20% down payment or 20% equity in the property. This will save thousands of dollars in fees that otherwise cut into a homeowners equity.

This new rule also applies to revenue property financing although lenders are a little bit slower to announce that they are willing to go the full 80%. Remember that Canadian lenders tend to run pretty conservative (read tight) when it comes to Canadians trying to make some money at Real Estate investing.

Note also the new relaxed rules regarding borrowers who are newer to Canada and who might not yet have a long career track record. With good credit the waiting time to qualify for a mortgage has been drastically reduced. It is immigration that will be driving the net growth in this part of the world and the lending community is recognizing this.

It is about time that the mortgage world became reflective of today's borrower. New Canadians, Self Employed, and people with smaller down payments can all buy and afford a home today like never before. The mortgage lenders are rewriting the rules and the winners are the borrowers.

Website Update.

Almost complete and a new blog.

The new website is almost finished and complete. It's taken sometime, however, once complete it will make things a lot easier for me and you to communicate. The new design looks superb and I can't wait until I get to start using it to it's full

capacity. You will notice that I have set up a new blog for the mortgage industry and you. I'll update it as often as I can. Remember that this is a tool for you as well to ask questions and see answers to questions that people have asked. www.gitersos.com

What about rates?

Rates are staying steady.

Rates haven't really done too much lately. The variable rate has stayed the same and will have stayed the same for a full year now. All predictions still account for no movement in prime. The only movement may be down by year's end. As for the fixed

term rates, they're staying pretty steady. The rising Canadian Dollar is not a good thing, however, not going to make rates sky rocket. There's just too many other factors out there that are keeping the rates steady and where they are.

As always, please don't keep me a secret; if you find this and my other commentaries helpful, please share them with your family and friends. If you, or anyone you know, is not receiving on-going mortgage planning with their mortgage, have them call us for a FREE mortgage consultation. Make sure to check out my website for a handful of very useful information.

Please contact me for further information, or if you would like to talk specifically about your Mortgage Action Plan:



Christos Gitersos, Mortgage Planner
Direct: 604-539-8288 ext 229
Toll Free: 866-539-8288 ext 229
Fax: 604-539-8228
E-mail: christos@gitersos.com
Web: www.gitersos.com

