#### **Voice Yourself**

I want to hear from you!

I have been living, and practising real estate, in London for over 20 years. In the past I have lived in Winnipeg and the Northwest Territories, but it is London I call home.

#### Visit my blog

www.tomlink2realty.blogspot.com and tell us your thoughts. I would appreciate any questions or comments.



#### Do you have any comments or inquiries about Bricks & Mortar **REAL ESTATE REPORTER?**

Please send them to: contactus@link2realty.ca

#### link 2 realty ltd., Real Estate Brokerage

510 Dufferin Avenue London, ON N6B 2A2 Tel: 519-642-0619 Toll-Free: 1-877-832-6779 Fax: 519-438-7998 E-mail: guestions@link2realty.ca

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## link 2 realty ltd. REAL ESTATE BROKERAGE

#### **Terminology Tips**

#### Vendor Take Back Mortage (VTB)

A type of mortgage financing arranged between the seller and buyer of the property. The seller becomes the 'bank' or mortgagee by offering to lend funds to the buyer, and holds a first or second mortgage to the property. In most cases, this type of mortgage is offered at a rate below market value because it can help facilitate the purchase of the property. Often, this type of mortgage also allows buyers to purchase property valued above their traditional financial limits.

#### Save paper! Would you prefer receiving Bricks & Mortar REAL **ESTATE REPORTER via email?**



tom@link2realty.ca subject line: Bricks and Mortar our next edition will be emailed

#### **Collateral Mortgage**

A type of mortgage which secures a loan by way of promissory note. The money that is borrowed can be used to buy a property or for other purposes, such as home renovation or a vacation. This type of mortage is sometimes referred to as a Home Equity Loan or an Equity Take Out Mortgage. The interest rates are usually higher than normal mortgages.

#### **Company Name Change**

At last, our company name change has been finalized! Our new company name is link 2 realty ltd., Real Estate Brokerage.

#### **Give...without Giving**



Thinking of buying or selling anywhere in Canada? Consider our Charity link 2 realty referral program. We can put you in contact with specialized real estate professionals, all across Canada. We take a look at your real estate requirements, and connect you with the most suitable real estate agent(s) that can best meet your needs.

Charity link 2 realty passes a percentage of the real estate transaction fee to a charity or nonprofit group selected by you - the person buying or selling a property in your name.

This service is provided at no extra cost to you. Give ... without Giving!

If you have any questions, or would like more information about our charity referral program, send an email to referral@link2realty.ca or visit www.charitylinkrealty.ca



# Bricks & Mortar September 2008 **REAL ESTATE REPORTER**

**Your Link 2 Realty** 

#### Telemarketers, DO-NOT-CALL List

Expect more mail. On September 30th, you will be able to register your telephone, cell-phone, and/or fax numbers on the National Do-Not-Call List (DNCL). This list will contain the names and numbers of those who do not want to receive unsolicited calls from telemarketers, and do not want to deal with the trouble of telling each telemarketer to place them on their private do not call lists.

The United States has already implemented a similar list. During the 1st minute it was launched, their Do Not Call Registry received 6 million hits on their websitecrashing the server. It is expected that a similar, if not larger, percentage of telephone numbers will be registered in Canada.

Bell will be responsible for the next 5 years for registering numbers, providing telemarketers with updated versions of the National DNCL, and receiving consumer complaints about telemarketing calls.

Telemarketers are required to monitor the list and remove any numbers they find from their call lists. They will be allowed 31 days to update their lists, so you will still receive unsolicited calls for a few weeks after registering your number(s).

As always, there are exceptions. Certain types of organizations and business situations do not have to refer to the list:

- Registered charities
- Political parties
- Calls made for the purpose of public opinion surveys
- > General circulation newspapers calling for purpose of selling a subscription
- > Calls to consumers who have given consent to being called
- > Calls to consumers who have an existing business relationship with the organization
- Telemarketing firms from outside of Canada

Determining what constitutes as an "existing business relationship" will not be easy. Consider this situation: guite often people are required to complete an Open House registry. If a person walks into an Open House, they have made an inquiry and this could be deemed as the beginning of a "business relationship".

If you do receive a call, the purpose of the call and the person or organization on whose behalf the call is being made must be stated. The telephone number from which the call is being made must be capable of being displayed on caller ID. Also, at your request, they must provide you with the name, address and telephone number of a person that you can contact on this matter.

Visit www.Innte-dncl.gc.ca or call 1-866-580-3625 (DNCL) on or after September 30th to register your numbers. You can register up to three different numbers, and will have to re-register them after a three year expiry period.

In This Issue: E

> "Telemarketers, DO-NOT-CALL List"

## Important changes affecting you

Get out your ID if you're selling or buying CMHC 100% financing gone

Think Green Save Water = Save \$\$

> "Is the market slowing?"

"Put Your Money Where Your House Is<sup>#</sup>

### Condo Corner

How to criminal-proof your condo

#### Tom Dampsy

Voice Yourself **Terminology** Tips Give...without Giving



#### Get out your ID if you're selling or buying

As of June 23 2008, real estate agents are now required to ask clients for identification.

Following the attack on the World Trade Centre, the Government of Canada introduced the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) late in 2001. This legislation introduced new regulations that required targeted "high-risk" industries, including real estate, to implement new record keeping requirements.

The new requirements agents must comply with will be to record all funds received, and to verify and record the identification of clients with respect to each purchase and sale.

#### CMHC 100% Financing Gone

On July 9, the Department of Finance announced that it will no longer offer 100% financing or 40 year amortizations. You will however be able to obtain mortgage loan insurance for amortizations of up to 35 years and up to 95% of the value of the property.

If you were thinking of 100% financing or a 40 year amortization, you may have to take another look at your options. October 15, 2008 is when these changes are to take effect.

Mortgages obtained before October 15 will not be affected. These new rules pertain only to new, governmentbacked insured mortgages.

#### Save Water = Save Money

Canadians are the second highest water consumers in the world. We use an average of 1,600 cubic meters per person, each year. Reducing our water consumption not only benefits the environment, but your wallet too through lower utility bills.

To conserve water, consider these tips

- Install a properly functioning 6-litre Low-Flush toilet and lowflow show head in the bathroom
- Save excess water when running the tap to use for watering plants
- Wash full loads of laundry only
- Grow water-efficient plants and grasses
- Use drip irrigation systems, sprinkler timers and rain gauges to promote deep growth and healthier vegetation
- > Shower with a friend 💛

#### Is the market slowing?

Could Prime Minister Harper be calling an election knowing our economy is slowing down? If the economy slows better to be re-elected now; he might not receive the same results in a slower economy. I am curious what are your thoughts?

Well if our economy continues to slow down will property prices fall? CMHC has successfully predicted this slow down and they are optimistic prices will not fall. I am not so sure, I think some sectors will and already are experiencing spring it might be prudent for you to decreases.

I recently had an opportunity to list a condo. This property had been on the market with another firm for the proceeding six months. Place was vacant—ouch that's a lot of mortgage payments. Competition is from three

other complexes close by; sales are ranging from \$115,000-\$124,000 pending condition, location and time. suggested \$112,500 no offers for one week. Our plan was to market for the "multiple" offer scenario. Place showed decent, clean etc. Ten showings, no offers; going into that day we raised the price to \$114,900 to protect our client from a "loan" offer. A condo in one of the other complexes had just firmed up at \$112,000. No offers, nothing, zip, zero, zilch, ouch.

Three weeks later we received our first "low" offer, thankfully after communicating with all the other realtors that showed the place we were able to receive two more offers and the place sold for \$100 over asking for \$115,000, closing three weeks. Two years ago we would of received multiple offers the first week, today people are taking longer to decide and yes updates (or lack thereof) are a concern.

Prices have softened in that market not because of the economy, I think it has more to do with the basement bedroom window size been enforced through the fire department on behalf of the city of London by-laws. As investors become more educated I believe the value of basement bedrooms will overall continue to affect the price of homes and condo's when the windows do not meet code. Yes REALTORS® can be held liable if they do not deal with this issue up front.

If you are thinking of selling this coming consider selling your property this fall. Please call me to discuss your individual plans. I have been selling these types of properties for over 20 years and my goal is to help you receive the most money possible with the fewest problems possible.

#### **Condo Corner - How to** criminal-proof your condo

Is your building a target for criminal activity? Building security isn't just the responsibility of the board or building managers, residents need to do their part too.

When a robbery occurs it is the duty of the condo board or building manager to inform all residents of such occurrences. Concealing knowledge of a break-and-enter just puts the building at risk for a repeat intrusion. Letters should be sent to all owners informing them of each and every occurrence of intrusion.

Residents should report any flaws discovered in the building's security. Have you noticed any doors that don't latch properly, door closers that need replacing, or (the most vulnerable security risk) people letting strangers into the building?

A building is only as secure as its weakest owner. Someone who is letting strangers into the building can be just as destructive as criminals themselves. They inadvertently breach all security measures, possibly costing the building and its residents thousands of dollars in stolen vehicles and merchandise,

damaged property and, personal safety. If you are worried about the costs of

If your building has been targeted by criminals and you are unsure why, consider calling a security professional to evaluate the building for security weaknesses. Your security professional could help set up a three-stage program to discourage illicit activity in your building.

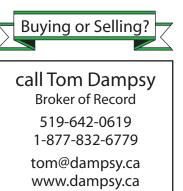
Stage one might include "targethardening" the perimeter of building to ensure the utmost protection against a physical attack. Target-hardening is a term used to describe the reassure a break-in won't happen. This may include adding stronger locks or securing the existing ones with protective covers.

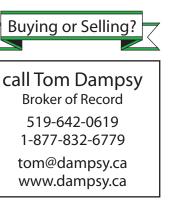
Windows can be made stronger by applying security film to the surface. Security film is made from polycarbonate sheet, which is known for its holding strength when applied to a window. This product comes in this transparent sheet that are applied similar to the way wallpaper is hung. The polycarbonate will adhere to the Put Your Money Where Your window within 48 hours, creating a **House Is** strong bond. If an intruder were to strike a window with security film, the glass According to a Renovation would crack but hold together.

Stage two could involve upgrading the security to the parking area by installing locks that allow access strictly to key holders. It's always a good idea to contact \$2 billion in 2007. your local fire department before adding locks to doors that currently are nonlocking. You won't want to endanger the safety of residents by installing a lock on a designated fire door.

Stage three is securing in-swinging \$19.7 billion, up from \$17.7 billion in locking doors with interlocking bars, 2006. A bulk of that spending was in which consist of two metal strips. One Toronto, at close to \$7.1 billion. strip is applied to the door and the other applied to the frame. When the door is According to Altus Clayton Economic closed, one strip interlocks with the other, Consulting, renovation spending has creating a seal between the door and increased annually at an average of frame. This would prevent a burglar from \$7.2% per year (after inflation) for the prying the door open. past five years.

The key driving force behind the implementing a three-stage program like renovation boom is the equally strong this, it would be divided up among the resale housing market. Homeowners residents thus making increased security are either fixing to sell or renovating affordable. Most importantly, it would their new homes to suit their taste. help transform your building into an undesirable target for criminal activity. Clayton cites a number of other factors





Thinking of Buying or Selling? Call Tom Dampsy 519-642-0619 or toll-free 1-877-832-6779

tom@dampsy.ca www.dampsy.ca



and Home Purchase Survey conducted by the Canada Mortgage and Housing Corporation (CMHC), spending for home renovation has jumped by

CMHC polled an estimated 1.5 million households in 10 major Canadian cities. 37% of the households completed renovations last year. Total spending was close to

contributing to the growth in the renovation market, including lower interest rates, the increasing rate of homeownership and the fact that the housing stock is getting bigger and older.

In terms of trends, CMHC found that the most popular renovation is a room renovation, most likely the kitchen and/or bathroom.