



**GALE TRACEY AMP- YOUR MORTGAGE PLANNER FOR LIFE**

**News To Help You Save Time And Money**

# THE DREAM HOME MAKER!

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*Designed around you.™*

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## Quote of the Month

*"Adventure is a state of mind - and spirit. It comes with faith, for with complete faith, there is no fear of what faces you in life or death."*

**-- Jacqueline Cochran, Aviator**



## Mortgage Rate Forecast: Are rates heading up or down?

Predicting interest rates is always difficult, especially right now. Sure, Canada's economic recovery is moving forward, but US growth is very slow, and government debt is a huge problem in Europe. Such mixed economic news makes it very hard to predict whether the Bank of Canada will continue to raise its overnight rate, as it did on September 8<sup>th</sup>.



The Bank said the latest increase—its third increase in a row—was necessary to keep removing stimulus from the economy. By raising interest rates, consumer spending is reduced which keeps inflation in check. So we're now sitting with a Prime rate of 3.00% and variable rate mortgages at around 2.3%, which is still in historically low territory.

While variable rates have been inching up, fixed rates have been moving down. Five-year fixed rates are now around 3.6%, an incredibly low level. Why have long-term mortgage rates been dropping? Since most investors concentrate on the US, they see poor economic performance and low inflation for a few more years. This pessimism keeps long-term mortgage rates low, even while short-term rates in Canada are rising.

So where are rates heading now? Most economists believe the Bank of Canada will leave the overnight rate where it is until well into 2011. And fixed mortgage rates won't be rising any time soon. This means posted mortgage rates are likely to be fairly stable for a while. But the rates you actually pay may continue to drop! Canadian banks made it through the recession in relatively good shape and have a lot of cash they'd like to loan out. This means they're likely to start becoming very competitive on rates and offer significant rate discounts.

Of course, the best way to make sure you're getting the lowest rate and biggest discount is to let your mortgage planner do the shopping and negotiation for you. Call me today for a Cost Analysis to see if worth paying the penalty for a lower rate!

### **A REALTOR YOU CAN TRUST!**

If you're considering buying or selling please call me if you would like a referral to a professional, experienced, trustworthy Realtor. I've dealt with several realtors in the Surrey, Langley/Tri-Cities areas for over 8 years and can guarantee you will be happy with the results from all of these "Over Achievers". Why call a stranger, when you can be referred to a professional I "know" "like" & trust"!

## Client News

Here are the new and loyal repeat clients who we've assisted with their mortgage needs in the last month! We'd like to welcome and thank you publicly, and send you our best wishes!

**Kathleen B. of White Rock, New Client – New beginnings! (The Now Newspaper)**

Linda & Harrison N. of Langley, Loyal Repeat Clients – New home to start a family!

**Chang & Kwan J. of Surrey, Loyal Repeat Clients - Great new flexible variable rate!**

Geoff & Karyn S. of Surrey, Loyal Repeat Clients – Back to the hood!

**Kim P. of Surrey, New Client – Fresh start! Referred by Existing Client, Jacquie G, Thanks!**

Robert & Laura H. of Surrey, New Client – Paying down mortgage faster with new low rate! (Referred by Existing Client, Anne B. Thanks!)

**Kim T. & Ré F. of Abbotsford, Loyal Repeat Clients – Getting financial house in order!**

*We love giving recognition to our new friends and our wonderful existing clients who are kind enough to refer their friends and relatives to us! We're all helping each other, which is the whole point of all this! Right?*



## Resource of the Month

### How to use record low rates to save money and get out of debt faster.



If you've been struggling through the last few months—or years!—trying to keep up with high mortgage payments and snowballing credit card bills, there's finally some relief in sight. Mortgage rates have been falling dramatically and are now at record lows. In fact they're so low, in many cases homeowners can refinance their mortgage at a reduced rate, pay off credit card debt and lower their payment drastically or contribute to RSP's for a tax refund!

To see if refinancing is right for you, the first step is talking to me, your Mortgage Planner. I'll do a free analysis of your mortgage to see how much equity is available and what your refinancing options are. Even if you have to pay a penalty to break out of your existing mortgage, that cost is usually more than covered by the interest savings.

*Here's an example of how much a typical homeowner can save by refinancing today. This example is based on a \$220,000 mortgage taken out 3 years ago with a 40 year amortization and interest rate of 5.74%. The mortgage was refinanced at 3.45%, \$20,000 was extracted to pay off credit card debt which had an interest rate of 18%, \$12,700 penalty and amortization was reduced to 35 years. Variable @ Prime - .80 (2.20) would be a monthly savings of \$1132 and Payments @\$846 per month*

	<b>Before Refinancing</b>	<b>After Refinancing</b>	<b>Result</b>
Mortgage interest rate	5.74%	3.45% Fixed/Variable P-80 (2.20)	See Total Savings below
Balance owing on mortgage	\$215,078	\$248,000	Amount owed is increased by \$20,000 to pay off credit cards & \$12,700 penalty
Monthly mortgage payment	\$1,378	\$1,014 / Variable \$846	Savings of \$364 per mo. / \$532 per mo
Monthly credit card payment	\$600	Zero	Savings of \$600 per month
Total Payment	\$1,978	\$1,014 / Variable \$846	Savings of \$964 per mo/ \$1132 per mo
Penalty to break out of existing mortgage	\$12,700	Approx. 3 times your mortgage payment or interest rate differential(whichever higher)	Expense of \$12,700
<b>Total Savings after one year</b>			<b>\$11,568/ \$13,584</b>

*In this example, not only are you benefiting from today's lower mortgage rates, you're replacing HIGH credit card interest with LOW mortgage interest, which saves you even more! Don't wait until mortgage rates start creeping up again. Give me a call today. I'll do the calculations and present a plan that can help put you back on the road to financial freedom!*

## Financial Freedom Tip of the Month

### How to set a family budget you'll actually keep.

Keeping records of income and expenses—and convincing your spouse to do the same—can be a real challenge. So here are some easy alternatives.

- **Budget envelopes.** This old-fashioned idea works great for visual people. When you get paid, put the cash in an envelope labeled Income. Start other envelopes labeled Mortgage, Utilities, Groceries, Dining Out, Movies, Clothes, Vacation Fund, etc. and put enough cash in each one for the month. When each expense is due, take the cash out of the envelope. If you feel like a movie, but that envelope's empty, you wait till next month!
- **Expense Limits.** Set a limit for non-essential expenses. If you or your spouse wants to buy something over the preset limit (maybe \$200), you have to discuss it first. No more month-end surprises!
- **Annual Projections.** Rather than keeping track of each expense, figure out how much each one costs per year. When you see that the \$4 you spend on coffee each day actually costs over \$900 a year, you might start taking coffee from home. Do this for lottery tickets, snack food, fashion items, etc.
- **Reverse Budgeting.** Pay all your bills and buy all your essentials as soon as you get paid. Then you only have what's left—if anything!—for discretionary or luxury items.

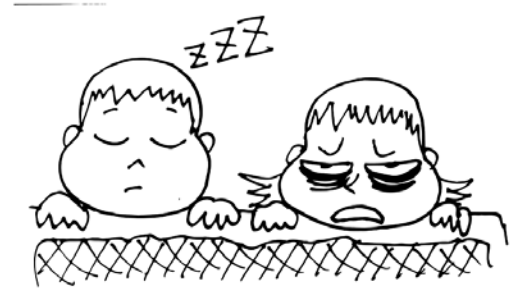


## Holistic Health Tip of the Month

### Insomnia Secrets: Tips and tricks for getting to sleep (and staying asleep).

The benefits of a good night's sleep include improved mood, memory, immune response and ability to heal. Here's how to get the slumber you need:

- Go to bed and wake up at the same times every day.
- Make sure your bedroom is quiet, dark and at a comfortable temperature.
- Don't drink alcohol, caffeine or sugary beverages 4-6 hours before bed. In fact, avoiding beverages of all kinds (including water) in the evening means fewer trips to the washroom in the middle of the night.
- Train your mind to associate your bed only with sleep—don't read, watch TV, eat or do work on your bed.
- Don't eat a heavy or spicy meal within 3-4 hours of bedtime. If you want a late night snack, warm milk or a banana actually help promote sleep.
- If you nap, do it in early afternoon and limit it to 30 minutes.
- Vigorous exercise promotes healthy sleep, but don't do it within two hours of bedtime.
- Make sure your bed is soft or firm enough for your comfort.
- Don't work or use the computer right up to bedtime. This stimulates your mind and makes it harder to fall asleep.
- Do relaxation activities like stretching, meditation, a warm bath or deep breathing before going to bed.



## Quiz Question of the Month

### Halloween Trivia:

Bobbing for apples originated in Celtic times when apples were associated with love or fertility. What's the most apples bobbed in one minute according to Guinness World Records?

- a) 9
- b) 17
- c) 33
- d) 24

#### How does this contest work?

The first person to respond with the correct answer will win a FREE Dinner at the VAULT Restaurant or Washington Avenue Grill, \$25 value!

#### How do I submit my answer?

To respond with your answer, email us at: [gale.tracey@mtgarc.ca](mailto:gale.tracey@mtgarc.ca) or fax 1-866-280-9427 in your answer The contest deadline is October 31, 2010.

## Seasonal Article of the Month



### 5 quick and inexpensive Halloween costume ideas you can make yourself.

- Jelly Fish.** Find an old transparent umbrella at a thrift store (a light blue one also works). Hang lots of clear iridescent streamers from it reaching almost to the ground. Wear black or light blue clothes, and move the umbrella up and down when you walk.
- Ladybug.** Wear a red hooded sweatsuit. Cut red cardboard or foam-core into a large oval, and glue big black dots all over it. Make fabric arm straps and glue the oval to them. Attach two black chenille-covered wires to your head for antennae. Wear red socks on your hands.
- Bunch of Grapes.** Wear a brown hooded sweatsuit. Inflate lots of purple or green balloons and pin the knotted ends to the sweatsuit. Leave the hood exposed for the stem.
- Nerd.** Wear pants that are too short with white socks, button up your shirt wrong, put a pocket protector in your shirt pocket with lots of pens, slick back your hair, wear taped-up glasses, and carry a huge dictionary or encyclopedia.
- Skunk.** Wear a black hooded sweatsuit. Make a tail out of black fabric with clothes-hanger wire inside so it stands up. Glue two stripes of white faux fur down the back of the hood, body and tail. Make stand-up black felt ears and glue them on the hood. Wear black socks on your hands.

## Answers to Last Month's Quiz

Which Crayola color was NOT renamed over the years?

- a) Flesh
- b) Prussian Blue
- c) Indian Red
- d) Burnt Sienna

Answer: d) Burnt Sienna still remains. Flesh became Peach. Prussian Blue became Midnight Blue. Indian Red became Chestnut.

## ANNOUNCING LAST MONTH'S WINNERS!

Congratulations to **Jane L.** of Surrey for winning last month's quiz contest! She has won a FREE dinner at the VAULT Restaurant. Enjoy!

## K I D S

# O



### Halloween Word Scramble (Verbs)



# R

All the mixed up words below are verbs which could be used on Halloween. Can you unscramble them?  
To help you, the first letter of each word will stay the same.

# N

1. sreihk      \_ \_ \_ \_ \_

2. hlwo        \_ \_ \_ \_

# E

3. sreca        \_ \_ \_ \_ \_

4. frtnegih    \_ \_ \_ \_ \_ \_ \_

# R

5. secmar      \_ \_ \_ \_ \_

6. soopk        \_ \_ \_ \_ \_

7. seccher     \_ \_ \_ \_ \_ \_ \_

8. hatun        \_ \_ \_ \_ \_

**“Free Info” Request Form**

As you can see, we’ve got a growing selection of free reports that are jam-packed with valuable tips and proven strategies to help you and your friends and family avoid costly financial pitfalls. If you’d like us to rush you one or more of these free reports, please fill out the reply form below and submit it by fax: 1-866-280-9427 or snail mail it to: 5710-182<sup>nd</sup> Street, Surrey, BC V3S 4M6.

Have you gained value from this newsletter? If so, we want to invite you to “pay it forward” by giving the **GIFT of a FREE SUBSCRIPTION** to your friends, co-workers, relatives, business acquaintances, etc. Simply fill out the info on the “Subscribe-a-Friend” form at the bottom of this page, and we’ll send them a free subscription. As a courtesy to you, we’ll also enclose a special note along with their first issue telling them that you asked us to surprise them with this free gift. And of course, they can contact us any time if they’d like to cancel. If you’ve been enjoying our newsletter, this is your hassle-free opportunity to share it with the people you care about - for FREE!

**“Do You Have All the Information You Need To Make An Informed Decision About Buying, Selling, or Refinancing Your Home?”**

**YES! Please send the FREE Report(s) I’ve selected below:** To Get Your Free Copy of Any Of These Reports Simply Call me at 604-575-1843 or email me at gale.tracey@mtgarc.ca Check Off The Ones You Want On This Form And Mail/Fax It In!

[ ] “11 Questions to Ask BEFORE Getting A Mortgage!”

[ ] “15 Home Buyer Mistakes and How to Avoid Them!”

[ ] “Escape Debt Prison: How to Instantly Erase All Your High Interest Debts!”

**YES! I’d like your trusted advice and counsel about:** \_\_\_\_\_ Getting a Mortgage \_\_\_\_\_ Refinancing \_\_\_\_\_ Other

**Your Contact Information:**

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Best time to contact \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

**Don’t forget to send in your Client Quiz answer to win a FREE DINNER! Submit your answer by fax, mail or email.**

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City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Full Name \_\_\_\_\_ Address \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Please use the back of this form if you need more room. Remember to submit your Quiz answers to win a FREE dinner!