



GALE TRACEY AMP- YOUR MORTGAGE PLANNER FOR LIFE

News To Help You Save Time And Money

THE DREAM HOME MAKER!

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Quote of the Month

"If you don't build your dream, someone else will hire you to help them build theirs."

- Dhirubhai Ambani

Where are mortgage rates going in 2016?

For years we've been warned that low mortgage rates wouldn't last forever, and that we should be prepared to see rates start creeping up soon. But that day never seemed to come. Until now.

On December 16th, the US Federal Reserve finally raised its short-term interest rate by 0.25%. That may not sound like a big deal, but it's the first time the Fed rate has risen in almost a decade. Most economists see this as a turning point. After years at record low levels, US rates are now expected to start steadily climbing, albeit at a very slow pace.

Of course, in Canada things are a little different. Economic growth is sluggish and inflation is tame, so the Bank of Canada has no reason to raise its overnight rate any time soon. However, rising rates south of the border will still have an impact on Canadian mortgage rates.

The benchmark qualifying rate for Canadian mortgages has remained steady for about nine months, but offered or discounted mortgage rates at banks have recently moved higher in anticipation of higher US rates. According to the BC Real Estate Association, the average 5-year rate offered by lenders has increased by about 0.2%, bringing it to 2.79%. And the discount from prime lending rate offered on variable rate mortgages has narrowed from 0.6% down to 0.4%.

With the US Fed rate now on the rise—by as much as 0.75% by the end of 2016—BCREA forecasts the 5-year qualifying rate on Canadian mortgages will increase to 4.79% in early 2016 before gradually rising to 5.11% by the end of the year. As for variable mortgages, that rate should hold steady until the Bank of Canada rate finally nudges upward.

If you'd like to understand how these rate increases might affect your mortgage or financial goals, we're happy to offer you a free mortgage analysis and answer all your questions. For more info, call me today!



Client News

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

Dorian L. & Bre P., Port Coquitlam, BC – “New Home for New Baby” Referred by Loyal Client Tammy P of Port Coquitlam, BC

Steve & Teresa J., Port Moody, BC – “Financial Ducks in a Row” Repeat Loyal Clients

Steve & Lois W, Abbotsford, BC – “Almost Mortgage Free” Repeat Loyal Clients

Mark & Maureen G, Langley, BC – “Financial House is in Order” Repeat Loyal Clients

Tracy M, Surrey, BC – “The End of the Saga” Repeat Loyal Client

Bethany & Wangeur E, Surrey, BC – “Preparing for the Next Step” Repeat Loyal Clients

Dr. Elke S, Surrey, BC “Fabulous First Home” – Referred by Loyal Client Judy S and Rick C

Brent & Kelsey P, Port Coquitlam, BC - “Perfect New Home for Growing Family” Repeat Loyal Clients

***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?***

Seasonal Article of the Month

Resolutions without routines are like Ferraris without fuel.

A new year is a great time to set some new goals so you can achieve more of the things that are important to you. Where most people go wrong is in creating a plan to achieve those goals. They break each goal down into very rigid steps and milestones—which just ends up giving them lots more places to fail. Instead, focus on the daily routines that will lead to success.

If your resolution is to get fit, instead of setting due dates for each pound lost and mile walked, commit to one hour of physical activity every day. At the beginning of each week, plan out when you'll fit in that hour and what it will involve (walking to the store, riding your bike to work, etc.). It can be a different time and activity every day, but you have to block schedule it to help you stay committed.

Focusing on new daily routines rather than outcomes helps keep you in the present, so you're not constantly worried about big milestones. All you have to do is stay committed to that one hour today, which sounds kind of easy. Best of all, by creating a new daily routine, it eventually becomes an effortless part of your life, something you don't feel good without doing. At that point, achieving your resolution is a foregone conclusion!



Financial Freedom Tip of the Month

What you need to know about negative interest rates.

It sounds crazy, right? You put money in the bank and instead of earning interest, you have to PAY the bank for keeping your money safe! In essence, that's what negative interest rates are. If a bank offers -0.5% on deposits, that means your deposit shrinks by 0.5% every year. Of course, the opposite is also true—if your mortgage has a negative interest rate, your bank would pay YOU interest!



Before you get too excited, be aware that this situation hasn't happened to individual customers—yet. But it's already happening with European central banks. Over there, some central banks lowered the deposit rates they pay to retail banks to zero and then below. The theory is that making it more expensive for retail banks to hoard cash forces them to start loaning it out at low rates, so consumers and businesses will start spending again. But the risk is that retail banks might store their cash someplace else in order to avoid paying a central bank to keep it for them, or paying mortgage customers monthly interest.

In reality, barring some new economic crisis, the chance of negative interest rates coming to North America is slim. So don't expect your bank to drop your mortgage rate below zero or start paying you monthly mortgage interest payments anytime soon!

Holistic Health Tip of the Month



"If I could show you a way how to lose 12 lbs. or 12", or any combination thereof, in only 24 days, how would that make you feel?"

... INTRODUCING the "12 in 24 Plan" featuring 3 Valentus® Products that are Cutting Edge, Delicious and They work! This plan is Easy, Simple to Follow and FUN!

Here's how the "12 in 24 Plan" works:

- Wake Up! Drink 1 SlimROAST before your Breakfast. Delicious Italian Roast Coffee, "that's Amore!"**
- 30-60 minutes before Supper mix & drink 1 Trim in a bottle of water. Yummy Piña colada!**
- 30-60 minutes before Bedtime mix & drink 1 Immune in a bottle of water. Delicious! Sweet dreams!**



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Quiz Question of the Month

New Year's Trivia Question

According to a Marist Poll, what was the most popular resolution people made for 2015?

- Lose weight
- Get a better job
- Be kinder to others
- Spend less and save more

How does this contest work?

The first person to respond with the correct answer will win a \$25 Gift Card to THE VAULT Restaurant!

Resource of the Month

Why it pays to do a mortgage checkup at least once per year.

Most people have regular checkups for their health, car and investment portfolio. But when's the last time you had a checkup for your mortgage? Your home mortgage is likely the biggest financial transaction you'll ever make. It deserves as much—or more!—attention as all those other things.

As your local mortgage professional, I'm happy to offer a no-cost annual mortgage review. It doesn't matter whether you're a current client of mine or not. This free service is offered without obligation of any kind.

Why is an annual mortgage review so important? In a word, "change". Your family may be changing (new additions, kids going to university, retirement approaching), your financial situation may be changing (a raise, job loss, new investment goals, new debts), your plans may be changing (moving, getting married, starting your own business), interest rates are constantly changing, and new mortgages are constantly being introduced with potentially valuable new features. With all this change happening, it definitely makes sense to see if your existing mortgage is still working as hard as it can and providing maximum value.

I'll sit down with you, review your mortgage, total debt picture, investment goals and current plans, then present you with professional advice about mortgage strategies that can help you become mortgage-free faster. For more info, call me today!

Answer to Last Month's Quiz

According to the Bible, how many wise men (magi) visited the baby Jesus?

- a) 3
- b) 5
- c) 2
- d) an unspecified number

ANSWER: d) an unspecified number

How do I submit my answer?

To respond with your answer, email me at: gale.tracey@mtgarc.ca. The contest deadline is Jan 30.

ANNOUNCING LAST MONTH'S WINNERS!

Congratulations to **Andrea H.** 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

2016 Number Search

Happy New Year!

Can you find "2016" twenty times in the puzzle below? You can look for it forwards, backwards and diagonally too!

R

N

E

R

2	0	1	6	3	6	1	0	2	4	2	5
3	5	9	8	6	0	2	0	1	6	0	8
2	6	1	0	2	1	1	5	6	7	1	6
3	2	5	7	6	6	0	2	3	4	6	1
6	6	1	0	2	6	0	2	4	3	8	0
2	2	2	2	2	1	2	0	1	6	4	2
2	2	0	1	6	3	4	2	0	1	6	7
0	3	2	4	7	8	9	6	5	1	2	3
1	5	5	0	2	6	2	3	0	4	2	6
6	7	7	4	1	0	1	2	5	6	0	1
9	5	8	6	1	6	2	0	4	5	1	0
5	2	6	6	4	1	1	0	2	0	6	2

