



Carolina Paredes' Home Newsletter

Adding Value to Your Life with News, Tips and Entertainment

Carolina Paredes

Mortgage & Real Estate Professional

Express Capital

Phone: 403-990-4817

info@ExpressCapital.ca

Inside This Issue...

When To Use a Strategic Price Reduction To Your Home.....1

Client News2

How To Pay Off Your Mortgage Sooner.....3

Three Sensible Ways To Lose Extra Holiday Pounds 3

When To Do a Home Reno.....4

Christmas Debt 4

Info request.....5

Quote of the Month

"The new year stands before us, like a chapter in a book, waiting to be written. We can help write that story by setting goals."

- Melody Beattie

When to use a strategic price reduction to help sell your home

Whether your area is still a seller's market or already beginning to cool off, pricing your house correctly is essential. Even in the hottest market, an overpriced house may not sell. Here are some price reduction strategies to consider.

- Nobody wants a product that's been sitting on the shelf for too long. If your house has been listed for several weeks, buyers lose interest and need an incentive to pay attention again.
- If the house hasn't sold within 2 or 3 weeks, chances are it's priced too high. A quick \$5-10,000 reduction may move it into a lower price category so it's within the criteria of a new group of buyers.
- If the house isn't moving, get your realtor to ask buyers' realtors what objections they're hearing. If it's price, that's an easy fix. Buyers like to know they're being listened to. If you lower the price in response, they're likely to give the house a second look.
- If price is a concern, get your realtor to let shoppers know that a price cut is coming. This may generate an offer that's slightly above the new price you had in mind.
- Before cutting, ask your realtor to do an analysis of the neighborhood. Find out what the average time on market is and how that's affected by a price cut. If you're in line with the market, maybe price isn't the issue.
- Reducing the price can make your listing seem new again since many websites will send a "price reduction" alert to buyers. And a "reduced price" slash on your for sale sign also draws new eyes.
- The downside of a price cut is that it can make some buyers think there's something wrong with your home. If this is a concern, consider taking your house off the market for a few months, then re-listing at a lower price. This creates the impression of a new listing without the perception of a price cut.



Don't Wait to Buy Real Estate – Buy Real Estate and Wait!



Client News

Since January 1, 2018 became effective the new regulations that determine the qualification for a mortgage and consequently for the purchase or refinancing



Under these new rules, people who obtain, renew or refinance a mortgage must show that they could face interest rates substantially higher than the contract rate. This form of qualification is called “**Stress Test**”. With these changes, confusion arose among people who are in the process of buying or refinancing their property, of which I was answering questions during the last few days. The most common ones are listed below. However, I emphasize this, if you have doubts or want to be advised correctly contact me to see your case in an objective and personalized way and thus, maximize your purchase or refinance. I want to emphasize that my advice is free for you.

Common questions:

- **How is the qualification based on the new standards?**

There are 2 types of interest rate used for the rating: One is the contract rate and the other is the “Bench Mark Rate” or “Reference Rate”. The reference rate (now 4.99%) is used to qualify and the contract rate is the rate you would get if you pass the test.

- **What is the difference between the two rates?**

The difference is approximately 2% for a regular transaction

- **Can I buy a property with 5% down?**

Yes, if you qualify for the 4.99% bench mark rate.

- **How the new regulation affects my purchase price?**

If you previously qualified for a \$ 400,000 home, with this new regulation, you might only afford a house of approximately 340,000 if everything else remains the same.

- **If I have more than 20% for down payment, can I be except of this rule?**

No, as of January 1, 2018 all mortgages are regulated by this new rule, no matter how much down payment you have available.

- **Where can I see quality properties for sale in the Calgary area?**

This website is the fastest and most accurate. www.RealHomesCalgary.com Here you will find all the properties recently released to the market and it is updated very frequently during the day. You need to sign up to have unlimited Access though.

I hope I have clarified some of the doubts regarding these changes. If you would like to know if you qualify or how much you can buy now, do not hesitate to contact me at 403 990 4817.

Carolina Paredes

It Always Seems Impossible Until it's Done

- Nelson Mandela -

Financial Freedom Tip of the Month

How to pay off your mortgage sooner

Getting a mortgage may seem like a life sentence. You'll be chipping away at it for decades to come—and there's no time off for good behavior! But in reality, there are some relatively painless things you can do to pay off your mortgage sooner and save interest!

- **Make a lump sum payment.** If you come into unexpected money—bonus at work, legacy from an estate, gift from parents—use it to pay down your principal. Better yet, save a few dollars each month so you can make an extra principal payment every year.
- **Increase your monthly payment.** By adding an extra \$50 or \$100 to your monthly payment—and making sure it goes to principal—you can take years and thousands of dollars off your mortgage. Again, build it into your overall saving strategy.
- **Switch to bi-weekly payments.** This involves dividing your monthly payment in half, then paying it every two weeks instead of twice a month. By the end of the year, you'll have made one extra month's payment without even noticing it!
- **See about shortening your amortization.** As your local mortgage professional, I can analyze your situation and see if it's cost-effective to refinance to shorten your amortization. The shorter your loan, the less interest you pay. However, monthly payments will be higher. Let's do the math and see if this works for you!



Holistic Health Tip of the Month

Three sensible ways to lose those extra holiday pounds!

Overdoing it is what the holidays are all about. But if over-eating and under-exercising have left you heavier and less energetic, here's how to return to a healthier you.

1. **Stick to a schedule.** Those lazy days of constant grazing are over! Start eating breakfast within an hour of rising, eat lunch 3-5 hours later and dinner 3-5 hours after that. This helps maximize your metabolism, regulate your blood sugar, and put your appetite back into balance. The temptation may be to start starving yourself in January, but that puts you at greater risk of binging and causes your body to start using muscle mass for fuel.
2. **Drink more—but make sure it's water!** Drinking water helps reduce appetite, flushes out excess sodium and relieves constipation. Aim for as many as 8 glasses per day.
3. **Don't deny yourself carbohydrates.** Without carbs, your body starts burning protein for fuel rather than using it to maintain muscle. Instead, concentrate on eating fewer carbs. Eat lots of vegetables, with a small serving of protein (fish, poultry, tofu, beans), and a small serving of whole grains (quinoa, barley, wild rice) mixed with extra-virgin olive oil, chopped avocado or almonds.



Eating a balanced, healthy diet on schedule with plenty of water will help you feel satisfied and energized, without those nasty cravings.

Seasonal Article of the Month

If you want to save time and money, here's when to renovate

Deciding when to start your remodeling project may simply depend on when you need it finished. But if you have a little leeway, here are some considerations that can make the whole process easier and more affordable.



- **Winter.** If your local winters are very cold or very wet, digging foundations, replacing roofing and pouring concrete will take longer and cost more. However, for minor outdoor work and most indoor projects, you may find builders more available and less expensive because they're less busy.
- **Spring.** Since this is the time most people want new looks, additions and more outdoor living space, it's the busiest time of year for contractors. That means higher prices and longer delays.
- **Summer.** If summers are very hot and humid in your area, builders may charge extra for exterior work or attic additions. But if your summers are pleasant, builders may be happy to take on new projects because the spring rush has ended. And there's the added advantage of having work done while you're away on summer vacation!
- **Fall.** Fall weather is usually good for most projects. But many builders will be under the gun to finish work before winter weather or holiday entertaining, so availability may be a challenge. However, if you're OK with having renovations done over the holidays, you'll save money because contractors will be less busy.

Resource of the Month

Got Christmas debt hangover?

Unfortunately, the downside of last month's festivity and generosity is this month's next credit card bills. You may suddenly be looking at some huge balances with no idea how to pay them off. And what's worse, you'll be paying anywhere from 10-20% interest on what you owe!

Fortunately, the solution is close to home. If you've been in your house for a while, you may have enough equity to refinance your mortgage, consolidate your credit card debts, and end up paying mortgage interest in the 3-4% range!

We can help determine how much equity is available and advise whether debt consolidation is right for you. We'll do the math and show you how much you can save.

The goal of refinancing should be to save interest and get out of debt faster. It's important to understand that you're going to have to change your spending habits —at Christmas and year-round— or you'll be refinancing again before you know it. The best strategy is to use the money you save from consolidation to start a saving plan or to invest in an asset that will generate a return, such as revenue property. Call us today at [403-990-4817](tel:403-990-4817) and request our Free Guide titled, "*How to Escape Debt Prison.*"



"So I charged a few billion gifts last year. I was going to pay it later."

“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 email: info@expressCapital.ca or text mail it to: **403-990-4817**

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 Check Off The Ones You Want On This Form And E-mail/Text In a picture!

Press Extension:

- “How to Escape the Debt Prison”
- “13 things you need to know before you renew your mortgage”
- “Divorce and your home: 6 things you need to know before you sell”



YES! I’d like your trusted advice and counsel about: ___ Getting a Mortgage ___ Refinancing ___ Buying a house

Your Contact Information:

First Name _____ Last Name _____ Best time to contact _____
 Address _____
 Town _____ Province _____ Postal Code _____
 Phone _____ Fax _____ Email _____

E-Subscribe-A-Friend Request Form

YES! Please give the following people a FREE subscription to your monthly newsletter. I understand you’ll enclose a special note informing them that I asked you to surprise them with this free gift, and that all they have to do is contact you if they wish to cancel.

Full Name _____ Address _____
 Town _____ Province _____ Postal Code _____
 Email Address _____ @ _____ Phone# _____
 Full Name _____ Address _____
 Town _____ Province _____ Postal Code _____
 Email Address _____ @ _____ Phone# _____