

# Real Estate Journal

Your Monthly Home & Financing News

May 2013



## The Hube Team

Sales Representatives  
Royal LePage Grand Valley  
Realty  
Brokerage  
Independently Owned & Operated  
Phone: 519-621-2000  
Cell: 519-624-2000  
Fax: 519-621-4027

[E-mail](#)  
[Website](#)



### DID YOU KNOW...

With educational materials and interactive tools, the Financial Consumer Agency of Canada (FCAC) provides objective information about financial products and services, and informs consumers about their rights and responsibilities when dealing with banks and federally regulated trust, loan and insurance companies. Through its financial literacy program, FCAC helps Canadians increase their financial knowledge and confidence in managing their personal finances. FCAC also

Welcome to the May issue of the *Real Estate Journal*, which is designed to help you make a more informed decision the next time you're buying or selling a property!

This month's edition details three key tips to keep top-of-mind when buying a home, as well as discusses homeownership options following a relationship split. Please feel free to ask questions or offer feedback regarding anything outlined below via phone or email.

Thanks again for your continued support and referrals!

## In This Issue

1  
3 Key Home-  
Buying Tips

2  
Owning a Home  
During  
a Separation

3  
About  
Royal LePage



## 3 Key Home-Buying Tips

If you're thinking of buying your first home or upgrading to a new one, the inventory of homes on the market every Spring is definitely plentiful – providing for a great selection of homes to serve your unique needs.

Still, there are also generally more people out looking at homes in the Spring as well. And while some homebuyers feel anxious about securing their dream home as soon as possible, it's important to take the time to be patient and make sure the home is a good fit for you and your

– as opposed to what you “want” – will help determine the types of homes you should be viewing. It's rarely possible, however, to find a perfect home for your needs, tastes and budget. While it's important to weigh your priorities before you start your home search, it's equally important to be flexible and willing to change your mind once you see what your true options are – viewing properties can shift your priorities. And remember that if you can only find places that require too many compromises, it's okay to keep looking – new homes come on the market daily!

**3. Look past the staging.** Many sellers enlist staging professionals to help sell their homes faster and at a higher price. While this often makes listings more visually appealing to buyers,

ensures that federally regulated financial institutions and payment card network operators comply with legislation and agreements intended to protect consumers. For more info, visit [FCAC's website](#).

## MORTGAGE MATTERS

It's a great idea to purchase a home when rates are low, but pay your mortgage as if the rate was as high as you can afford. This means that you'll be better prepared when rates increase.

## GOING GREEN

One of the great advantages about thinking of ways to preserve and protect our environment is that it often puts money back in our pocket. This shouldn't be the only reason to take steps to be greener, but it's an added bonus that can't be overlooked. **Be creative with entertainment.** Consider going to the park and playing sports, cooking food outside, and just enjoying the day with your family and friends. It's so much cheaper than going to the movies or an amusement park, and it's much better quality time because you have less distractions. **Think differently about cooling your home.** With air conditioner season right around the corner, it's important to think of natural ways to cool your home and save energy. Consider planting shrubs and trees that will shield your house from the sun and keep it cooler while attracting

family.

After all, home-buying is likely the largest investment you'll ever make, and doing your due diligence when determining which house to buy ensures that fewer surprises arise after your moving day.

Following are three top considerations to keep in mind when looking for your new home:

**1. Get preapproved for a mortgage.** Not only will this step help you compete against other buyers who have not been preapproved, but it will also ensure you only look at home's within your price range – saving you the trouble of falling in love with a home you can't afford. Your mortgage broker or lender will be able to get you preapproved before you start browsing homes.

**2. Think about what you need.** Jotting down specifics regarding what you "need" in a home



**W**e all know that marriage isn't always

forever. And when a separation occurs, a home is often involved. Since most couples have a joint mortgage – one where both names are on the mortgage and title of the home – when separation or divorce proceedings occur, many wonder what will happen with the home.

When the marriage comes to an end, there are two obvious options concerning the home: 1) sell the property and split the proceeds according to your agreement and go your separate ways; or 2) one person buys the other party out of the mortgage and the title of the property.

The first option is a straight-forward transaction where you put the house up for sale, sell and split the proceeds. The second option, however, is slightly more complicated.

The decision between the options is a personal one borne out of the specific circumstances of the parties involved. Perhaps there are young kids involved that need to stay in the house, the market

some major flaws may be covered up through staging. And while minor cosmetic issues can often be overcome with a simple fix such as a coat of paint, larger, more costly issues can arise with a home if you don't notice poor conditions before you buy. Some things to look for include: leaks around plumbing fixtures and ceilings (thanks to upper floor bathrooms); stains on walls or ceilings; evidence of mould; poor workmanship on flooring, moulding, windows and doors; or aging and worn seals around windows and doors.

As always, if you have any questions or concerns about buying or selling a home, or you'd like some useful tips, information and answers to your questions are just a phone call or email away!

## Owning a Home During a Separation

person who is buying the other party out of the house) and qualification, versus the original purchase, which was based on joint income and qualification.

If you're the one buying your partner out, the first step is to ensure that you can afford the mortgage payments. This is imperative because the lender will ask for proof that you're capable of covering the mortgage in order for you to apply on your own. In addition to covering the mortgage amount, you'll have to come up with whatever dollar amount you have agreed on to buy the other partner out. This may come out of the equity in your home if it's sufficient.

In essence, if you can afford the mortgage on your own, the most common means of buying out your partner post-separation and transferring title out of the joint name and into your name, is to refinance.

If you're not in a financial position to buy your ex-partner out of the house, and you agree to both stay on title and have payment arrangements, there is one warning to be taken very seriously. Just because one person is responsible for the payments (even with a court order), if the

beneficial birds, insects and other nature neighbours.

is down and there will be a loss on the property that neither party can afford, one party can afford to buy the other party out, etc.

mortgage goes into default, both parties on the mortgage will be affected.

Once the decision is made, how do you go about buying the other person out of a mortgage? Well, essentially, you're refinancing your mortgage using a single income (the

The most important piece of advice when dealing with a mortgage during a separation is to become informed. Know your options, talk to professionals about your options, and make an informed decision regarding your home and mortgage.

## About

**ROYAL LEPAGE**

Royal LePage is Canada's oldest and largest Canadian owned real estate company. Founded in 1913 by Albert LePage when he was just 26 years old, Royal LePage is now Canada's largest real estate company with more than 14,000 agents in more than 600 locations across the country. And we firmly believe that you can only become the oldest and largest company by being the best.

Over the years, we've learned a lot about real estate – and how to provide the best possible service for our clients. Since the mid-1990s, Royal LePage has more than tripled the size of its sales force and almost doubled its market share.

Throughout our successes, we remain dedicated to helping you through the real estate process. Our commitment to innovation and customer service is as strong as ever.

We offer all of our REALTORS® – from those serving tiny communities to those in major urban centres – strong support from our national pool of knowledge, skill and technical expertise. We regularly invest time, money and resources to develop and provide the knowledge and tools they need to best market your home, including:

- Up-to-date information about local market conditions
- Quarterly housing reports
- Creative brochures and newspaper ads to showcase your home
- Ongoing negotiation, marketing and technical training

This communication is not intended to cause or induce breach of an existing agency agreement.

#4 - 471 Hespeler Road Cambridge ON N1R6J2

\*\*Not intended to solicit Buyers/Sellers currently under contract.