

What A Difference 60 Days Makes

At the start of summer, news was about an interest rate hike on the horizon. August headlines shifted to the U.S. debt crisis, stalling U.S. economy, and the U.S. Federal Reserve Chair's pledge to keep interest rates rock bottom until mid 2013. Forecast is the BoC will follow suit and hold the interest rate down for at least another year. Low rates mean Variable Rate Mortgages continue to shine.

Historically, Variable Rate Mortgages trend 2.25 to 3.25 per cent lower than 5-year Fixed Rate Mortgages. Even though Banks have recently narrowed the spread to try and shift customers, VRMs are a better option.

The secret is to pay the Variable Rate Mortgage at the current 5-Year Fixed Rate. You'll be accustomed to higher rates when they do come, and in the meantime, the amortization and principal pay-down of your mortgage will be accelerated.

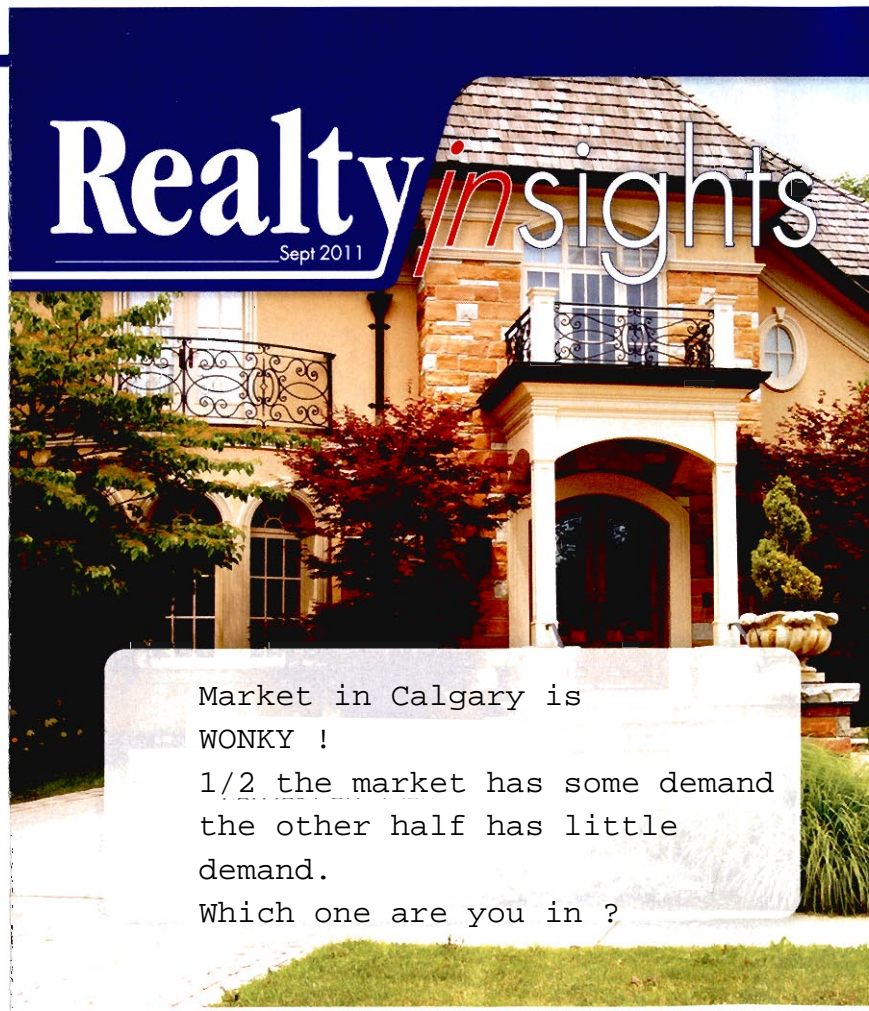
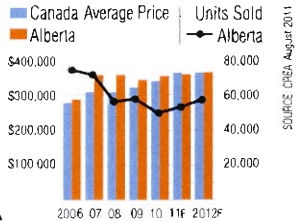
Housing Market Continues To Exceed Expectations

Last year's new mortgage qualification rule, combined with the likelihood of an interest rate hike, had few expecting the housing market to continue moving ahead as strongly as it has this year. Overall, sales activity and prices remained stronger than anticipated in the second quarter. As a result, CREA once again raised the forecast for sales activity and average price for 2011.

Nationally, sales activity is expected to reach 450,800 units and the average home price is forecast to reach \$363,500 - both numbers are up from last year.

Here, in Alberta, sales activity is predicted to reach 53,350 units, up 7.3 per cent from last year. And the average price is expected to reach \$357,500, up 1.5 per cent from last year.

With low interest rates for the foreseeable future, it's likely that the big-picture continues to look good for the Canadian housing market. Of course, when you're looking for neighbourhood trends, call us for the local insight.



Realty *insights*

Sept 2011

Market in Calgary is
 WONKY !
 1/2 the market has some demand
 the other half has little
 demand.
 Which one are you in ?

S & P Rating - Canada Is "Triple A"

Even with the economic turmoil in the U.S. and overseas affecting the global economy, Canada continues to be in a stronger economic position than many countries. Of more than 125 countries rated, only 18 currently have an "AAA" designation. Canada carries an S & P "AAA" Credit Rating. Our financial market has stabilized after being touched by the whirlwind. There's no panic here and the real estate market continues to be active.

Having fallen beyond all predictions, the U.S. financial markets have recovered some of the losses and are seemingly more stable. When the U.S. economy shows weakness, it spills over to the rest of the world and we're not exempt. Instead of rates rising this Fall, a low interest rate environment now seems part of the landscape for at least a year.

Australia AAA	New Zealand AA+	Ireland BBB+	Romania BB+
Canada AAA	United States AA+	South Africa BBB+	Philippines BB
France AAA	Spain AA	Mexico BBB	Serbia BB
Germany AAA	Japan AA-	Russia BBB	Turkey BB
Hong Kong AAA	Saudi Arabia AA-	India BBB-	Egypt BB
Singapore AAA	China AA-	Portugal BBB-	Ukraine B+
Switzerland AAA	Italy A+	Croatia BBB-	Pakistan B-
United Kingdom .. AAA	Israel A+	Hungary BBB-	Greece CC

SOURCE: STANDARD & POOR'S

Ceiling Fans - Move Air & Noise

Summer's hot, winter's cold, and getting each room to feel just right is sometimes a challenge. If you're not yet using ceiling fans to equalize comfort throughout your home, consider another benefit - they create white noise. The sound of moving air masks unwanted sounds, like traffic, making it easier to sleep.

Renovating? Check Your Coverage.

Before starting a renovation is a key time to meet with your insurance agent. Confirm that you're covered for damage or injury during the renovation. Review your actual Homeowner's Policy to ensure that your liability insurance is sufficient for the number of workers there, during construction.

At the same time, assess any increase in coverage that may be sensible to protect the "new value." The policy should cover the cost of rebuilding using "replacement value." And a "tip" - find out if your policy, or the amount you've insured for, creates a "co-insurance" situation, which can limit your coverage.

The ecoENERGY Retrofit - Homes Program Step-By-Step

If you're thinking about taking advantage of the government's extension of the ecoENERGY Retrofit - Homes program, which runs until March 31, 2012, there are a few steps to qualify for claiming reimbursements.

- 1. Registration:** First, get a registration number from Natural Resources Canada (<http://oee.nrcan.gc.ca/residential/personal/registration.cfm>)
- 2. Pre-Retrofit Evaluation:** Hire a NRCAN licensed Energy Advisor for an "attic to foundation" pre-retrofit energy evaluation.
- 3. Determine which specific improvements are eligible.**
- 4. Keep the Retrofit receipts:** The more of the recommended upgrades you implement, the more energy you'll save. Plus, the more money you'll qualify to get back (up to \$5,000).
- 5. Post-Retrofit Evaluation:** Complete your renovation and get a post-retrofit evaluation no later than March 31, 2012. You must show all receipts to your Energy Advisor to validate that you purchased and installed eligible upgrades after June 6, 2011, and after the date of the "pre-retrofit evaluation".

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Our Knowledge, Experience & Advice Works for You.

Seasons change. The traffic's back and relaxing summer days have been replaced by back to school & back to routine.

For some, the big yellow school buses and kids playing, signal the ideal neighbourhood. Others want to be close to restaurants and shopping. Everyone has their own idea of "lifestyle."

Sometimes locating the perfect home for our clients is like finding a needle in a haystack. And when we get together and cover your "like-to-haves" and "must-haves", you'll remember that we're great at finding that needle.

So, when friends, family or colleagues mention they're "thinking" about making a move, please invite them to call us. We'd be honoured to assist with the plans.

Best regards,

Doug & Roz

Value = Knowledge + Experience = Advice

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