



Kam's Mortgage Monthly

July 2007
Volume 1, Issue 1

A little about goddesses

Hi! Welcome to the first mortgage monthly newsletter. In India, there is a saying that “If you want to attract the goddess of wealth, then you must first court the goddess of knowledge, because when the goddess of wealth realizes that you are ignoring her and only paying attention to the goddess of knowledge, she will quickly become jealous and seek you out.” That in a nutshell is the purpose of this newsletter, to increase your knowledge of not only what’s happening in the mortgage industry, but general economic trends as a whole. Once I’ve armed you with this knowledge, it’s totally up to you whether you choose to use it to increase your financial security or not. I’m going to do my very best to keep it informative, interesting, as well as entertaining! A tall order I know, but one I know that can be achieved with your help. I understand that your time is valuable and precious, and that you get inundated with tons of stuff to read. As I don’t want this to be something else that finds it’s way to your “junk e-mail” folder, please let me know the types of things you would like to see and be discussed, and I promise you that I will certainly do my utmost to address them! So that’s it, thanks again in advance for taking the time to read the mortgage monthly, and may it help you attract the goddess of wealth into your life!



Newsletter
Highlights

*Rates on the rise?
Go to [page 3](#) for
more details!*

*Kam the Mortgage
Man website up and
running!*

Kam the Mortgage Man website

Finally, after a few months of work, my website is up and running. I’ll give you a quick run down of what you will find there:

- A little bit about myself, after all, if you’re going to trust someone with something as important as your mortgage, it’s important that you at least know a little bit about them and their philosophy when it comes to mortgages.

[Contd. On Page2](#)

Something
to
Ponder

*“Failure is not
succeeding, it’s not
trying again”*

Kam the Mortgage Man website, continued...

- Solutions is where you will find a wide array of information relating to mortgage issues and solutions for them. You will find information relating to everything from credit issues, to how to save money on your mortgage, and reduce the overall time it takes to pay it off! After all, you don't want to be making mortgage payments forever, do you? Plus, more really interesting and informative stuff, so please take some time and go through it.
- The on-line credit application is hassle-free and easy to use, once you fill out an application I will usually respond to you within 24 hours.
- Mortgage monthly page is where you will always find not only the current issue of the mortgage monthly, but all past ones as well. The mortgage monthly's are in a PDF format making them easy to access.
- Mortgage reminder is where folks who have never dealt with me can register their mortgage maturity date, so I can follow up with them a few months in advance. This will ensure that not only will the whole renewal process go smoothly, but more importantly, that they get the best mortgage overall for their individual needs! All of my existing clients not need worry about registering, as I have automatically set this up.
- One thing I encourage is questions, that's why on my website you can click on "Ask Kam a Question", if you have a question relating to your individual real estate financing or one in general. Plus you can also click on Contact Kam to reach me as well, with anything else you might want to discuss.
- Testimonials is where you will find the thoughts and comments of past clients on the level of service they received when dealing with me. As my success is wholly dependent on your satisfaction, I encourage and welcome all testimonials. So if you have dealt with me and as of yet have not had a chance to send me a few words on the experience, I ask you to please take a few moments out of your busy day to do so!

Well, that's it for now as far as the website, again this a client driven site, so please let me know if there's something there you would like to see, that you think would improve it better for everybody, and I will do my best to implement it!

Rates

Well, rates have certainly gone up considerably over the past 3 months. As an example, just 3 months ago, there were lenders offering rates as low as 5.09 for 5 year terms. Now those same lenders are offering rates of 5.84 for the same term. So what does this 75 basis point increase mean to you? Well, on a \$300,000 mortgage, it adds between an extra \$1500 to \$1800 to your annual mortgage payments, depending on your amortization. What has led to these rate increases is general terms is higher bond rates, inflation fears due to high commodity prices, our strengthening Canadian dollar and of course what's happening to our neighbors south of us. Our prime rate which was 3.75% in June 2004 gradually increased to 6.0% as of May 2006, where it has held steady since then. What does this mean? Simply put, if you were in a variable rate mortgage, during this time your overall mortgage costs have steadily gone up! The most recent predictions by many of our financial analysts is for an upward trend in our prime rate for the short term. For those of you who might want to suddenly run outside and start shouting "the sky is falling", just keep in mind that in spite of these increases, our prime rate is essentially where it was in January of 1998, and in fact, is currently lower than the 7.5% it was at the end of 2000.

So what does all of this mean for you? Well, I believe that if you're currently entering into a new mortgage or renewing an existing one, you really need to take a look at your long term horizon and your overall situation. You need to evaluate your risk tolerance in helping you decide what type of mortgage to take. Furthermore, you need to fully understand the pro's and con's of all of your options and then decide what works best for you! Keep in mind that a good mortgage should be one that takes a balanced approach to your financial security, and allows you peace of mind, which certainly makes sleeping at night much easier! Now in order to find such a mortgage, we will need to begin with a careful evaluation of your current financial situation. We will need to look at not only where you are right now, but more importantly, where you want to be in the future, financially! This, in the end, will ensure that you have a mortgage that suits your lifestyle!

If you have any questions or comments please contact Kam at kam.brar@vericoselect.com or visit www.kamthemortgageman.com

