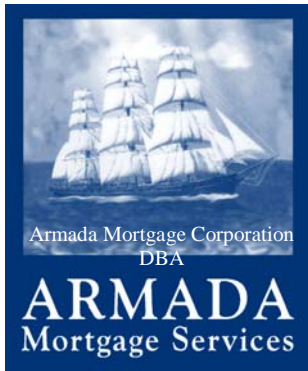


Summer Newsletter

2003



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Welcome Wende!

Armada is pleased to welcome Wende Dawes to our office. Wende brings a wealth of experience from 17 years of working in the chartered banking system.



What is CHIP?

CHIP stands for Canadian Home Income Plan.

What does CHIP do for me?

CHIP provides mortgage funds for people aged 62 or older who own their own home. The home must be your principal residence.

How much money is accessible to me?

Homeowners could access \$20,000 to \$500,000 in tax-free money from their home's equity. The specific amount available to you is 10% to 40% of your home's current appraised value. The precise amount is determined by age, gender, marital status, property type, and location. Prevailing interest rates also affect the amount of the reverse mortgage.

Do I have to repay the mortgage?

No repayment is required while you or your spouse continue living in your home. You have the option to repay. A pre-payment fee or interest rate differential payment may be applicable.

Who owns the home?

You still retain title to your

home and continue to enjoy all the benefits of home ownership. CHIP simply registers as a mortgage on title. Your home ownership is never at risk and at no time will you be asked to leave or sell your home.

Upon the death of the last surviving spouse the home becomes part of the estate as it normally would and the loan is repaid by whatever means your heirs choose or as you have directed.

Can I sell and move?

Yes. At any time you are free to sell your home and move. Once you sell your home, the reverse mortgage becomes due. However, you may be able to transfer all or part of the reverse mortgage with you to your new home. The reverse mortgage also becomes due if you move out of your home.

What if my home goes down in value?

The loan amount to be repaid is guaranteed not to exceed the fair market value of the home at the time it is sold. In the event that the fair market selling price of the home is not enough to repay the reverse mortgage in full, CHIP will limit repayment to the

amount received from the sale of the home. No other assets in your estate will be touched. If the proceeds from the sale of the home exceed the balance on the loan, your estate retains the surplus.

How much will it cost?

An estimate is free! If you wish to proceed beyond an estimate, a fee is required to cover the costs of the appraisal of your home, CHIP closing costs and CHIP administration fees. The only other fee is for the lawyer or legal professional you must meet with before you sign the final reverse mortgage contract. You are free to choose your own independent legal advisor.

How do I apply for a CHIP mortgage?

Call us at 604-467-6449. We will ask you a few questions and request a reverse mortgage estimate. There is no cost for an estimate and you may receive your funds in as little as 30 days!



CHIP

Reverse Mortgages

Money Tips

Better Gas Mileage = Saving Money



With the rising costs of gas many of us are looking for ways to save money and increase mileage. We've found some tips to help you and your vehicle in the world today.

Keep your engine oil clean. Dirty oil makes your car work harder. Help protect your vehicles engine and lower exhaust emissions. Try to check your air filter and oil filter and injectors. Dirty filters reduce gas mileage and engine performance.

Whenever possible use cruise control to maintain a constant speed. and try not to tailgate. By maintaining a constant speed you eliminate the need for unnecessary braking and accelerating which causes fuel waste.

Drive the speed limit! Driving at a speed of 55 mph is much better for your gas consumption than driving at 75 mph.

If you are stopping for a short period of time, turn off your engine instead of idling. It takes less fuel to restart your engine.

Keep your tire pressure at the recommended level. Sometimes your tires may look full but one may have a lower tire pressure than the rest. Use a tire pressure gauge when filling. Also try to keep your tires balanced and aligned. Poorly maintained tires increase the workload on your vehicle.

Make a list and do all of your errands at once instead of making several trips.

If your work schedule is flexible, try and avoid driving in rush hour.

Accelerate gently - putting the "pedal to the metal" only decreases fuel economy and increases the wear on your vehicle. You really won't arrive any later than if you screeched away from every light or stop sign.

Ask a neighbor to go shopping with you and switch drivers each week so you each cut your gas consumption. Get together with other parents on the soccer/baseball or lacrosse team to carpool to practices and games.

Finally, ride a bike or walk when you can. Not only will you save on gas, you will be exercising and enjoying the outdoors!

Contact your vehicle service specialist for advise to keep your vehicle from becoming a gas guzzler.

THE LIGHTER SIDE



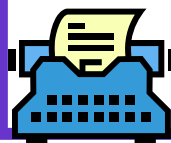
In March 1992 a man living in Newtown near Boston Massachusetts received a bill for his as yet unused credit card stating that he owed \$0.00. He ignored it and threw it away. In April he received another and threw that one away too. The following month the credit card company sent him a very nasty note stating they were going to cancel his card if he didn't send them \$0.00 by return of post. He called them, talked to them, they said it was a computer error and told him they'd take care of it.

The following month our hero decided that it was about time that he tried out the troublesome credit card, figuring that if there were purchases on his account it would put an end to his ridiculous predicament. However, in the first store that he produced his credit card in payment for his purchases he found that his card had been cancelled. He called the credit card company who apologized for the computer error once again and said that they would take care of it. The next day he got a bill for \$0.00 stating that payment was now overdue.

Assuming that having spoken to the credit card company only the previous day the latest bill was yet another mistake he ignored it, trusting that the company would be as good as their word and sort the problem out. The next month he got a bill for \$0.00 stating that he had 10 days to pay his account or the company would have to take steps to recover the debt. Finally giving in he thought he would play the company at their own game and mailed them a check for \$0.00. The computer duly processed his account and returned a statement to the effect that he now owed the credit card company nothing at all.

A week later, the man's bank called him asking him what he was doing writing a check for \$0.00. After a lengthy explanation the bank replied that the \$0.00 check had caused their check processing software to fail.

The bank could not now process ANY checks from ANY of their customers that day because the check for \$0.00 was causing the computer to crash. The following month the man received a letter from the credit card company claiming that his check had bounced and that he now owed them \$0.00 and unless he sent a check by return of post they would be taking steps to recover the debt.



The man, who had been considering buying his wife a computer for her birthday, bought her a typewriter instead.

(We have no idea if this is a true story or an urban legend but it brought a smile to everyone who read it!)