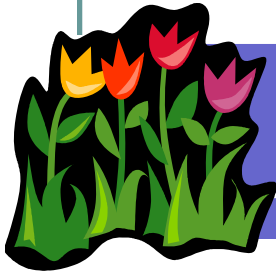


SPRING 2010



ARMADA MORTGAGE SERVICES



New Mortgage Rules In Effect

On April 19, 2010 Ottawa implemented new mortgage standards aimed at stopping speculators and ensuring home buyers can manage their debts when rates rise.

Under the new standards; a **borrower must now be able to handle a five-year, fixed rate mortgage**, even if they opt for a shorter term and lower rate.

Refinancing homes will now be limited to 90% of the value of a property, down

from 95%. This means property owners won't be able to draw equity down to the 5% down payment level. (5% Down payment is still available if qualified). The government suggests that this will help make owning a home a more effective way to save.

A minimum 20% down payment will be required for investment/rental properties. Up from 5%, reducing leverage available to buyers.

(source:globe and mail)

A few Services Armada Offers

- **Renewals**
- **2nd Mortgages**
- **Refinancing**
- **Construction**
- **Spousal Buy Outs**
- **Self Employed**
- **Consolidation**
- **Mortgage Investments including RRSP, TFSA, RESP**
- **100% Canadian Owned!**



HST—July 1, 2010



On July 1, 2010 the provincial and federal governments are combining the 7%PST and the 5% GST to

form a 12% Harmonized Sales Tax (HST).

-Buying either a new or a resale Home

The HST will be charged on a range of goods and services including: Home renovations, energy efficient appliances, insulation, windows and doors, heating and electricity bills, telephone, and cable. Also charged will be closing costs such as appraisals and inspections, moving costs and realtor fees or commissions.

There are transitional rules for realtor commissions and fees. (resource information is supplied at the end of this article).

-Resale Homes

The HST will apply to New Homes. It does not apply to resale homes.

-Parking Spaces

Parking space rentals will be subject to HST as of July 1, 2010.

IMPORTANT DATES

May 1—HST will apply to amounts that are paid or payable on or after this date for goods or services provided on or after July 1.

July 1—HST rate will be 12% (PST is eliminated).

July 1—HST will not apply to a service where 90% or more is completed before July 2010.

There is more information available about the new housing rebate and agreements on presales signed before November 19, 2009.

See online resources at www.realtorlink.ca or contact Revenue Canada Agency at 1-800-959-8287

Source: Real Estate Board of Greater Vancouver



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Ridge Meadows Home Show 2010

April 30,
May 1 & 2



This year we have a great booth with our classic basket draw and a new picture board! Come and get your photo taken with the Armada Ship!



Tips on how to pay off your mortgage faster

Increase your payment schedule. Bi-weekly accelerated mortgage payments have become increasingly popular as a way to pay off a mortgage more quickly. This will allow you to make 1 extra payment per year and will end up saving you thousands of dollars in mortgage interest while cutting years off of your loan and building equity faster.

Make lump sum payments. Depending on the terms of your mortgage agreement, you may be able to make lump-sum payments at specific times. A lump-sum payment is applied directly to your outstanding principal if there is no outstanding interest owing. This saves you money over the course of your mortgage.

Shorten the time frame of your loan. You could elect to refinance and change your 30 year mortgage to a 15 year mortgage. Bear in mind, though, that your monthly payments will be considerably higher.

Increase your payments. If your financial situation has improved and you are making more money, you may be able to make higher payments or balloon payments. Most loans will allow you to increase your payments in this manner with certain restrictions.

Refinance at a lower interest rate, but pay the same amount each month as you did before. If you maintain a 30-year mortgage, but the interest rate drops from 6.25 percent to 5.10 percent, the money you were paying in interest can now go toward the principal.

A Senior's Moment - The lighter side

Three sisters ages 92, 94 and 96, live in a house together. One night the 96-year-old draws a bath. She puts her foot in and pauses. She yells to the other sisters, 'Was I getting in or out of the bath?' The 94-year-old yells back, 'I don't know. I'll come up and see..' She starts up the stairs and pauses 'Was I going up the stairs or down?'

The 92-year-old is sitting at the kitchen table having tea listening to her sisters; she shakes her head and says, 'I sure hope I never get that forgetful, knock on wood.'



She then yells, 'I'll come up and help Both of you as soon as I see who's at the door.'

Proud to be active in our Community

Armada Mortgage Services is happy to have Supported Various Local Clubs in our Community in the Last Year Including the Maple Ridge Ball Hockey Association, Maple Ridge Figure Skating Club, Maple Ridge Christmas Festival Society, The Caribbean Festival, Pitt Meadows Soccer Club, BC Cancer Foundation, various school events; and upcoming Miss BC (July 2-4, 2010) Competitor Cassandra Tracy. Go Ridge Meadows!



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