

Qualified homebuyers are enjoying the market of a lifetime.

Many potential homebuyers had put their homebuying dreams on the shelf when sky-high prices and a crowd of buyers pushed the home of their dreams out of their reach. But now, the market has changed. In fact, the home of your dreams may never be as well-priced as it is right now.

Let's look at the facts. House prices have become more reasonable in many regions of the country. With a slowing economy, many Canadians are battenning down the hatches and have withdrawn from the housing market. Almost overnight, we have moved from a seller's market to a buyer's market. And for qualified buyers, that can translate into exceptional savings.

While the headlines are focusing on the negative effects of the current economic climate, many see that the economic turmoil also creates opportunities. Even Canadian homeowners with a current mortgage are reviewing their opportunities in today's unusual market. If they had their eye on a new dream home – or were considering a significant renovation or upgrade to their current home – then they are assessing the opportunities available to them.

That lovely new home may suddenly be affordable, or a re-designed mortgage may give them the funds for the media room they've always wanted – while tradesman have discounted their services in a slow market and stores are advertising once-in-a-lifetime sales. The home of their dreams is suddenly within their reach.

Some homebuyers, of course, are waiting to see if rates go any lower. Realistically, however, rates are already at historic lows. Potential homebuyers who have

job security should consider buying a home now, before this window of opportunity starts to close.

A mortgage rate of 4.25%, for example, translates into a \$1,368 monthly payment for a \$300,000 mortgage with a 35-year amortization. For a \$200,000 mortgage, that payment is \$912, while for a \$400,000 mortgage it is \$1,824.

How did things look just a year ago? If you were looking at a \$300,000 mortgage at 5.75% with a 35-year amortization, your monthly payment would have been \$1,647. This year, with that same mortgage amount, you could save approximately \$279 a month (\$1,647 versus \$1,368). If you assume that prices have dropped 10% and you now only need a \$270,000 mortgage, your monthly mortgage payment is \$1,231 and your monthly savings becomes \$416! Or, you can purchase more home. With the same monthly payment of \$1,647, you can now carry a \$360,000 mortgage. Qualified homebuyers are enjoying the market of a lifetime!

Of course you need to add in your utility costs and taxes for the complete all-in monthly cost of your new home. Your mortgage planner can help you estimate what your total monthly payment may look like.

Ready to spring for it? You may be surprised – even thrilled – to discover that the home of your dreams is now within your reach, an opportunity that is driving homeowners to visit their mortgage planners for advice. It's a great place to start.

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