

The Complete Communicator

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Verico Complete Mortgage Services

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How to be mortgage free faster



(NC)—Think your house is comfortable now? Imagine walking through the door knowing that you never need to make a mortgage payment again. In addition to the satisfaction of being mortgage free, paying off your mortgage faster can save you money by reducing the interest you pay.

Farhaneh Haque, Regional Manager, Mobile Mortgage Specialists, TD Canada Trust, offers the following strategies that can help you pay off your mortgage faster:

Strategy #1: Increase the frequency of payments

- Take advantage of biweekly or weekly payment options rather than monthly payments.

Strategy #2: Take advantage of increased payment options

- Pay more with each instalment. Some banks allow customers to increase their payments by up to 100% of their regular payment amount at any time throughout the term of the mortgage. Even increasing by 10% can make a big difference over time.

Strategy #3: Take advantage of lump-sum payments

- Most banks offer the opportunity to make lump-sum payments on your mortgage. Check with your mortgage provider about the maximum lump-sum payment you can make. It may be up to 15% of the original borrowed amount each year.

Strategy #4: Choose a shorter amortization period

- Most mortgages are amortized over a 25-year period, meaning that's how long it will take for your combination of principal and interest payments to pay off the outstanding balance. A shorter amortization period may dramatically reduce the amount of interest you pay over the shortened life of your mortgage.

Strategy #5: Do it all! Take advantage of flexible features

- Investigate the mortgage options offered by your bank. Flexible mortgage payment features can provide you with peace of mind and more control in the event you need to reduce your payments.



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THIS NEWSLETTER IS COMPLIMENTS
OF TERRY MOORE

Phone: 250.215.2862
Fax: 250.861.2906
Email: mortgages@terrymoore.ca
Web: www.terrymoore.ca



Realize your travel dreams without emptying your wallet

(NC)—As temperatures sizzle, thoughts soar to seaside resorts and vibrant cityscapes. But with prices for gas, hotels and flights rising at the same rate as the humidex, escaping the daily grind during the summer months can seem like a pipe dream. “Travel need not be cost-prohibitive. There are tons of travel deals out there as hot as the summer sun—you just have to know where to look,” says TV host and globetrotter Julia Dimon.

Whether you're planning a summer getaway across the province or across the pond, it is important to be strategic about when and where you travel, as well as how you pay for the trip. Incorporate the following tips into your travel itinerary to make your summer travel dreams a reality:

Be Flexible for Better Fares: The more flexible you are with travel dates and flight times, the more likely you are to find a deal. Sign up for fare alerts through flight search engines like Expedia or Travelocity. When busy schedules don't allow for flexibility, try to stay away from peak travel season (between Canada Day and Labour Day). Although you're maximizing vacation time by travelling on stat holiday weekends, other travellers have the same plan and the price of flights, hotels and gas can skyrocket. Travelling just before or after the busy season will help keep your money where it belongs—in your wallet.

Make Your Points Pay: Get the most from your rewards programs—and make the money you spend on everyday items work for you—by consolidating all of your spending on one or two cards. For example, if you use the American Express gold rewards card to book a flight (which earns you double points for eligible travel purchases), you could earn enough points to pay for a car rental or train ticket once you arrive at your destination. When possible, earn twice by also using your Aeroplan card at the time of purchase. Then simply transfer your membership rewards points over to Aeroplan (gold rewards card points' transfer 1:1) to redeem a large bank of points at one time.

Choose Budget-Friendly Destinations: During the height of summer, the cost of travel to many European destinations can be prohibitive. If travelling during the offseason (late spring or early fall) is not an option, choose the summer path less travelled. For a Mediterranean vacation, Croatia is the economical choice and has as much to offer as Greece or Italy. If European architecture is what you're after, Argentina is a less expensive destination to soak up European-style architecture.



"The real voyage of discovery consists not in seeing new landscapes, but in having new eyes." - Marcel Proust





Financial Planning 101 - How to get started with your first financial plan

(NC)—Whether its day-to-day expenses or preparing for the future, everyone needs to have a financial plan.

"Regardless of your age, a financial plan is critical to keeping you on track with both your savings and goals. It can provide clarity on what you're saving for, both in the short and long term, and help show you the best way to get there," says Caroline Dabu, vice president of retirement and financial planning with BMO Financial Group.

Many Canadians end up making some basic mistakes that can adversely influence their financial situation. "Perhaps the biggest mistake people make is believing they don't have enough money or knowledge for a financial plan," notes Ms. Dabu. "It's never too early to have a financial plan and it can start with just a few small steps so that you can have a clearer financial picture."

Whether you have a financial plan or you are thinking of putting one together, there are a few things that can help you get started successfully as well as ensure that you remain on track with your plan. Ms. Dabu recommends taking the following into consideration:

- Get clarity on your spending and savings patterns. You can't establish a financial plan if you don't have an idea of what your day to day spending looks like and where you can direct funds to more savings.
- Identify what your short and long term goals are. Make sure you set realistic goals and set yourself up for success. Your goals can include shorter terms goals like major purchases such as a home, car, cottage or longer-term goals such as your kids' education or retirement.
- Make sure you plan for the unexpected. A good financial plan will make sure that you can deal with unexpected events, such as a major drop in the stock market, an unexpected illness or medical emergency.
- Stay on top of your plan. One of the other mistakes people make is getting a plan then filing it away. Sticking to a plan means staying on top of your financial picture and remaining disciplined to your savings and investment goals.
- Make sure your plan is updated. Review your plan yourself or with a professional at least on an annual basis and where there are major changes to your circumstances, make sure you update your plan.



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