

RENTAL/INVESTMENT - PROPERTIES -

↑ ROB'S UPDATE

SUMMER/FALL 2008

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Food for thought

*"I believe that unarmed truth
and unconditional love will
have the final word in reality.
That is why right, temporarily
defeated, is stronger than evil
triumphant."*

. . . Martin Luther King Jr.

Courtesy of ROB DRYSDALE



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GOVERNMENT of Canada

***moves to protect and strengthen
the Canadian Housing Market!***

The Government of Canada announced adjustments to the rules for government guaranteed mortgages aimed at protecting and strengthening the Canadian housing market.

The new measures include:

1. Fixing the maximum amortization period for new government backed mortgages to 35 years.
2. Requiring a minimum down payment of 5% for new government backed mortgages
3. Establishing a consistent minimum credit score requirement.
4. Introducing new loan documentation standards.

This announcement marks a responsible and measured approach by the government to ensure Canada's housing market remains strong and to reduce risk of a U.S. style housing debacle developing in Canada.

The new limits and rules will take effect October 15, 2008. This will allow existing mortgage pre-approvals with the common 90-day duration to be used or expire. Certain exceptions will also be permitted after October 15th. The government will work closely with all stakeholders to ensure timely and effective implementations of these measures.

www.robdrysdale.ca

Check out my website. On the site you will find the last nine years of my "Investment Update Newsletter" and other information, such as the "Residential Agreement for Crime Free Housing". On this site you can also receive information on new listings 24 hours faster than realtor.ca and with much more information. There are also direct links to the Residential Tenancy Office, city halls and more. You can e-mail me directly at rob@robdrysdale.ca

If you do not want to receive the newsletter or to be contacted by phone please email or page me through my office at 604-575-5262

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2008 MID YEAR MARKET STATISTICS

I was a bit tardy at the end of June so I am passing along statistics based on the numbers at the end of July and there is no doubt the market has changed. A total of 1,284 sales were processed through the Fraser Valley MLS in July, a decrease of 35% compared to 1,984 in July 2007. The Board received 3,742 listings last month a 20% increase from the 3,120 from the same month last year.

The average price of a detached home dropped by 5.6% from the previous month of June. However, to keep this in perspective, the average price in the Fraser Valley was \$530,455 which is still 2% higher than the \$519,896 average of July of 2007. It is a classic case of supply and demand impacted by the concerns we have with the economy (especially rising fuel prices and the related costs), what has been happening with the real estate market in the United States and perhaps most importantly the affordability of housing in the Lower Mainland. After the longest upward value cycle in the history of the real estate market in B.C. it is changing and it appears that the buyer is now in the driver's seat.

It will be interesting to see what will happen during the remainder of 2008. Feel free to call me any time for an update on this evolving market.

Buying or Selling: For experience and results, call Rob at 604-575-5262.

TENANCY AGREEMENTS

If you are using the rental contract found on the B.C. government's Residential Tenancy Office site (www.rto.gov.bc.ca), remember this form is a good standard, however it just covers the basics. I recently had a duplex property listed and one of the tenants had an uninsured car in her parking stall with flat tires and green algae growing on it. This is definitely an eyesore and a concern for any prospective buyers. I went to the extent of filling the tires with stop leak air canisters while the owner tried to have the tenant remove the vehicle. This could have been avoided with an addendum signed by both landlord and tenant prohibiting the parking of such vehicles. Another suggestion is including an agreement that the tenants will have the carpets cleaned professionally, the cost of which will be covered out of the security deposit. Any additional terms cannot contradict or change any rights or duty under the R.T.A.

EXPERIENCE - TO SERVE YOU BEST



Rob Drysdale

For more than 23 years Rob has been working as a professional Realtor in the Fraser Valley. Specializing in residential and investment property sales, his knowledge of the market and community is impressive, and has served his clients exceptionally well over the past years.



Company Profile

Benchmark Realty was established in Langley in 1983 with 7 salespeople. Within one year additional branches were added in White Rock and Surrey and boasted 75 salespeople. In 1986 a long search for a franchise partner ended by hooking up with Homelife Realty Services. Homelife Realty with 9 offices and over 580 salespeople is a major force in the Fraser Valley Real Estate market.



Dominion MacKlem Mortgages

Best residential rates as of August 15, 2008

Term	Best Rates	Posted Rates
1 Yr. Closed	5.05 %	6.95%
2 Yr. Closed	5.25 %	7.00%
3 Yr. Closed	5.25 %	7.00%
4 Yr. Closed	5.50 %	6.99%
5 Yr. Closed	5.24 %	7.15%
7 Yr. Closed	5.80%	7.60%
10 Yr Closed	5.90 %	7.95%

Prime Rate 4.75%

Variable rate mortgages from as low as
Prime minus 0.60%
O.A.C. - subject to change without notice

Conditions apply.

For more information, please call

Bill Outhwaite

Mortgage Consultant

778-896-9085

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Thought of the Month:

"An economist is an expert wh will know tomorrow why the things he predicted yesterday didn't happen today."

...Lawrence J. Peter

MARKET EVALUATION

Whether you are considering selling your rental property in order to take out your equity, take advantage of your capital gains tax exemption reservation made in 1994 or **planning to sell your principal residence**. I will be pleased to do an up to date market evaluation at no cost or obligation to you.

Please call 604-575-5262