

RENTAL/INVESTMENT — PROPERTIES —

UPDATE

WINTER/SPRING 1999

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Food for thought . .

“Impossible is a word to be found only in the dictionary of fools.”

. . . Napoleon

Courtesy of:

ROB DRYSDALE



**Homelife Benchmark
Realty Corp**

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MARKET STATISTICS

The Fraser Valley Real Estate Board processed a total of 10,467 real estate transaction in 1998, 23.6 percent less than the 13,709 processed in 1997.

The major factor affecting lower mainland residential sales volumes in 1998 was the domestic out-migration experienced as a result of B.C.'s economic downturn. An additional hit to consumer confidence was the “leaky condo” issue. The provincial government’s Home Protection Act is perceived by many to be an ineffective response.

However current mortgage interest rates and home affordability are positive for buyers and therefore 1999 has every indication of being a better year than 1998 if confidence can be restored.

INTEREST ON SECURITY DEPOSITS

The interest rate is set by the government every January 1 and is compounded annually. The last few rates are as follows:

3.50%	.....	January 1 – December 31, 1995
3.00%	.....	January 1 – December 31, 1996
0.25%	.....	January 1 – December 31, 1997
1.50%	.....	January 1 – December 31, 1998
2.25%	.....	January 1 – December 31, 1999

The formula to work out the interest rate is:

Deposit *times* % *times* # of days in suite *divided by* 365 = *interest*
(Example: \$500. x 3% x 195 divided by 365 = \$8.01)

Tenant paid \$500. deposit, lived in suite 195 days so interest on deposit was \$8.01.

Deposit needs to be returned to the tenant within 15 days (used to be 30), if your are retaining any for damages you need to file a claim to retain the deposit with the Residential Tenancy Branch. (unless the tenant has agreed to the deductions) Cost to file a claim has gone up to \$50.00 from \$35.00.

Courtesy of Homelife Property Management and Cathy Mantel.

Looking for a Property Manager, good rates (tax deductible) and monthly statements, call Cathy Mantel 590-2037 Homelife Property Management.

**Disclaimer: Not intended to solicit properties already listed*

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ASSESS YOUR ASSESSMENT

The first thing a property owner should do when they receive their notice is to ask the question: Is the assessment of my property fair in relation to its market value as of July 1, 1998? The market value as of July 1, 1998 is the basis of the 1999 assessments. Comparisons can also be made to properties within the neighbourhood.

If property owners feel their assessment does not reflect the market value as of July 1, 1998, or the information contained on their assessment notices is incorrect, they are encouraged to contact B.C. Assessment directly.

After talking to B.C. Assessment, if property owners still have a concern, they may request a review of their assessment by the Property Assessment Review Panel. The deadline to request this independent review is February 1, 1999. A written request for review must be delivered to the assessment office or be postmarked by the date.

The Surrey/White Rock Assessment Office is located at:
Ste. 1000-13401-103rd Ave. in Surrey. Their phone number is: 584-1321

For information or assistance call Rob Drysdale at 597-7292.



Residential Mortgage Rates

Best residential rates as of January 12, 1999

Term	Our Rates	Most Banks
Convertible	4.250%	6.900%
1 Year Closed	5.700%	6.400%
2 Year	5.850%	6.650%
3 Year	5.700%	6.750%
4 Year	5.800%	6.850%
5 Year	5.750%	6.900%
7 Year	6.220%	7.150%
10 Year	6.350%	7.550%

Courtesy: Jared Dreyer,
The Mortgage Source: 582-7121

RENTAL MANAGEMENT SERVICES

To have your rental property operate carefree, have it looked after by Cathy Mantel @
HOMELIFE PROPERTY
MANAGEMENT.

Cathy offers a very competitive service with a low monthly fee with **no start up charge.**

*For more information call:
590-2037*

Thought of the Month:

“Thunder is good, thunder is impressive; but it is lightning that does the work.”

. . . Mark Twain

TIME TO SELL?

Many of you own one or two investment properties, that even with the downturn in value over the last year, are yielding a poor return on the equity that is tied up. This is especially true for those that established an **adjusted cost base** with a capital gains tax exemption reservation on their 1994 Income Tax return. Please note that in

1998, 45 percent of all homes sold through MLS were between \$175,000. and \$250,000. These price categories have seen the highest sales volume for a number of years now and most of you have investment properties in this category. If you are tired of the rental business e.g. “grow ops” in the basement, tenants skipping, costly property tax and repair payments and are considering selling . . . call Rob Drysdale 597-7292.

EXPERIENCE — TO SERVE YOU BEST



Rob Drysdale

Since 1980 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 seven 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 has maintained the no. 1 market share in the Fraser Valley for the last 7 years.