

# Junction Realty Newsletter

Bringing People and Properties Together

Junction Realty Inc., Brokerage



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*Please enjoy this newsletter, which will provide you with general real estate tips and ideas.*

*If you, your family or friends have any questions on the topics covered here or any other real estate or mortgage matters, please call for more information.*

**Your REFERRALS are always welcome.**

All the best,

**Sal D'Angelo**



## The Weather Outside Is Frightful...

Canadian weather can be nasty and unpredictable at this time of year, adding one more thing to worry about when potential buyers come to view your home. With a little planning, however, you can keep the path clear for offers, even in bad weather.

The first thing to ensure is that people can actually make their way into your house. That means good lighting, and continually shoveling and salting to keep your driveway and pathways clear of snow and ice. Liability is always a concern, so be extra vigilant with your clearing efforts at this time of year. Once inside, make sure there's a rubber mat by the front door, and a container to hold umbrellas in case of wet weather.

Warmth and light inside a home are especially welcome on cold, dark winter days, so temporarily cast aside your energy-savings ways by ensuring that every light in the house is on during viewings. And before potential buyers come over, consider adjusting the thermostat to a couple of degrees higher than you may normally have it, and then turn it back down just before they come in. This will ensure the furnace doesn't come on while people are viewing the

house – some HVAC systems are loud and klunky, a distraction buyers don't need to be exposed to.

Remember that your REALTOR® is a great source of information and tips, which will help to ensure a smooth real estate experience, no matter what the season. While spring is traditionally the busiest time for real estate, putting a home on the market now often results in more interest from buyers due to the lower number of available properties.

**PLEASE CALL TODAY, TO DISCUSS YOUR MOVING PLANS FOR 2011.**

CNSF

# Turn the Page

For many, January marks not just the start of a new year, but a chance to make a change for the better. If you don't already have a New Year's resolution in mind, why not commit to making your home's décor more environmentally friendly in 2011? Here's how:



- Ease up on the accessories. So many of us impulse-buy little odds and ends so often that, before we know it, the room's cluttered. Then, when our tastes change, such knick-knacks end up in a landfill. Remember, less is often more. If you need to buy accessories, buy used – garage sales and flea markets are great for finding those little finishing touches. Or buy green alternatives – soy candles instead of petroleum-based paraffin ones, for example.
- Whether you're redoing your walls or breathing new life into an old bookcase, avoid traditional paints, which

are chock full of volatile organic chemicals (VOC) that continue to off-gas even years after application. Instead, use low- or zero-VOC paints, which are getting easier to find and increasing in quality. Or, if you can afford to spend more, try natural paints, which can be identified by ingredient lists that include substances like milk protein (casein), chalk, starch, linseed oil, clay and limestone.

- Choose natural fibers. There's a lot of fabric in your décor, from your rugs to your bedding to your drapes – that's a lot of opportunity to make more eco-friendly buying decisions. Time to replace that threadbare rug in your foyer? Buy one made from wool, sisal or jute. New sheets? Opt for organic cotton or linen instead of a chemically treated "wrinkle-free" set. Drapes? Treat yourself to silk instead of stain-resistant synthetics.
- Look for the Forest Stewardship Council's (FSC) logo, which you'll find on this very newsletter, on just about anything you buy that's made of wood, including your flooring and your furniture. When you see the FSC's logo, you know that the product you're buying is made from wood that's been harvested in a manner that's environmentally, socially and economically responsible. For more information, visit [www.fsc.org](http://www.fsc.org).
- From time-release sprays to plug-ins, there's been an explosion of decorative air fresheners on the market recently. Unfortunately, most of them are full of chemicals like formaldehyde intended to mask odor, making them terrible for the environment and your health. Neutralize odor with baking soda or vinegar. Give rooms a pleasant scent with essential oils, a homemade potpourri of your favorite flowers, or a simmering pot of cinnamon or lemon slices.
- Like air fresheners, most store-bought cleaning products are loaded with chemicals harmful to both the environment and your body. So, ditch the toxic stuff in 2011. Reach instead for the plant-based, non-aerosol alternatives that are getting easier to find on shelves. Or make your own cleaners using products you probably already have in your cupboards, like lemon juice, salt, vinegar, baking soda, Borax, and olive oil.



# Closing Time

A lot can happen between the time you make an offer on a home and when you get your new keys. What you do before your closing can create problems for you, slow down the home-buying process, or even stop it all together. As you count down the days to your closing, there are a few things you should avoid doing.

First, don't make major purchases. Your credit may be in great shape, but if you make any major purchases, you'll increase your debt-to-income ratio and reduce that portion of your monthly income that's meant for mortgage payments. As a result, your lender might decide you can't afford to carry the home. Using cash for large purchases isn't a good idea either, as lenders take your cash reserves into account when processing your mortgage approval.

It's also best to avoid changing jobs until the property is officially yours. Changing employers can create uncertainty about your future earnings, particularly if a substantial portion of your income will come from commissions or bonuses, or you work part-time. For those considering self-employment, know that most lenders like to see a two- or three-year track record of self-employment income before approving a loan.

Finally, don't shift your money around. When approving your loan, your lender may ask to see statements on your liquid assets (checking and savings accounts, stocks, mutual funds, retirement accounts) for the last two or three years, including a complete record of all deposits and withdrawals. If you've been moving your money around, you could make it difficult for your lender to properly document the paper trail, so leave your money where it is and don't change banks for now.



## Finding Motivation

Generally speaking, sellers come in two types: motivated and unmotivated. As a buyer, knowing the difference is important, as it will help determine how you should proceed in making an offer — or if you should make one at all.

- Motivated sellers are those who need to sell within a certain timeframe. Perhaps they need the equity in their home to pay off debts, they have accepted a new job in a different city, or they have already committed to buying a new property. Whatever the reason for the urgency, the more motivated sellers are, the more likely they are to price the property at or under market prices and to accept lower offers.
- On the other hand, unmotivated sellers are those who are under no such pressure. They don't need to sell their home, but might under the right circumstances — the right circumstances usually being buyers willing to pay the sellers' asking prices, which are often above market. Looking to profit from their home sale, unmotivated sellers often keep their property on the market for long periods of time.

This is not to say you should never make an offer on a property owned by an unmotivated seller — after all, an unmotivated seller can become a motivated one. However, some unmotivated sellers will do nothing more than waste your time; this is one of the many reasons why it's important to team with a professional real estate sales representative. It's part of the real estate sales representative's job to help you avoid wasting time on sellers who aren't serious about selling and to help you focus your efforts where they're more likely to pay off.

# Survey Savvy

Some mortgage lenders require a survey of any property you intend to buy before they'll loan you the money to finance the purchase. Below are a few points worth noting, if you do require a new survey.

The house you're considering buying may have been surveyed in the past, but lenders typically require a recent survey. A recent survey is usually defined as having been performed within six months of your closing date, so you, or your attorney, will likely have to arrange for a new one.

Costs for surveys vary, so be sure to comparison shop for a surveyor. You may be able to save some money if you can find out who performed prior surveys on the property you're interested in – having done much of the groundwork already, the previous surveyor might be able to simply update the survey for you, which may be cheaper than commissioning a brand new one.

If a brand new survey needs to be done, know that hiring a surveyor is no different than hiring a contractor when it comes to checking out his or her background and qualifications. You'll want to ensure the surveyor is licensed as required where you live; that he or she is insured, in the event of a mistake; and that he or she is experienced in performing the type of survey you require. Also, the surveyor should be able to provide references – references you're advised to check.

Lastly, ask that the surveyor walk the property with you and point out its boundaries, and make sure you keep a copy of the survey – you'll want to know where your new property begins and ends before you go building that addition or installing a swimming pool!



## Terminology Tip

**Clear Title** — A clear title is a title that is free of encumbrances, such as liens, mortgages and other interests that affect the title. In other words, the property is owned outright and no other ownership claims exist against it. A clear title is a necessary requirement in any real estate transaction, and mortgage lenders require proof of clear title before they will approve a mortgage loan. Also referred to as good title.

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