



The Basran Buzz

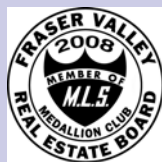
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2009 MASTER
MEDALLION CLUB
MEMBER
TOP 10% SALES IN
FRASER VALLEY REAL
ESTATE BOARD



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HAPPY NEW YEAR!

As we're in the midst of winter and recovering from the hectic days of the holiday season, its time to get back to business.

Although 2008 was a historical year for Real Estate in terms of shifting to a Buyers Market for the first time in years, I was able to again achieve Medallion standings with the Fraser Valley Board. The Medallion Club recognizes the top 1% Sales in Fraser Valley. This was due to you and my loyal clients and for that I thank you!

If you've been thinking of selling, call me to arrange for a no obligation market evaluation of your home and let me show you how we can save you money! If you're thinking of taking advantage of the Buyer's Market, we can help as well. My dedicated Buyer's Agent, Michelle, is ready to help you find your next home.

WHY CANADA'S NOT FACING A MELTDOWN

New report shows no parallels with dire situation in U.S.

OTTAWA -- The Canadian housing market is cooling but is not facing a U.S. style meltdown, builders here say.

"There is absolutely no merit" in drawing a parallel between the Canadian and U.S. markets, a report from the Canadian builders says.

To support its argument, the report cited a variety of differences:

- Unlike in the U.S., underwriting standards for qualifying mortgage borrowers in Canada have been maintained at prudent levels, resulting in mortgage borrowers here being much more creditworthy.
- Canadian mortgage lenders never offered low initial "teaser" rate mortgages that led to most of the difficulties for mortgage borrowers in the U.S.
- Most mortgages in Canada are held by their original lender, not packaged and sold to third parties, as is typical in the U.S., and, consequently, Canadian mortgage lenders have a vested interest in ensuring that their mortgage borrowers are creditworthy and not likely to default.
- Only 0.3 per cent of Canadian mortgages are in arrears versus 4.5 per cent in the U.S.
- Canadians tend to pay down their mortgage faster than in the U.S. where mortgage interest is deductible from taxes, which encourages U.S. homeowners to take equity out of their homes to finance other spending, a difference that is reflected in the fact that in Canada mortgage debt accounts for just over 30 per cent of the value of homes, compared with 55 per cent in the U.S.

In Canada, home prices are down 9.8 per cent from a year earlier, compared with an 18-per-cent drop in the U.S. from what were already deeply depressed prices a year ago.

By Eric Beauchesne, Canwest News Service January 6, 2009

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