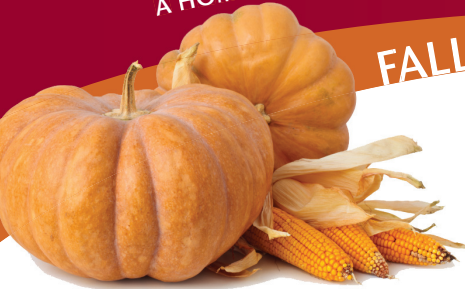


homefront

News and views...
from our house
to yours

A HOMEOWNER NEWSLETTER FROM DON STODDART, AGENT# M08002829

FALL 2011



From the Heart

Teaching an old dog new tricks

This year I will be turning 50; wow, that was harder to type than say! Looking back, I remember being amazed at the change our parents and grandparents saw: cars, planes, space, TVs and the TV controller, VCR, phones and cell phones, microwaves, air conditioners and on and on. I can remember laughing at my parents as the clock always flashed 12:00 on the VCR because they were too afraid to try and fix it.

Now I find myself with similar feelings of fear when it comes to technology. Our world is shrinking and the pace of change is escalating. Today, my office received a phone call from a lady in California who came across my new website and saw one of my staff members listed – someone she hadn't seen in fifteen years. She called and June is now back in touch with a long lost friend thanks to the internet.

A good friend of mine has encouraged me to embrace our new world and forge ahead. I can tell you I've been a bit fearful, but I've been learning. Facebook, twitter, blogging, LinkedIn and more. I have a new website that really reflects my business and ties in with our new social media world. Please take a look at www.donstoddart.com and let me know what you think. 'Like' my Facebook business page, and follow me on twitter, and LinkedIn. I need your help to embrace this new world; it's important to the future of my business. I recently learned through a CMHC study that 43 per cent of those looking for a mortgage use the internet for information, and half of those use search engines. Surprisingly to me, 11 per cent of recent first-time buyers reported the use of social media platforms for researching mortgages, up from 3 per cent the previous year. So I need to keep up with my clients and I also want to be able to keep attracting younger first time buyers, who are very internet savvy. I like the idea that these new platforms will help me build a stronger community with all of you. We can get to know each other better and I can provide you with short, valuable updates.

Win 3 Toronto Maple Leafs Tickets!

Visit my website and then send me an email with your feedback, or tell me that you liked my Facebook page or are now following me on twitter or LinkedIn. Let me know what you think. I'll put all of these emails in a draw for 3 Toronto Maple Leafs tickets in the lower bowl for a February game, along with a few other small gifts of appreciation. Please, visit my site, send me an email! Let's embrace this new world together.

Fixed vs Variable

This great debate continues to rage on. Recently though, it's become more interesting. Banks have been shrinking their discounts on their variable rate mortgages, with changes coming in almost daily. We may soon see prime plus for variables by the end of 2011 and going into 2012, even though the Bank of Canada is holding the prime rate.

This trend has more to do with pricing and profitability. Mortgages are now a commodity; bought and sold on a daily basis, with investors looking for a greater return on their investment to offset risk. The cost of this risk is being passed through to the consumer so the price goes higher i.e. fewer discounts are being offered. So what does this all mean in the Fixed vs Variable debate?

Well to me, it was always risk vs reward. The variable product comes with risk because your payments will increase if the prime rate increases. The reward was a lower interest rate and what you did with your savings, like put it back against the mortgage or against other bills, or possibly use it for investments. With a higher variable rate mortgage, the risk may not be worth the reward. I am often told that the variable rate mortgage outperforms the fixed as you can see by the historical rate graph on my website, but we won't always be in a low or declining rate environment. I am not saying it's time to panic, but we can assume that rates will eventually return to more normal levels, and it's very possible that today's

historically low fixed rates may outperform variable rates in the future.

The most important aspect of this debate is that we talk it through, and I give you the information necessary to empower you to make the right decision for you and your family.



Raving Fans

Since starting my newsletter "homefront" eight years ago, I have always relied on one person to help me bring it all together and get it out to you. This person has become a trusted advisor and an integral part of my business. She understands who I am and how much my clients mean to me. She also understands how I think and what my core values are as a person. Kelly Neuber has been the driving force behind my new website and building my confidence to enter this new world of social media. I was very sad when I heard that Kelly would be moving on to a new role with a new company. I really feel that I have been fortunate to have worked with such an expert and a true friend. I am not sure that I could ever thank her enough for helping me take care of "you", my most trusted asset. But I thought it would be a nice tribute to recognize such an amazing person in our final "homefront" together. Kelly, Live, Laugh and Love as we know that's what life is all about. I know that we will remain good friends, but you will be truly missed by all of us.



Referral Program Reminder

In our ongoing effort to say "Thank You", every time you refer a client I will send you a gift certificate to your favourite store or restaurant. This way, you can have dinner on us, or get something special for yourself. Or I can make a donation to your favourite charity, sports team or youth organization. It's up to you. And for your referral, there is no pressure, and no obligation. But whether they need a new mortgage, are renewing an existing one, or just want a frank assessment of their financial options, we're honoured to help.

Referrals are the sincerest compliments we can get. Thank you!

Don Stoddart

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