YOUR FINANCIAL FUTURE

A better way to shop for your mortgage

You might ask yourself why you need a mortgage broker to arrange your mortgage. You can easily walk into your bank and arrange it yourself, right? – Wrong.

A lot has changed in today's financial landscape, and just as an insurance broker finds you the best insurance rates, a mortgage broker finds you the best deal on a mortgage. Mortgage brokers are independent and won't steer you towards one product. Dealing with several financial institutions allows mortgage brokers to not only offer the best rates, but a much wider range of mortgage products than one institution alone can offer.

Mortgage brokers work for you - the consumer, but get paid "finders fees" by the financial institution which means no cost to the consumer. Very rarely a mortgage broker will charge a fee directly to the consumer, but this is most often in exceptional cases not involving traditional mortgage funding sources.

A mortgage broker is a certified, registered, professional. They don't want to sell you RSP's, or a new bank card, or travel insurance. Mortgage brokers are specialists in their field and what better place to get good quality information from than from the specialists.

Because of the range of lenders that mortgage brokers deal with they can often say "yes" when your bank has said "no". Mortgage brokers have access to high quality broker only lenders that most consumers simply do not have access to. A "no" at one bank can often be turned into a "yes" at another institution when the mortgage application is presented in the correct light.

Mortgage brokers save you money. How? Did you know that a 0.25% lower interest rate on a $200,000 mortgage over 25 years would save you $8586.

You simply cannot afford not to contact your mortgage broker!

Tom Hickey, Mortgage Consultant, MoneyConnect Home Mortgages
905-877-2426 ext 3, thickey@moneyconnect.ca

Your 2004 RRSP checklist

Do...

1. Create or update your financial plan with the help of a professional investment advisor.
2. Invest early and often. Investing today will let you reap more tomorrow. Because your investments are allowed to compound tax-free, there are significant advantages to investing early in the year or on a monthly basis.
3. Maximize your RRSP contribution to take advantage of your single greatest opportunity to save for retirement and defer taxes.
4. Diversify your RRSP investments and rebalance to reflect your needs considering asset mix, performance and risk.
5. Think long-term instead of letting short-term market volatility sway your investment decisions.
6. Consolidate your investments in one place instead of trying to track a number of retirement portfolios with different advisors.
7. Take advantage of dollar-cost averaging with a monthly deduction plan that spreads your mutual fund purchases over time and gives you greater long-term returns.
8. Consider a spousal RRSP which can provide significant tax benefits to couples with diverse income levels.
9. Think RRSP first, mortgage second, by using the tax refund from your RRSP contribution to pay down your mortgage.
10. Choose mutual funds and put your money in the hands of professionals who have the investment know-how to help you reach your retirement dreams.

Don't...

1. Think it is too late to start. It is never too late to invest in your future.
2. Neglect to contribute to your RRSP because you're short on cash. If this is the case, talk to your advisor about the advantages of an RRSP loan.
3. Wait until the last minute to meet the February deadline - investment decisions shouldn't be rushed.
4. Chase the hottest funds since using short-term performance history to predict which funds will out perform is unreliable.
5. Withdraw from your RRSP without advice from a professional who can counsel you on your ability to repay it.
6. Expect too much from your portfolio over the short-term when retirement investments have been made to meet your long-term goals.
7. Be too cautious and choose low risk investments only. A diversified portfolio should include a variety of assets to minimize risk and maximize return.
8. Emphasize returns only instead of factoring in risk. A balance of high risk and low risk investment is important.
9. Expect present conditions to continue and choose only those investment that capitalize on today's markets. Instead, create a portfolio with a mix of investments and market styles.
10. Forget to reinvest your tax refunds which can give you a jump start on next year's contributions.

Brought to you by Lou Mulligan, CFP, CLU, RHU of Money Concepts/AEGON Dealer Services Canada Inc., 420 Main St. E., Suite 204, Milton. 905-876-0940.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospects before investing. Mutual funds are not guaranteed, their value changes frequently and past performance may not be repeated.

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