

## Brokers for Life

REAL LIFE MORTGAGE SOLUTIONS

POWERED BY



### Mortgage Renewal

There is a stat that comes to us from research done by the Maritz for Mortgage Professionals Canada. That stat said that 85% of Canadians auto renew their mortgages without ever checking to see if they can get a better rate.

Doesn't that sound like 85% of Canadians are probably paying too much for their mortgages?

If you look at the history of rates over the last 60 years you will see that rates have changed on a fairly consistent basis and in fact have dips and dives from record highs to near record lows in the last two decade. The ever changing rates are something that the average consumer can't or doesn't keep track of enough to be educated enough to understand that the renewal rate offered by their lender maybe too high for the market.

Let's face it the banks are here to make money off you the consumer, interest is how they make that happen. If you renew and the rate is half a percent higher than you could have gotten somewhere else then the bank is making more money off of you. Part of that profit comes from the bond market, where all lenders have an opportunity to buy the same bond they then resell it to you in the form of a mortgage. Lenders will be hoping that you don't check around and they can make that extra bit of interest on your renewal.

Here's an example of how much difference not shopping and paying too much interest can cost you. Based on a 250000 dollar mortgage offered at 2.90 and a lower mortgage at 2.40% with just a half point difference in rate the savings over a five year term in interest alone would be 5943.00 dollars in your pocket. Not sure about your wallet but I'm pretty sure that it's better in mine than the banks.

The process is very straight forward, we simply require that a letter of employment and a pay stub. A copy of your renewal offer from your lender and your property taxes. If we can line up the renewal date for you there should be no out of pocket expenses as lender will use a title service to make the renewal switch for you free of charge.

Brokers for Life's team is an experienced group of individuals that are very experienced in the renewal process. Contact one of our agents today by visiting [www.brokersforlife.ca](http://www.brokersforlife.ca)