

THE MANDATE MONITOR

MANDATE National Mortgage Corporation

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RESIDENTIAL
AND
COMMERCIAL
MORTGAGE
FINANCING

CONVENTIONAL
AND
UNCONVENTIONAL

We accept
applications for loans
throughout B.C.

Call Today!

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COMMENTARY

by Alan Long, President



Despite recent interest rate increases, a majority of Canadians believe their current mortgage interest rates are manageable, says a report by the Canadian Institute for Mortgage Brokers and Lenders (CIMBL). It says 42 per cent of residential mortgage holders polled have not seen their overall standard of living significantly affected by the recent mortgage rate increases.

In addition, although mortgage holders anticipate further rises, the study suggests that a majority will be able to tolerate an increase of up to one per cent. For mortgages currently held, the average interest rate is 4.9 per cent.

In anticipation of a rise in interest rates, consumers are more likely to renew their mortgages early to lock into current rates.

So far, there are no signs that bad loans are about to explode, that bankruptcies are about to spike or the Canadian homeowners are over-extended.



**Perry
Askounis**

At times it may appear that borrowing from "B" Lenders or private Lenders is more expensive. The reality is that usually when all the factors are weighed in, most of the time it makes perfect economic and logical sense.

Credit and income do not play such a large role as does equity. The flexibility, personal interaction and common sense lending approach you receive when dealing with such lenders far exceeds any bureaucratic and restrictive lending policy from banks. Remember, it is you that ultimately makes the financial decision that allows you to accomplish your goals while reducing your stress level.

Whether you need a first or second mortgage for any purpose, call us for a quote anytime. If the deal is doable, then let's do the deal!

*Vancouver's Direct
Sub-Prime Mortgage Lender Since 1982*

DEVELOPMENT FINANCING

MANDATE recently funded or arranged financing for the projects on this page. Why not call for your next land acquisition, subdivision/servicing, single family or multi-family construction or commercial development loan.

21 UNIT CONDO - CONSTRUCTION LOAN VANCOUVER, B.C.



Financing arranged by MANDATE.

SINGLE FAMILY SPEC HOME - CONSTRUCTION LOAN COQUITLAM, B.C.



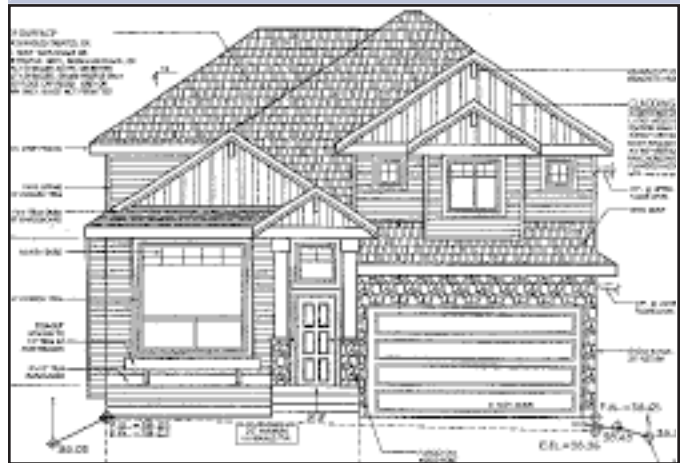
1st mortgage financing arranged by MANDATE.

10 SPEC HOMES - CONSTRUCTION LOAN KELOWNA, B.C.



1st mortgage provided by MANDATE.

SINGLE FAMILY SPEC HOME - CONSTRUCTION LOAN SURREY, B.C.



1st mortgage financing arranged by MANDATE.

1.42 & 1.16 ACRE DEVELOPMENT SITES IN OCP SURREY, B.C.



1st & 2nd mortgage financing arranged & provided by MANDATE.

52 ACRES - ACQUISITION LOAN, A.L.R. RICHMOND, B.C.



1st mortgage financing arranged by MANDATE.

RESIDENTIAL & COMMERCIAL FINANCING

MANDATE provides and/or arranges 1st and 2nd mortgages for any purpose, such as, Inventory Loans Re-finance, Bridge Loans until your property sells, Buyout Partner, Paydown Business Loans or Debt Consolidation.

10 NEW CONDOS - INVENTORY LOAN VANCOUVER, B.C.



2nd & 3rd mortgage financing arranged by MANDATE.

2 STOREY RETAIL STORE & CANTINA KELOWNA, B.C.



1st mortgage financing arranged by MANDATE.

COMMERCIAL BUILDING - EQUITY TAKE-OUT WHITE ROCK, B.C.



1st mortgage financing arranged by MANDATE.

NEW SINGLE FAMILY HOME - 2ND MORTGAGE RICHMOND, B.C.



2nd mortgage financing provided by MANDATE.

SINGLE FAMILY HOME - ACQUISITION LOAN GIBSONS, B.C.



1st mortgage financing provided by MANDATE.

MULTI-UNIT STRATA WAREHOUSE SURREY, B.C.



2nd mortgage financing provided by MANDATE.

MORTGAGE SERVICES

- **Mandate is a full service Lender, Broker and source of deals for Private investors.**
- **We specialize in Syndication of large loans which enables various Lenders to participate in a loan and lessen the risk by sharing with others.**
- **Second mortgages for any purpose - good idea to borrow your equity and invest in real estate or mortgages. The interest can be tax deductible and the "spread" or yield over cost of funds is attractive.**
- **Loans rescued from foreclosure.**
- **Financing to Bridge a sale or refinance.**
- **Fast closings, often within 48 hours.**
- **Inventory loans**
- **Stated Income / Equity Mortgages**
- **Need help structuring your deal?**

CALL US, WE CAN HELP!

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COUNT ON 23 YEARS OF EXPERIENCE

Call Anytime

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Perry ASKOUNIS

Cell: 604-377-4897

REAL APPROVALS, REAL FAST

MORTGAGE & REAL ESTATE FACTS, COMMENTS & STATISTICS

- CIBC estimates that sub-prime lending makes up 4.0 - 5.0% of Canada's mortgage market, a share that is growing compared to 25.0% in the U.S.
- Non-bank mortgage providers increased their portfolios 9.1% over the first six months of 2006 compared with 4.3% for the traditional banks.
- As of March 2006, approximately 22% of mortgage debt is variable rate vs. fixed rate.
- Canadian Savings Rate: 1980 - 20%; 1990 - 10%.
- B.C. residents Savings Rate: 2004 - 7.9%
- While condos and townhomes remain the most affordable option for buyers, a detached bungalow in B.C. now requires an average 58.1% of a household's pretax income. That's nearly twice the 32% rate the Royal Bank of Canada considers affordable. Three years ago, B.C. residents were putting an average 41.7% of their pre-tax income towards home purchases.
- Canadians' personal debt is a record \$992 billion, which works out to about \$30,595.64 for every man, woman and child from Victoria, B.C. to St. John's, Newfoundland.
- More than 70% of U.S. consumers believe a national housing bubble will burst and home prices will collapse within the next year, although 56% believe it's unlikely to happen in the area where they live, according to a new survey.
- Canada's renovation spending has grown by more than 50% since 2000, to more than \$26 billion in 2005.
- The largest industry in downtown Vancouver - in terms of the square feet it occupies and the number of people it employs - is the teaching of English to young graduates from around the world, occupying one fifth of our "Class B" office space. The second largest downtown industry is the food, beverage and hotel business.
- Investors in B.C. are counting on registered retirement savings plans (RRSP) and their homes to fund their retirement. They are more likely to own RRSPs than other Canadians and they put more in them, according to the 2006 TD Waterhouse Investor Poll. But they are also the most likely - 46% vs 39% of all Canadians - to say they will be relying mostly on the equity in their homes to pay for their golden years. In B.C. the percentage of investors with RRSPs is up from 69% last year to 83% and the average contribution leads the country at \$5,690.
- As rising mortgage rates drive up the costs of buying a home, CMHC has recently introduced a type of mortgage that offers the security of a fixed interest rate but with relatively low monthly payments in the loan's early years. Fixed-rate interest-only mortgages allow borrowers to lock in an interest rate for the life of the loan, while reducing their monthly outlays by paying interest and no principal, typically for the first 10 or 15 years. In the U.S., these loans, which barely existed two years ago, now account for roughly 20% of residential mortgages outstanding. Borrowers took out roughly \$39 billion of these mortgages in 2005, up from just \$7.9 billion in 2004. The growing demand for fixed-rate interest-only mortgages under scores the adjustments borrowers are making as mortgage rates have climbed to their highest levels in recent years and the gap between short-term and long-term interest rates has narrowed.