

Getting Ahead Financially

in Real Estate by Cecilia Rafael

How do we get ahead in Real Estate?

Year 2012 - Real Estate market is down still in most part of United States and few parts in Canada.

But, we will just focus in your area. Where you live and work.

The population is not getting smaller therefore; the need for housing investment should never be a question.

Timing is everything in getting ahead of Real Estate and knowing what lies ahead, taking action from that information will get you ahead (knowing when to buy). What I mean by that knows what infrastructure, business and area opportunity that you see will happen in the near future. Investing now and see it appreciate in a few years (base on your market research) will bring you the financial freedom you dream off.

Getting involved in your area's plan of development will give you some idea where it is heading. Ask your City for Permits issued and what they see in the future for your local City.

Employment plays a big role in Real Estate market appreciation. Where there is a job, there's people and those people need housing. It's a basic law of supply and demand.

An example will be in Ottawa, Ontario where I used to live. I saw its Real Estate doubled in year 2002, when there's a high-tech boom. New grads and new immigrants start to come-in hence, the demand in real estate. Soon after that was its dusks of high-tech, though, some people left Ottawa still it's the Real Estate appreciation continue with, consistent small increases. Ottawa, I will say were a stable market, even, after the death of high-tech companies. Still Ottawa never gone into recession like Chilliwack with a great dip of 30K in property value just in one year alone for single unit house. Well for once, Ottawa is the capital and house to most government bodies. About 20% of its populations were federal employees. There's a secure job = secure housing. Compare that to Oshawa which is only 0.1% federal employees.

Year 2012 - Unlike Ottawa, Ontario; Chilliwack, BC is experiencing a decline in Real Estate mostly because it's a small town, catering mostly to aging population and not enough jobs. On the other hand, it's a great place to retire, properties are dirt cheap, warm, friendly people and lots of recreational areas to enjoy and visit. The weather though can be wet and damp for most days. Being optimist, it's only 30km from Abbotsford which has job resources and potential growth next to ideal City to invest, Surrey (as what they call it). It wouldn't be long for Chilliwack to come back up. I hope soon.

I guess, if, we could convinced the aging population of Greater Vancouver to move to Chilliwack. It will make an impact to their real estate pricing that will eventually help the Buyers of Greater Vancouver. It

will result in more housing in inventory. More decent housing prices become available and on that, it will help Sellers in Chilliwack to increase their property value. Both, city then, will have a more balance and healthy real estate market. If, I could use a magic wand, this is done.

So, what can we offer seniors (If, we cannot convince businesses) to make that move to farther east like, Chilliwack?

Going back to Real Estate investing.

Understanding Real Estate pricing is to understand what's in the area that drives it to go up or down. Should we make our city councilors and major more accountable to its current state? Was their role, decision making play a big role in the health of our Real Estate bottom line?

Let's start with you. The citizen, can you create a job or a living for yourself, to stay where you are? If NO, is your answer, then you are one of the reason why the market is in decline. When you move to bigger city, it equals, to one less person to patronize the business establishment, one less customer, one less tax payer. You get the idea.

Generally speaking, local governments are usually responsible for the following, and, in turn affect the salability of real estate.

- **Protection of persons and property**, which includes the management of local policing and firefighting services. As we all know, we want to buy in an area where we can raise our kids with a peace of mind knowing they'll come home safe. Great neighborhood sells quickly for more.
- **Local transportation**, such as management of public bus and rail services, as well as municipal roadway construction and maintenance. Having a house conveniently located to transportation is a plus when you are selling your house.
- **Planning and development**, including municipal zoning and industrial/economic development. This part is THE most important as IF, there's big economic development, along with it, is a flux of people to live and work. Hence, driving the Real Estate market up. So, we should promote Chilliwack more to seniors, to investors, to business owners...
- **Public utilities**, including the management of local sewage systems, water treatment, and electric utilities. We are in Canada, infrastructure should be world's best.
- **Local social-welfare services**, such as management of local health, library and educational facilities, and social assistance services. This what makes Canada a better place to live-in. Having these resources with-in reach and for FREE (?)
- **Parks, recreation, and culture**, including the development and management of local parks and green spaces, public recreation facilities, as well as local art and cultural programs and events. These define where you live and the people in it. Area identity is important for the health and vibrant of the culture. *(part of the list of local government's responsibility were, excerpt from www.mapleleafweb.com)*

Chilliwack Offers – the lowest residential and business tax in lower mainland, a desperate move to get your business. What are you waiting for?

1. Revitalization Tax Exemption – details at www.gov.chilliwack.bc.ca/main/page.cfm?id=1037

2. Economic Plan Proposals – details at <http://www.theprogress.com/news/134124963.html> & <http://www.theprogress.com/news/election/133907978.html>
3. Chilliwack Won awards for streamlining business approvals. Doing business in Chilliwack is a smart move. <http://chilliwack.com>

Why I buy, Chilliwack?

Looking for my next home that is with-in close proximity to my family, affordable and, a great place to live, Chilliwack was an obvious choice. So, I then look up a local REALTOR to help me find a decent and inexpensive condo for myself.

I decided to pick a condo along Yale Road as its walking distance to daily life necessities. The price was shockingly low especially if you have been leaving in City like Vancouver.

Take note:

Tip, Buy, Rent, Refinance then, Repeat (and then, Repeat again). This formula will keep your portfolio rich in no time.

Down payment requires for principal resident is minimal. So, not to have problem with down payment, rent-out the one you are living it right now, not, the one you are going to buy.

If, you are buying a property for rental investment the mortgage broker will ask you for 20% down payment instead of just 5% for principal resident.

Its official, 2012 is another Buyer's Market. Talk to your mortgage broker or mortgage advisor for mortgage approval on an investment property.

Nothing will change in your financial circumstances if you are not doing anything differently this year of the Dragon. He is on fire and so, should you.

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