



Mortgage products have changed significantly over the past few years. Sometimes subtle differences in the way you structure your loan can literally cost or save you thousands of dollars.

Before you look for a mortgage and commit a portion of your salary to monthly payments, pay attention to the following six points.

1 - Request a pre-qualification

Lending institutions can produce a certificate that is free and without obligation on your part. This certificate, or pre-qualification, is like money in the bank in the eyes of sellers. In addition to being taken more seriously as a buyer when you make an offer, this document allows you to reserve an interest rate and thus protect yourself against a possible increase in the price of a property.

2 - Set your budget

When you meet with your financial advisor, ask him or her to set your purchase limit and make sure that the payments are appropriate for you. You will save time in your research and avoid the disappointment of visiting overpriced properties.

3 - Set your long-term goals

How long do you think you will keep the house? What is the interest rate trend? Is the mortgage market stable or volatile? What are your job prospects? Will your spouse still be working full time? A mortgage broker who is familiar with your plans will be able to suggest the financial product that is best for you.

4 - Understand the concepts of accelerated payment and advance payment

More frequent payments (accelerated payments) can save you years of mortgage payments. This can reduce the amount of interest you pay on the loan.

You can also increase the amount of your monthly payments (advance payment), which will reduce your amortization period.

Adopting any of these strategies by restructuring your payments can save you thousands of dollars in interest. Not all mortgage products allow you this much flexibility, so don't hesitate to ask your financial advisor questions.

5 - Ask if your loan is revolving and/or transferable

A revolving mortgage allows you to roll over your loan to your new purchase without paying a surrender penalty. This means you won't have to go through the entire mortgage application process again, unless you're buying a much more expensive property. A portable mortgage allows you to continue making payments under the terms you have already negotiated.

6 - Work with a Mortgage Professional

These canvassers are specialized in their field. They are in the best position to analyze your needs in terms of the various loans available and obtain the best possible interest rate. Mortgage brokers can also speed up the completion of the financing condition of an offer to purchase. Generally, you do not have to pay for their services since the financial institution takes care of it.

We will be happy to refer you to a mortgage representative who works in your area.
Ask one of our brokers or visit www.bardagi.com