

# Ron's Homeowner News™

Courtesy of Ron Mitchell ☞ Macdonald Realty Ltd. ☞ (604) 617-9642

## Guide to Sensible Holiday Spending

The season of joy, happiness and goodwill is upon us. All too often, however, this is also the season of uncontrolled spending, which can lead to a bad case of financial hangover come January 2<sup>nd</sup>. Fortunately, with a little planning and discipline you can avoid this, and really enjoy the season the way it's meant to be enjoyed. Here's how...

### Make a Budget

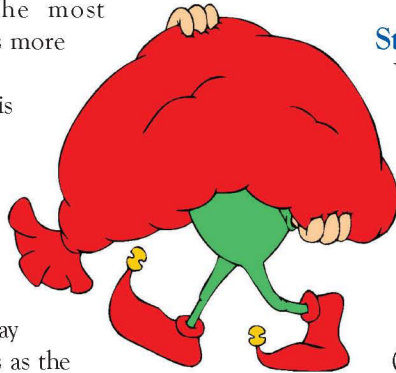
According to Consumer Reports, barely a third of Canadians do this. Is it any wonder then that we overspend so much? Making a written plan (and then sticking to it) is perhaps the most important step towards more sane holiday shopping.

A good way to start is to take a look at your last year's expenses (hopefully you kept the receipts). How much did you spend in total? Did you go overboard? How long did it take to pay off the debt? With this as the starting point, determine how much you can realistically spend this year without breaking the bank. The point really is to buy gifts that you can afford, not the ones you have to finance. It is, after all, the thought that counts - we (still) don't measure love with dollars spent. Once you've decided on the total amount you will spend, you can divide it into categories: gifts, decorations, food, incidentals (cards, postage, mailing supplies, etc.).

### Make a List

And check it twice, just like Santa. Actually, make several lists, one for each category. For the decorations, food and

incidentals categories it's fairly obvious what goes on the list, so I'll skip talking about those. But for the gifts list I need to bring something up. Often we get carried away a bit with the spirit of the season, and we start buying gifts for distant relatives and friends we haven't seen in years, or for people we see regularly but aren't particularly close to. Yes, it's a nice gesture, but is it really necessary? Does that person expect it even remotely? And is it financially smart? There's really nothing wrong with saving the gift budget for those closest to us, and sending cards to everyone else.

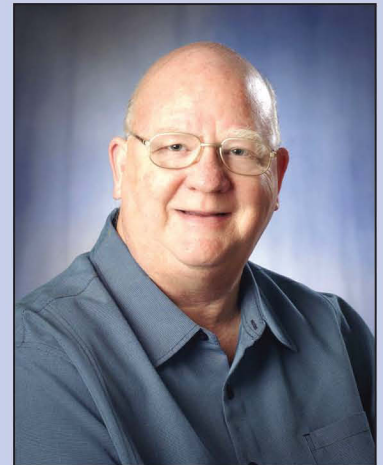


### Stick to Your Budget

Yes, I know, this is easier said than done. But, it's not impossible if you follow a few simple rules. For example, consider paying cash. We tend to spend more money when using credit cards (so say financial experts), perhaps because we don't see the money leave our wallets. Also, one thing that super-disciplined people do is set aside an envelope with cash for each category and for each person on the gift list. When money allocated for a particular category or person is spent, no more spending. If, however, they happen to overspend in one category, then they decrease another category by the same amount to stay within the total budget.

Try to get your shopping done early. When you don't have to rush you will be less stressed and will be less likely to overspend on last-minute purchases.

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*One of the real joys of the Holiday Season is the opportunity to say Thank You for your loyal support to all my clients, friends and neighbors. May your holidays be filled with warmth, happiness, love and friendship.*

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# The Secrets of a Winning Offer

Everyone remembers the line from “The Godfather” when Don Corleone says, “I’ll make him an offer he can’t refuse.” For buyers who’ve found the home of their dreams and want to write an offer the seller will find too strong to refuse, this article offers some important tips.

## Focus on what’s important to the seller.

It’s easy to know what’s important to you. It’s more difficult to see things from someone else’s point of view. This isn’t to say that your priorities aren’t important, only that winning offers are written with the seller’s concerns in mind. Since sellers have no obligation to reveal that information, sometimes discovering it is a matter of listening carefully and paying attention.

Is the seller mostly concerned about price? Is he or she more concerned about a quick closing, or a delayed one? Do they not want to be bothered with repairs, or is that not an issue?

**Have your financing in place.** Buyers can offer the sun and moon, but if they’re not in a financial position to deliver, the offer is worthless. Savvy sellers know this, and in situations with multiple offers in play, the solidity of a buyer’s financing can easily become the deciding factor. This is where a pre-approval letter from your lender may make your offer the most attractive of the bunch. A pre-approval is based on the lender actually verifying the financial information you’ve provided, and is therefore more meaningful than a pre-qualification, which is based only on what the buyer tells the lender.

**Include a strong earnest deposit.** Earnest or “good faith” deposits are a means of showing sellers that you are a serious buyer. You are able and willing to put your money where your mouth is. A reputable Realtor will deposit your payment into a special account so that it will be disbursed

upon the contract’s closing. The ideal amount of an earnest deposit depends on many other factors and should be determined on a case-by-case basis with the assistance of your Realtor.

**Set up an attractive timetable.** Standard contracts for the sale and purchase of residential real estate include timetables. As the buyer, since you are the one making the offer, you are the one who proposes the timetable. It will include things such as how long the seller has to accept your offer, how long you have to show proof of financing approval, how long you have to have the home inspected, etc. Again, the idea is to show that you are serious and have thought about these issues, and that you are proposing a reasonable schedule.



Even in a buyers’ market, the most desirable homes engender competing offers, so the ability to help you craft that winning offer is a valuable skill in any real estate agent. Working with real estate every day means that I must be constantly aware of the state of the market, and I stand ready to help you make a winning offer on the home of your dreams.

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Shopping early also helps you avoid expedited shipping charges.

I have to bring up again something I mentioned earlier – it’s the thought that counts. Gifts don’t need to be extravagant; they are meant to be small tokens to show that you care. And if you take time to spruce up the gift in some nice wrapping, that in itself shows effort and care on your part.

There will be a lot of temptation to splurge as retailers are exceptionally good at displaying their wares in appealing ways and offering can’t-resist deals. They count on impulse buying, and good discipline about sticking to your plan is the best way to fight it.

## Get Help Online

There are a number of sites that can help you stay within your budget and save you time too. NexTag and BizRate are two excellent sites where you can do price comparison and find the retailer with the lowest price on items you are looking for. SundaySaver.com and SalesCircular.com have a different niche – they allow you to view and print out upcoming specials for your favorite brick-and-mortar stores. And if you prefer to shop on the internet, here’s another tip – when you find the product you wish to buy, google “promotion code” and the product name before placing your order. You

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## Free Special Report Available

**The Seven Expensive Mistakes Buyers Frequently Make** is a three-page special report that no buyer should be without. If you are thinking of buying a home soon, arm yourself with the knowledge that can help you avoid expensive mistakes too many people have made. Request this report today – there is no cost or obligation.

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## Christmas Tree With a Theme

This holiday season, instead of decorating your Christmas tree in the traditional style, why not do something unexpected? Create a tree with a theme! You can find many items at a local thrift store, rummage sale, or your own house, that can be used to decorate your tree in a fun way. Here are some ideas:

### Western

There are many items you can use to create the Western theme—miniature cowboy hats, boots, toy revolvers, plastic cowboys and horses, shiny sheriff stars, to name a few. Take a few red bandanas, cut them into strings, and create bows out of them. Dried chili peppers also can be fun ornaments. Don't forget a cowboy hat or a Mexican sombrero for the top.

### Ocean

Here's a whimsical theme—summer in December! The color overtones could consist of silver, light green, and various shades of blue. For decorations you can use different shells, starfish, seahorses, or other ocean critters (plastic ones, or dried, real ones you brought home from your last vacation). Colorful goldfish, little mermaids, strings of pearls, a plastic anchor, a nautical compass, and a small treasure chest at the bottom would complement this tree nicely.

### Floral

I saw this one at a friend's house once and it looked stunning. She decorated her tree almost entirely with flowers—silk

ones, dried ones, and some fresh ones, too! There were also small yellow lights, and yellow, red, and white ribbons. The tree looked gorgeous.

### Intellectual

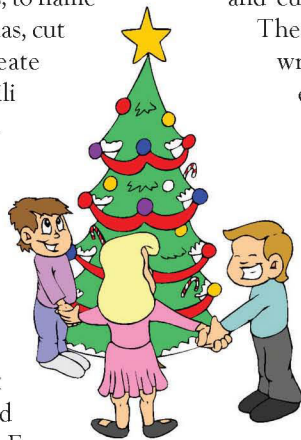
Miniature books are the most obvious decorations for the "tree of knowledge." You can also use a few old-fashioned feather pens and small bottles of ink, old reading glasses, a wooden ruler, miniature microscope, or typewriter. Take a few sheets of old-fashioned parchment paper, and cut them in small rectangles. Then, using calligraphy style, write your favorite quotes or excerpts from poems on them, and hang them up with a ribbon.

### Nostalgic

Why not make a tree of your memories? Make color copies of your favorite family photos, and create ornaments out of them. You can create picture frames out of colored paper (cut paper into different shapes, and glue pictures to them; use ribbons to attach them to the tree). You also can use small souvenirs you brought from past vacations as decorations.

### Hobby or Other Interests

The possibilities for a unique theme are endless. Whether you are into cooking, gardening, golf, fishing, or any other hobby, you can find the inspiration for your tree everywhere around you. Have fun with it!



**Q:** As a buyer why should I work with an agent? I can look for homes on my own just as well...

**A:** Reasons for working with a real estate agent are many, but since the space here is limited I'll give you only one: time. A good agent will save you time when it comes to gathering information about what is necessary to qualify for the mortgage. A good agent will save you time when it comes to searching all the homes for sale and finding just the one you are looking for. A good agent will save you time when it comes to negotiating, completing paperwork and dealing with all the different parties involved in a typical real estate transaction. A good agent will save you time when a problem arises and a quick solution is needed to salvage the transaction. I can go on and on, but you get the idea. A good agent just saves you time.

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just might discover an unadvertised special and save yourself some money.

### Plan For the Next Year

Yes, perhaps the next year's holiday season sounds too far in the future now, but there are a few simple things you can do to make your life easier when it

finally arrives. First, save all your receipts from this year – this will make the planning easier come next December. Second, open a holiday savings account at your bank or credit union, then set up an automatic deduction of, say \$25, from each paycheck. Over the next year you should be able to accumulate about

\$650 in this account, and be ahead of the game by the next Christmas. And finally, although some will consider this extreme, consider buying a few gifts for the next year. Many retailers offer terrific deals during post-holiday sales, so it may be worth visiting a store or two after December 25<sup>th</sup> and checking out what they have to offer.



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## ARCHITECTURE CORNER

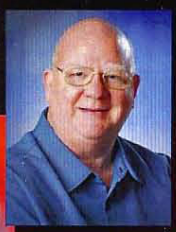
### SANTA'S HOME

On top of the world, somewhere in the vast expanse of the North Pole, stands one of the most famous homes – Santa's log cabin. It's the place where Mr. and Mrs. Clause have been living for centuries, and from there they still run their home-based business which continues to bring joy in the form of toys to children around the world. I wanted to write an article about this famous home for this month's issue, but my busy schedule and the high cost of flying-sled tickets have prevented me from traveling there. So, instead I'll talk about log homes typically found closer to my home – here in Canada.

Contrary to popular belief, log cabins weren't the first form of housing that early settlers in North America used. They preferred the medieval architecture of Europe to which they were accustomed before arriving to the New World. Although log homes appeared as early as 1600's, they started becoming really popular in the 1700's, mostly among those living in the frontier areas. In eastern Canada it was the French settlers and fur traders that first started building them; and in the Appalachian valleys in the U.S. it was the Central Europeans and Scandinavians. The simplicity and quickness of construction was one of the main reasons that log cabins became a popular choice for settlers moving further west.

In the 18<sup>th</sup> and 19<sup>th</sup> centuries, log cabins were usually built as temporary housing, meant to be used only until their owners could afford to build something fancier. Only rudimentary tools (and no nails) were required for construction, and one could build such a home in just a few days. Several styles developed over time: Broad Axe Hewn were the log homes characterized by rectangular-cut logs; Full Scribe are the homes with round logs that interlock at corners (this type of corner is called dovetail); and Chink Style – the log cabins where infill material (mortar) is used to fill the gaps between the logs.

Log construction never went out of favor; what went out of favor was the simplicity of construction. Today's log homes are a lot more elaborate than their humble predecessors, with multiple rooms, more decorative details and modern conveniences. Also, whereas the original log cabins were the primary homes of their occupants, today's log homes are usually vacation or second homes. But not Santa's log cabin. It's still his primary residence, and if next year those flying-sled companies reduce ticket prices to North Pole, I might just go and visit it and then tell you all about it.



A Gift from Ron Mitchell  
Your Recipe for Success in Real Estate  
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## SOUTHWESTERN TURKEY SANDWICH

Serves 6. Cal. 403, Protein 35g, Carb. 33g, Fat 14g, Fiber 3g

- 12 slices Italian bread
- 1 lb turkey (*thinly sliced*)
- 1/2 lb part skim mozzarella cheese (*shredded*)
- 4 tomatoes (*thinly sliced*)
- 1 avocado (*sliced*)

- SPREAD**
- 1/2 C fat-free mayonnaise
  - 1/3 C reduced fat sour cream
  - 1/2 tsp chili powder
  - 1/2 tsp cumin
  - 1/4 tsp salt
  - 1/4 tsp pepper
  - 1/3 C green onions (*chopped*)



Preheat oven to 350°. Combine spread ingredients and divide among bread slices. Layer with turkey, tomato, avocado, and cheese. Bake 15 minutes.

preparation  
15 min.