

LIVING & LENDING

Your monthly key to smart living and lending



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**YOUR VOICE MATTERS:
ASK KAREN OR SHARE YOUR STORY!**

AMORTGAGEARCHITECTS

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Hello January!

As we welcome 2025, the promise of new beginnings invites us to transform our homeownership dreams into reality. Building on December's momentum of mindful planning, January offers the perfect opportunity to establish strong financial foundations for your future home. Whether you're just starting your saving journey or fine-tuning your existing strategy, this month's issue provides practical steps to help you achieve your homeownership goals. From maximizing government programs to creating effective saving strategies, we'll explore the tools and techniques that can make 2025 your year of meaningful progress toward homeownership.

Setting Financial Resolutions for Future Homeowners

As we welcome 2025, the promise of new beginnings invites us to transform our homeownership dreams into reality. Building on December's momentum of mindful planning, January offers the perfect opportunity to establish strong financial foundations for your future home.

Making the Most of Market Changes

The landscape for first-time homebuyers has shifted significantly in our favor. The federal government's expansion of 30-year amortization eligibility and the increased insured mortgage price cap to \$1.5 million have opened new doors. For many aspiring homeowners, these changes mean:

- Lower monthly payments through extended amortization
- Access to higher-value properties with the same down payment percentage
- More flexibility in choosing your ideal neighborhood
- Opportunity to enter the market sooner than previously possible

However, these opportunities come with important considerations. While 30-year amortizations reduce monthly payments, they increase total interest costs over the life of your mortgage. This makes it crucial to plan your finances strategically.



1. Master Your Credit Score

Your credit score is more than a number—it's a key that unlocks better mortgage rates. A score above 740 typically secures the most favorable terms. Take these steps:

- Set up automatic payments for all bills to ensure perfect payment history
- Keep credit utilization below 30% on all cards
- Avoid applying for new credit in the months before mortgage applications
- Request your free credit report quarterly to monitor progress
- Dispute any inaccuracies promptly

2. Create a Power Saving Strategy

Down payment savings require both discipline and strategy. Consider this approach:

- Open a dedicated savings account specifically for your down payment fund
- Set up automatic transfers on payday - make saving your first "bill" each month
- Create a visual tracker to monitor progress toward your goal
- Celebrate milestone achievements along the way
- Look for opportunities to increase your income through side hustles or overtime
- Stay motivated by keeping a photo or vision board of your dream home

Remember, consistency matters more than amount - even small regular contributions add up over time.

3. Develop a Realistic Budget

Understanding your current spending is crucial for future homeownership. Your budget should account for:

- Essential expenses (rent, utilities, groceries)
- Down payment savings
- Emergency fund contributions
- Future homeownership costs (property taxes, insurance, maintenance)

Making the Most of Tax-Advantaged Savings Options

When saving for your down payment, several registered accounts can help you reach your goal faster. Let's explore your options:

TFSA

Tax-Free Savings Account

FHSA

First Home Savings Account

HBP

Home Buyers' Plan



Tax-Free Savings Account (TFSA):

The TFSA offers excellent flexibility for all savers:

- Contribute up to your available TFSA room annually
- Withdraw funds anytime without tax implications
- Keep earning tax-free investment returns
- Recontribute withdrawn amounts in future years
- Use for any savings goal - not just home buying

First Home Savings Account (FHSA):

For eligible first-time homebuyers, the FHSA provides unique advantages:

- Save up to \$40,000 lifetime and \$8,000 annually
- Get tax deductions for contributions (like an RRSP)
- Withdraw funds tax-free for your first home purchase
- Carry forward unused contribution room
- Option to transfer unused funds to your RRSP without impacting RRSP contribution room

FHSA Eligibility Requirements

- Be between 18-71 years old (19-71 in some provinces)
- Be a Canadian resident when opening account
- Not have owned a home in past 4 years AND
- Either:
 - Your spouse/partner hasn't owned a home in past 4 years, OR
 - You don't have a spouse/partner

Don't qualify? A TFSA is an excellent alternative for your down payment savings.

Home Buyers' Plan (HBP):

For those with RRSP savings, the HBP lets you withdraw up to \$60,000 to buy or build a qualifying home.

- Be a Canadian resident at time of withdrawal
- Have an agreement to buy/build a qualifying home
- Plan to live in the home within one year
- No home ownership in past 4 years
- Repay to your RRSP over 15 years

STRATEGIC COMBINATIONS



depending on your eligibility and timeline

TFSA + FHSA

Maximum tax advantages if you qualify for both

TFSA + HBP

Access up to \$60,000 from your RRSP

TFSA only

Flexible, tax-efficient saving for any buyer

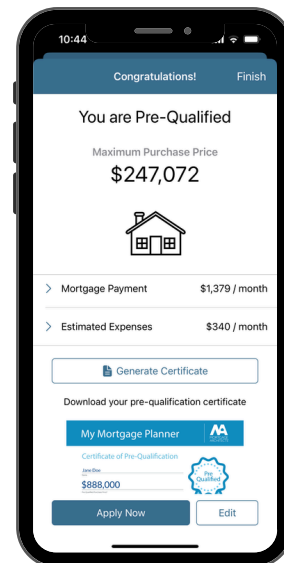
Looking Ahead: Your Next Steps

1. Reach out to us to discuss your specific situation and goals
2. Set up your dedicated savings account and automatic transfers
3. Create your detailed budget with future homeownership costs in mind

Remember: The right combination depends on your personal situation, timeline, and eligibility. As both your mortgage broker and licensed financial advisor, I can help you develop a customized savings strategy that maximizes these programs for your specific circumstances. Contact me today to discuss which options would work best for your homeownership goals.

HOW TO GET YOUR MORTGAGE PRE-APPROVAL

- 01 Download our FREE app
- 02 Sign up and create your account
- 03 Answer a few simple questions
- 04 Apply now to start your application

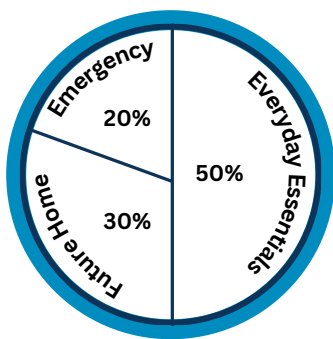


*With useful tools and calculators to help you determine your affordability, monthly mortgage payments, closing costs and more, my app has everything you need at your fingertips. **Scan the QR Code to download the app or visit our website @ www.karenreimer.org***



Smart Strategies for Down Payment Savings

The journey to homeownership begins with understanding where you stand today. Before making changes to your spending habits or saving patterns, take time to assess your current financial position. Understanding your target down payment amount and setting realistic monthly savings goals will create a solid foundation for your path forward. Most importantly, maintain your existing financial protections – they're crucial safeguards on your homebuying journey.



Understanding the 50/30/20 Rule for Home Savings

Balancing current needs with future goals requires a thoughtful approach to income allocation. The traditional 50/30/20 rule takes on new meaning when saving for a home. Allocate 50% of your income to essential expenses, including housing, transportation, groceries, utilities, and insurance – these fundamental needs create stability in your current life. Dedicate 30% to your "future home fund," treating these savings as non-negotiable as your monthly rent. The remaining 20% supports other financial goals and necessary family expenses, ensuring you maintain a balanced approach to financial wellness.

Building Smart Savings Habits

Success in saving for a down payment doesn't always require dramatic lifestyle changes. Instead, focus on maximizing your current position. Within your existing role, look for opportunities to take on additional responsibilities or build valuable industry skills. Maintaining stable employment history proves invaluable when you begin the mortgage application process.

For families, successful saving often starts in the kitchen. Developing a comprehensive meal planning system can significantly reduce food costs without sacrificing quality family time. Make the most of rewards programs you already participate in, and discover the joy in no-cost family activities. When practical, sharing resources with family and friends can create both financial and social benefits.

The key to successful saving lies in strategic planning. Time your necessary purchases thoughtfully, and always maintain an emergency fund alongside your down payment savings. Keeping detailed records of your progress helps maintain motivation and allows for thoughtful adjustments to your saving strategy.

Tailoring Your Approach

Every family's path to homeownership looks different. For single-income households, the focus should be on creating detailed monthly budgets while building emergency savings as a priority. Job stability takes precedence over pursuing potentially risky income opportunities.

Dual-income families benefit from coordinated financial planning efforts. When both partners align their savings goals and maintain stable employment, the path to homeownership becomes clearer. Clear communication about childcare arrangements and shared financial responsibilities helps maintain steady progress toward your goal.

Growing families face unique considerations. Beyond immediate savings goals, take time to research family-friendly neighborhoods and school districts. Keep emergency savings accessible, and plan for changing needs as your family expands. Your future home needs to accommodate both your current situation and your family's growth.

Moving Forward

Remember that saving for a home isn't just about reaching a number – it's about building strong financial habits that will serve you well as a homeowner. Focus on steady, consistent progress while maintaining your current financial stability. Protect your existing assets and make informed decisions based on your family's unique situation.

Your Path to Success: Free 2025 Quarterly Planning Guide

To help you transform these strategies into action, we've created a comprehensive year-long planning system. Our 2025 Quarterly Planning Guide breaks down your homebuying journey into strategic phases:

- Q1 Assessment: Establish your financial baseline and create structured saving habits
- Q2 Implementation: Put your plans into action with consistent tracking and adjustments
- Q3 Review & Adjust: Evaluate progress and fine-tune your approach
- Q4 Preparation: Strengthen your position and maintain momentum into the new year

Each quarter's tasks are carefully designed to build upon your previous progress, creating a clear pathway to your homeownership goals. Download these planning sheets to track your journey and maintain accountability throughout the year.

The image displays four quarterly planning sheets arranged in a 2x2 grid. Each sheet is titled with a quarter number and contains a table for 'DATE' and 'PRIORITY', followed by a list of tasks. A small map of Tennessee is positioned at the top of each sheet.

Quarter 1 Planner	
DATE:	PRIORITY:
January - March	Assessment
<ul style="list-style-type: none"><input type="radio"/> Review current financial position<input type="radio"/> Set realistic savings targets<input type="radio"/> Create detailed monthly budget<input type="radio"/> Establish automatic savings transfers	

Quarter 2 Planner	
DATE:	PRIORITY:
April - June	Implementation
<ul style="list-style-type: none"><input type="radio"/> Follow established savings plan<input type="radio"/> Track progress weekly<input type="radio"/> Adjust budget as needed<input type="radio"/> Maintain consistent savings habits	

Quarter 3 Planner	
DATE:	PRIORITY:
July - September	Review & Adjust
<ul style="list-style-type: none"><input type="radio"/> Evaluate savings progress<input type="radio"/> Make necessary adjustments<input type="radio"/> Plan for upcoming expenses<input type="radio"/> Stay focused on long-term goals	

Quarter 4 Planner	
DATE:	PRIORITY:
October - December	Preparation
<ul style="list-style-type: none"><input type="radio"/> Review yearly progress<input type="radio"/> Set next year's targets<input type="radio"/> Plan for seasonal expenses<input type="radio"/> Maintain saving momentum	

Need guidance on your saving journey? Let's discuss creating a plan that aligns with your specific circumstances while maintaining your financial security.

Planning Your Spring Garden Innovations

As I gaze out at my snow-covered garden beds, I can't help but smile thinking about last year's garden adventures. My experiment with no-till gardening taught me more about soil health and natural growing methods than I'd learned in all my previous years of traditional gardening combined. While the garden rests under its winter blanket, my mind is already sprouting with plans for spring and new techniques to explore.



For gardeners, winter isn't a time of dormancy – it's our season for learning and planning. Last year's successful transition to no-till methods showed me how trying new approaches can transform both our gardens and our understanding of how plants grow. This year, I'm diving into research about growing potatoes in straw, a method that promises easier harvesting and potentially better yields without the traditional digging and hilling.

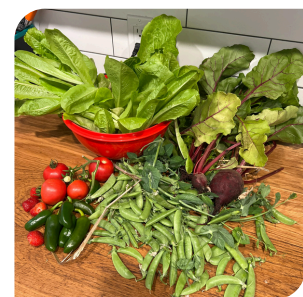
Companion planting has been a fascinating journey for me over the past couple of years, and each season reveals new insights about these plant partnerships. One of my favorite combinations is planting bright, cheerful marigolds alongside my tomatoes and peppers. Not only do these flowers add vibrant splashes of color throughout the vegetable garden, but they also serve as natural pest deterrents. It's this dual purpose - beauty and functionality - that makes companion planting so rewarding.

This winter, while my garden rests, I'm flipping through my garden notebook from last season, reviewing what worked, what didn't, and all the ideas I jotted down to try next. The Gardening at USask website has become my go-to resource for zone-specific advice, while the Saskatchewan Gardener's Facebook group offers real experiences from local gardeners facing the same growing conditions. And yes, I'll admit it - I've spent more than a few evenings browsing Pinterest for garden layout inspiration.

My south-facing windows have become my favorite winter retreat for garden planning. While I've tried starting seeds indoors in the past, I've learned to appreciate the expertise of local greenhouses - particularly Floral Acres on Valley Road - for giving my garden the strong start it needs. There's something special about those first spring visits to the greenhouse, selecting healthy seedlings while chatting with knowledgeable staff about the upcoming growing season.

As winter progresses, our planning naturally shifts toward action. Whether you're an experienced seed-starter or, like me, you prefer to rely on local greenhouses for healthy seedlings, the key is starting small and having a plan. I've learned that many local gardeners successfully combine both approaches - starting some plants from seed while purchasing others ready-to-plant. What matters most is finding an approach that works for you and your schedule.

One of the most rewarding aspects of gardening is that there's always something new to learn. Last year's no-till experiment taught me to observe more carefully, to work with natural processes rather than against them. As I sit by my sunny window planning this spring's adventures with straw-grown potatoes and companion planting, I'm filled with anticipation for the growing season ahead. After all, the best gardens start here - in the quiet of winter, with a notebook full of possibilities and the wisdom of past seasons to guide us forward.



******This piece has been a personal glimpse into Brenda's life away from the desk******

Beyond The Desk

A glimpse into our team's lives outside the office.

Some mornings remind us to pause and marvel at nature's canvas. This golden January sunrise, painting the winter sky above Warman, was one of those moments - a quiet reminder of the beauty that surrounds us, even in the coldest days of winter.



January 3, 2025
Warman SK
Captured by Tom Reimer

Your Voice Matters: Ask Karen or Share Your Story!

Do you have burning questions about mortgages, homeownership, or the real estate market? Or maybe you've had an experience with mortgage pre-approval that could help others on their journey? I want to hear from you!

Submit Your Questions

Got a question you've been pondering? Text or email me and I might answer it in one of my upcoming live videos! Whether it's about the current market conditions, mortgage tips, or anything related to home buying, no question is too small.



Share Your Experience

Have you recently gone through the mortgage pre-approval process? Share your story with us! Your experience could provide valuable insights for others and might be featured in a future newsletter or video.



How to Participate

Head over to our website & use the contact form to send in your questions or stories. I can't wait to hear from you and continue the conversation!

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