

# Hey!...let's keep a **Canadian perspective** on the turmoil be-deviling the world's banking financial systems and markets.

Most of those gloomy news headline emanate from outside our borders, Particularly from our southern neighbour where the excesses of cheap credit and mortgage loans have created havoc among the U.S. banking and financial services.

We're fond of telling everyone: Canada is different! Well It is!

- Our Federal and Provincial governments are all running surplus budgets
- Our banks are well capitalized and sturdy and the envy of our International partners.
- Our mortgage system is different and inhibits homeowners from sliding into the sub-prime chaos seen in the U.S. resulting in foreclosures and bankruptcy.
- The Canadian Bankers' Association says that just 0.27% of Canadian Homeowners are in arrears with their mortgages.
- Canadians on average have 70% home equity, well above the levels of the US
- Canada's stable interest rates has contributed to mortgage affordability.
- The average Canadian fixed mortgage rate over the past five years has remained at 5.2% and the current five year fixed rate is 5.25% – 5%.
- So, yes, while Canada is not immune from global economic fluctuations, our relative stability is the envy of the rest of the world.

As Maureen O'Neil, president of the Toronto Real Estate Board said recently: "Given that these are trying times for the world economy, in context, the Greater Toronto Area resale housing market continues to fare quite well," said Ms. O'Neill. "From a long-term perspective, buying a home remains a sound financial decision." If you wish to receive a more detailed report please contact us and we will be happy to forward it to you.