



**Half of British Columbians Have Accessed Home Equity
through Refinancing or Lines of Credit**

Homeowners split on potential for price increases in 2012; bullish long-term

For Immediate Release

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Vancouver, BC – A survey¹ conducted by Mustel Group for the Society of Notaries Public of BC found that 53% of British Columbia’s homeowners have refinanced their home or property to enable them to use their home equity investment to fund other important purchases or opportunities.

“BC’s homeowners have enjoyed a healthy real estate market in most areas of the province,” said John Eastwood, President of the Society of Notaries Public of B.C. and a South Delta Notary. “Many homeowners find themselves in the fortunate position where the current value of the house or property has far surpassed the price they initially paid, meaning a significant amount of their equity is tied up in the home. Mortgage refinancing allows them to access this equity without having to sell or downsize.”

Of those who have refinanced, 49% used the money for renovations; 23% to buy other real estate; 23% for other investments; 10% to purchase a new car; and 8% to consolidate or pay off other debts.

“With interest rates currently low, some clients are arranging home equity lines of credit to fund home improvements and renovations that improve their enjoyment of their home. These improvements often increase the home’s value beyond the actual cost of the renovation. Others use them to help their children buy a home, or to buy a recreational or rental property,” said Derek Smoluk, a Kamloops Notary.

The Society of Notaries Public of BC recently partnered with Stewart Title Guaranty Company to offer comprehensive services for mortgage refinancing to clients and lenders. Once the lender approves the application, Notaries provide legal document processing, legal advice to the borrower and title registration – usually in one appointment.

“If you’re considering a mortgage refinancing to fund other priorities, it’s important to understand both the financial and legal considerations of your decision. Fortunately most professionals such as financial planners, lenders, Notaries and accountants are more than willing to answer questions before you make a decision.” said Scott Simpson, a Notary in Chilliwack.

¹The research was conducted by Mustel Group Market Research in January 2012 via an on-line web survey of 500 BC homeowners over 18 years old.

The survey also found that homeowners were almost split on whether or not the value of their homes would increase in 2012, with 44% expecting an increase and 52% expecting prices to hold. Homeowners in Metro Vancouver were more optimistic than those outside the Lower Mainland: with 54% vs. 34% expecting one-year increases.

Despite the mixed outlooks on house prices for the short-term, British Columbians remain optimistic about the long-term health of our real estate market with 77% indicating confidence the value of their home will increase in the next five years and only 19% expecting prices to remain the same.

When asked about interest rate expectations, British Columbians were also positive: with 26% expecting them to rise and 72% to remain about the same throughout 2012.

“There’s always a lot of interest in house prices and market forecasts here in BC,” said Akash Sablok, a Vancouver Notary. “The reality is that most people live in their homes and those homes are their biggest investment and equity holding so it’s important to understand both the implications and opportunities this presents whether you’re looking to buy, sell or refinance.”

BC’s Notaries have extensive experience in advising and managing their clients’ real estate related transactions; often working closely with realtors, mortgage brokers, credit unions, banks and other partners to provide a full spectrum of services to buyers and sellers.

About BC Notaries:

The Society of Notaries Public of BC represents more than 320 highly trained Notary professionals. Most have locally owned and operated offices and all provide personal assistance to clients around the province. Individuals, families, and businesses seek the services of BC Notaries for a wide range of non-contentious legal matters, including residential and commercial real estate transfers, mortgage refinancing, Wills and estate planning, powers of attorney, and other important documents.

The Notary’s Tradition of Trust spans 2,000 years. Notaries first came to British Columbia over 100 years ago, and they continue to serve their valued clients and their communities across the province. Members of The Society of Notaries Public of British Columbia are accredited and thoroughly trained professionals, who participate in continuing education and comply with a stringent Code of Conduct. As of four years ago, all newly commissioned Notaries have also successfully completed a Masters of Arts in Applied Legal Studies.

For more information, please visit notaries.bc.ca.

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Local Notaries are available in most areas of BC to discuss real estate transactions. Notaries speak various languages in addition to English: French, Cantonese, Mandarin, Farsi, Punjabi and others. To reach them or for more information, please call:

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