



## CIAI ALERT

### Make BIG Savings When You Renew Your Mortgage

*The odds are good that you can save a thousand dollars each year on a new mortgage.* How? Get two quotes from other firms before you even think of renewing at your existing firm. Banks will normally match the lower rate offered by the competition, and so will other lenders. The big mistake you can make is to assume that all rates are the same. Don't renew your mortgage without shopping around – as Canada's Competition Bureau points out, failing to search is hazardous to your financial health. Whether rates go up or down, passive consumers pay the extra amount to financial institutions, while searchers keep substantial sums.

A study by the Bank of Canada, based on years of renewals, found that renewing a mortgage without checking other rates costs the non-shopper at least \$788 **every year** for the term of the mortgage. The way the market works, there really are TWO rates: one for active shoppers and a higher rate for consumers who don't get an outside quote. There is competition in the mortgage market, but only for active searchers. The same holds in many markets, as the Competition Bureau says. Check the [Bureau's website site here](#) on how to succeed in the marketplace for mortgages *and* in other markets. It usually takes only a small amount of time searching to make a big improvement in your standard of living.

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The Financial Consumer Agency of Canada provides an explanation of mortgages in plain language [here](#) , and a mortgage calculator [in English here](#), and [en français ici](#).

A highly useful list of alerts that can help avoid scams and deceptive marketing practices is at the Competition Bureau's [English site here](#), and [en français ici](#).