

Getting Ahead

A Financial Workshop for
Sauder Students



Who Are We?

Scotiabank is one of North America's premier financial institutions and Canada's most international bank. With more than 81,000 employees, Scotiabank and its affiliates serve some 19 million customers in more than 55 countries around the world. Scotiabank offers a broad range of products and services including personal, commercial, corporate and investment banking.

In December 2012, Scotiabank became the first Canadian bank to be named Global Bank of the Year and Bank of the Year in the Americas by *The Banker* magazine, a *Financial Times* publication. With assets of \$668 billion (as at October 31, 2012), Scotiabank trades on the Toronto (BNS) and New York Exchanges (BNS). For more information please visit

www.scotiabank.com.



Wealth Management at ScotiaMcLeod

Dear Mr. Elon Musk:

I am writing you to explore the potential opportunity of providing my services to you and your business. ScotiaMcLeod provides clients with a complete suite of professional financial services. These services are delivered with the utmost confidentiality and timeliness.

Flexible client centered service is my top priority. As a Wealth Advisor with ScotiaMcLeod, this strategy has helped me to build relationships with many clients that I believe will stand the test of time. I know that many advisors approach you looking to provide their services. What distinguishes me from them is my level of competency, professionalism and trustworthiness.

At your convenience, I would like the opportunity to meet with you over a coffee to discuss how my services can help you achieve financial success, from managing cash to executing complex trades to designing investment strategies to suit any need you may have. I will follow up my invitation with a phone call in the next few weeks or if you have any questions please do not hesitate to contact me directly.

Sincerely,

Adil H. Chagani, BA, P.Log.

Wealth Advisor, ScotiaMcLeod

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Relationships

Reputation

Results

I help my clients achieve peace of mind by providing trusted advice and personalized solutions to meet your financial goals.

I work with individuals to help align your personal objectives, and aspirations with the right financial resources to create a roadmap to attain those dreams.

I am focused on what is important to you and helping you reach all of your financial goals.



Renting Versus Buying a Home

**Presentation by Scotiabank Mortgage Specialists
Lynn Kelly, AMP
Rockey Simpson**

AGENDA

- renting a home
- buying a home
- conclusion



RENTING A HOME

- *the upside...*
- affordable
- no responsibility (home improvement)
- allows you to be more mobile

RENTING A HOME

the downside...

- paying someone else's mortgage
- not knowing when you have to move
- no equity building....

The Equalizer

To be in the same financial position as a homeowner you will need to:

- have a strategic financial plan to build your investment portfolio in two ways:
- to keep pace with homeownership
- for retirement

Buying a Home

the upside...

- affordable
- equity building
- freedom



Buying a Home

the downside...

- you need to qualify for the mortgage
- need savings
- reduced flexibility

The Numbers...

CLOSE X

Genworth
Canada

RENT OR BUY?

Buying or renting - which is best for you?
Enter your details and compare.
Calculator does not include original
closing cost, home maintenance and
selling costs.

Calculators are provided as a guide only, and their use is governed by our
Terms and Conditions. Please contact your lender for more information.

RENT

Monthly rent \$ 1,200

Annual rent increase 1 %

OWN

House price \$ 400,000

Current savings for down payment \$ 20,000

Total change in value of home 1 %

Amortization 25 yrs

Interest rate

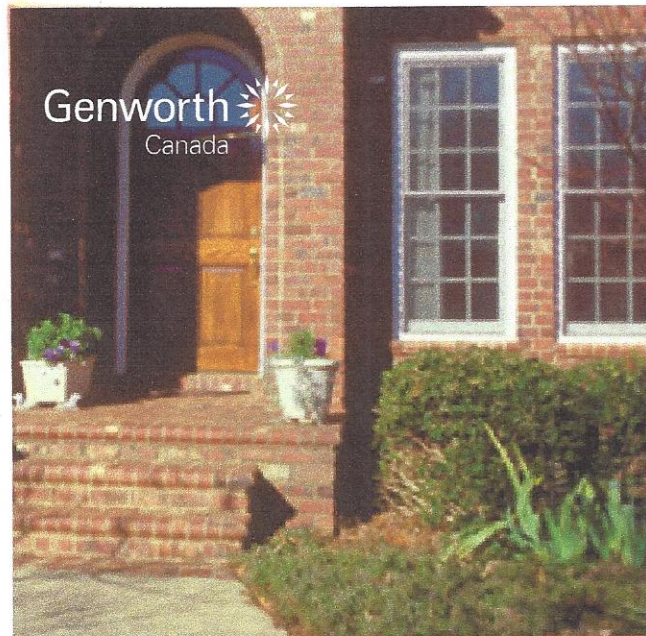
Property taxes (annual) \$ 1,600

Years before selling 10 yrs

CALCULATE →

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The Numbers...

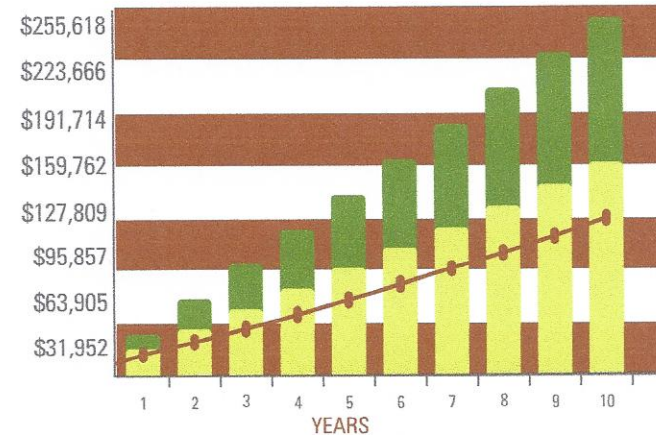


RENT OR BUY?

Buying or renting - which is best for you?
Enter your details and compare.
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RENT OR BUY COMPARISON

CLOSE X



LEGEND
■ Rental Payments
■ Mortgage Payments
■ Home Equity Increase

CHART →

	IF RENTING	IF BUYING
Monthly payment	\$ 1,200	\$ 1,996
Total payments over 10 years	\$ 150,655	\$ 255,618
Increase in value of home		\$ 4,000
Portion of mortgage paid down		\$ 109,262
Additional payment cost of buying		\$ (104,962)
Benefit from buying vs. renting		\$ 8,300

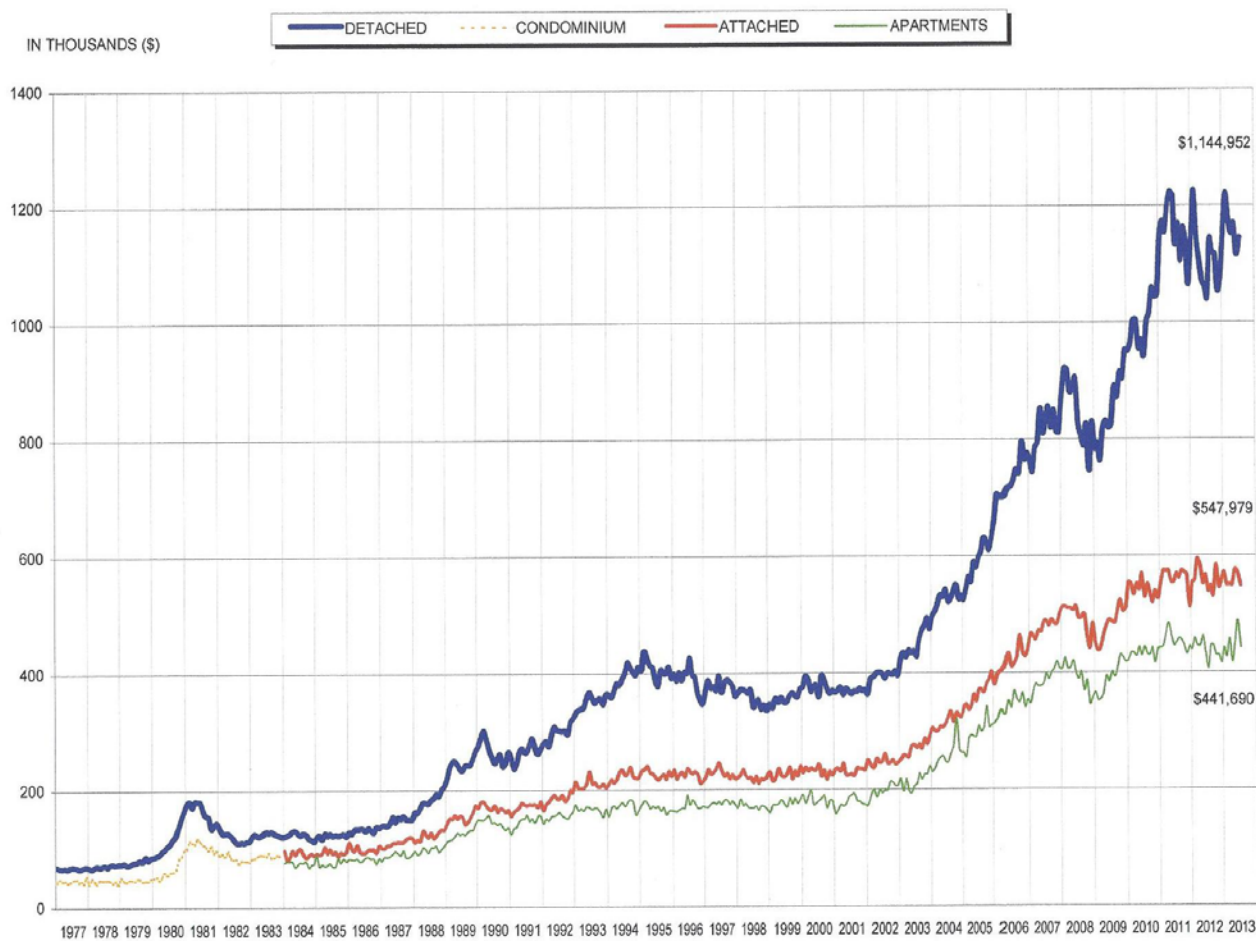
PRINT →

BACK →

The Numbers...



Residential Average Sale Prices - January 1977 to July 2013



NOTE: From 1977 - 1984 condominium averages were not separated into attached & apartment.

*so.. what would you do ...
rent or buy?*

How Do We Evaluate Opportunities?

The 5 C's of Credit

1. Character
2. Capacity
3. Capital
4. Collateral
5. Conditions

Character

How do your actions today affect your ability to borrow in the future?

How can I maintain an excellent credit score?

How do I get a copy of my credit report?

Equifax Canada

1-800-465-7166

www.Equifax.ca

TransUnion

1-800-663-9980

www.TransUnion.ca

Capacity

Total Debt Service Ratio

Gross Debt Service Ratio

Business Debt Service Ratio

Capital

Total Assets – Total Liabilities = Net Worth

Collateral

Examples of Assets Commonly Pledged as Collateral

1. Real Estate
2. Vehicle
3. Securites
4. Equipment

Conditions

How are you or your business affected by market conditions?

Is your business / are you subject to seasonal downturns?

Contingency Plans?

Recession-Proof Business?

Questions

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