

A BETTER WAY TO

Fall | Winter 2020

HOME[↑] Ownership



Falling Into Your New Home

What you really need to know
to buy your dream home.



SAGEN™



Adjusting to a new normal

As we reflect on an extraordinary year, COVID-19 continues to impact the real estate market.

While recent signs show a resurgence in sales with never-before-seen low interest rates, there are some changes to overall home buying that we thought we'd share with you in this issue.

The pandemic continues to reframe the homebuying experience for many across the entire country. In-person open houses are slowly becoming more frequent, but of course, with limited numbers inside the home, mask-wearing, hand-washing and sanitizing are just a few changes we've seen to the traditional home buying process.

Online research is where it still begins, and virtual tour technology is doing its best to help homebuyers make a very important decision. While nothing can truly replace an in-person look at a home's rooms and features, online research can help narrow your focus to bring you closer to your first home safely. We explore this more fully in this digest.

Something else we'll discuss is a movement we're seeing towards smaller cities and towns. As a result of working from home becoming a more realistic option for more people, incredibly low interest rates, and increased value in homes away from dense cities, we're seeing more Canadians purchase homes outside of traditional urban centres. We take a look at the pros and cons of making such a decision in the pages ahead to help you see what's right for you.

And finally, you might have noticed our name has changed. Genworth Canada is now known as Sagen™¹. While this is a new name, our unwavering commitment to help insure mortgages for homebuyers across Canada will always be the same.

Happy house hunting!

Debbie McPherson
SVP, Sales and Marketing
Sagen



¹ Sagen is the doing business as name of Genworth Financial Mortgage Insurance Company Canada. Sagen is a trademark owned by Genworth MI Canada Inc.

Table of Contents

UPDATE

- 6** **Meet the New Genworth**
While our name has changed, our business remains the same.

MOVING

- 8** **Location, Location, Location. Does it Matter Now?**
With new remote work policies, where will you live next?

FINANCES

- 10** **New Canadians, New Home**
The Sagen New to Canada program.

HOMEBUYING TIPS

- 12** **Seven Advantages to Buying a Home in the Fall**
Why it might be better to wait for cooler weather to buy a home.

HOME CARE

- 16** **Fall-Proofing Your Home**
Best practice tips to help your home stay intact over the winter.

FINANCES

- 18** **Home Improvement Rebates**
Renovating your new home? Take advantage of these rebates.

WORK FROM HOME

- 21** **How to Find and Create the Perfect Home Office**
Making use of small spaces for a home office.

LOCATION

- 24** **The Pros and Cons of Urban and Small Town Living**
A list of pros and cons to help you decide where you'll thrive.

HOMEBUYING TIPS

- 28** **Three Secrets to Winter Homebuying Success**
Make best use of your time in hibernation by purchasing a home.

A BETTER WAY TO
HOME
Ownership





UPDATE

Meet the New Genworth

We've changed our name! After 25 years, Genworth Canada is now Sagen. Let's take a look at some key points in our history.



1991

On January 1, the Government Guarantee Agreement was made between the Canadian Government and the Mortgage Insurance Company of Canada (MICC). This led to effective private sector competition and gave lenders capital relief for obligations guaranteed by the federal government.



1995

Genworth Financial, as part of General Electric, acquired assets and employees from MICC and established its own private mortgage insurance business.



2009

Genworth MI Canada Inc. completed its initial public offering and began trading on the Toronto Stock Exchange under the MIC symbol.



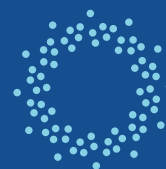
2013

The Government Guarantee Agreement ends and is replaced with the Protection of Residential Mortgage or Hypothecary Insurance Act ("PRMHIA") which legislates the prior existing mortgage insurance arrangements with private sector mortgage insurers.



2019

Genworth Financial and Brookfield Business Partners LP, together with its institutional partners (collectively "Brookfield"), closed the sale of Genworth Financial's majority interest in Genworth Canada to Brookfield.



2020

Genworth is rebranded as Sagen.

While we're excited to share our new name, Sagen, and our fresh new look, we're even more passionate about continuing to partner with you, the home buyer to help you find your dream home.

Check out our brand video and [learn more about our new name.](#)



MOVING

Location, Location, Location. Does it Matter Now?

Last year, Sagen surveyed over 1,800 Canadians asking them about their criteria when it comes to buying their first home. At the time, 80% said that proximity to work was very important, up from 76% in 2015, likely because commutes were getting longer. [Statistics Canada](#) found that long commutes were a big city phenomenon.

A shift occurred when companies were forced to send their employees home to work because of the ongoing COVID-19 pandemic. Remote work became widely accepted. Some companies like [Shopify](#) made remote working a permanent option. With long commutes on hold for many people, the concept of living relatively close to work is evolving and some Canadians are [making the move](#) to smaller cities and towns. If you're looking to move to a smaller city, here's what to look for:

More space

The further you move away from major urban areas, the lower the price of a house. First-time homebuyers can get more space for their budget, which is important when you're spending more time at home. Tiny city condos can feel cramped and don't always have enough space for a home office.

Good transportation links

If you do have to go into the office every so often, you'll want the commute to be as smooth as possible. That means good roads and public transportation links so you can travel quickly and easily.

Fast internet

No one wants to be that person with the frozen video call. Remote work requires a strong and fast internet connection so you can participate in video calls, and send and upload files as quickly as possible.

The slower, more relaxed pace

City living has its advantages, but the pace can be hectic. People looking to slow down are looking at smaller towns for a change of pace.

A strong community feel

Smaller cities and towns can offer a more neighbourly feel. Before you buy, check the local amenities like community centres, libraries and parks. Also investigate the local business district for banks, groceries, pharmacies, etc.

Check out what's available for families

If you have a family, it's key to know what kind of amenities like schools, daycares, entertainment, transportation, hospitals and care facilities are in your chosen neighbourhood.

More nature

When you're trying to social distance, space becomes valuable. Cities can often feel crowded. Moving to a place with more open space and closer to nature means you can get outside and not feel claustrophobic.

The way we work has affected how we look at where we live. As technology has supported us in some of us moving to remote working, homebuyers are prioritizing different criteria for their homes. Now, it's more about enjoying our homes and the community around it rather than the convenience of living close to the nearest subway station or highway. 🏡





FINANCES

New Canadians, New Home

As a new Canadian, buying a home is part of settling into your new life. If you have immigrated or relocated to Canada within the last five years, you may qualify for the **New to Canada** program by Sagen. If eligible, you can purchase a property with as little as a 5% down payment with an additional 10% down payment on the portion of the home value above \$500,000.

Here's what you need to qualify:

- Must have immigrated or relocated to Canada within the last 60 months.
- A minimum of three months of full-time employment in Canada.
- Must have a valid work permit or obtained permanent residency.
- Proof of income.
- A letter of reference from a recognized financial institution or six months of bank statements from your primary account.
- Proof of credit worthiness with either an international credit report, or the previous year's history of bill payments.
- All debts held outside of the country must be included in the total debt servicing ratio (Rental income earned outside of Canada is to be excluded from the GDS / TDS calculation).
- Guarantors are not permitted.
- A Purchase of Sale Agreement.

Immigrating to a new country is tough. There's lots to adjust to, but having a place to call home and a space you can retreat to can help. As part of your home buying journey, reach out to your mortgage professional to discover whether the Sagen New to Canada program is right for you and your family.



MOVING

Seven Advantages to Buying and Moving in the Fall

Spring and summer have always been the seasons to move but the truth is, fall is a great time to go house hunting. You get to see it before the snow falls so you'll know how to winterize your new home. Let's look at eight reasons why you should buy, move (and sell!) in the fall.



Less competition

Historically, there are fewer buyers looking for a home during the fall, so there's less competition. One reason for this is that people with kids want to be settled before school starts.

Fewer bidding wars

Statistically speaking, when there aren't as many people looking for a home, there will likely be fewer bidding wars. That means you might have some bargaining power and won't have to pay too much over the asking price.

You can see costly winter problems

Spring and summer are beautiful, but they can hide problems in a home. Fall, on the other hand, is just as stunning (all those leaves!) but can reveal issues like heat loss or icy streets.

Depending on where you live, there might be snow in the fall, so be on the lookout for leaky roofs, a damp basement (indication of a broken foundation) and ice buildup around

the house (cracked pipes). It's also a good time to see how the street is maintained. Is it ploughed and salted, or is it icy and slippery? All of this can help you decide if you want the house, as well as give you more information you can use to negotiate a better price.

Be on the lookout for leaky roofs, a damp basement and ice build up around the house.

Highly motivated sellers

Fewer people are inclined to sell a home in the dead of winter or during the holidays, so fall sellers are highly motivated to close that sale as quickly as possible. Plus, the home might have been on the market for a long time, making sellers more motivated to close the deal. This is a great time for buyers to leverage their negotiating powers on price, extra items and closing terms.

You get your movers of choice

If you've ever tried to move in the summer, you have to pay peak rates to get good movers on the day you want. As fewer people are moving in the fall, you can have more leeway on dates and pay lower prices.

If you can wait to buy a home, why not try buying in the fall?

You can get a sense of the neighbourhood

Back-to-school, Halloween, the holidays: all of these bring a neighbourhood to life. Summer is a great time to house hunt, but you don't really get a feel for the neighbourhood because people might be away on vacation or at their cottage, and kids might be at camp. In the fall, people are home so your prospective neighbourhood will be buzzing with activity.



Good news for sellers

There are a lot of advantages for buyers in the fall, but sellers get benefits for listing their home during this time too. They may get fewer people walking through their doors, but those people are serious buyers. They want to buy a home and they aren't going to waste anyone's time.

If you can wait to buy a home, why not try buying in the fall? There will be less inventory traditionally, but with motivated sellers and the lack of competition, you might have a better chance of getting your dream home within your budget, or even lower. That's worth the wait. 🏡



HOME CARE

Fall-Proofing Your Home

Once the leaves start to change colour and the days get cooler, that's the signal that it's time to do all those fall fixes. Let's look at what you need to check off your list for the season.



Rake the leaves

When the leaves begin to fall, it's time to rake them up. They are beautiful, but loose leaves can clog up the gutters and drains, which can cause flooding when the snow melts. Make sure you check the schedule for leaf garbage pick up before you get out your rake and bags. This way you won't have bags of leaves sitting on your property for too long.



Clean and prep your garden

Once you move into your new home, it's time to get your garden ready for next spring. You don't have to spend a lot of money landscaping your garden yet, but you can buy bulbs like crocuses, tulips, daffodils, muscari, hyacinths and snowdrops, and plant them before the first frost. By the time spring is here, you'll have a pretty garden to enjoy.



Clean the gutters

Leaves, sticks and other trash fall on your roof and end up in the gutters. Clogged gutters can cause water damage or leaks to the roof. Plus, the garbage in the gutter could encourage wildlife like raccoons to nest in your roof. Remember to empty all hoses or fountains to avoid freezing and cracks. No one wants that.



Check the roof

While you're cleaning the gutters, cast a quick eye on your roof for any gaps or loose shingles. You don't want leaks to create water damage inside your new home. If the house is more than 20 years old and the roof hasn't been replaced or repaired, it's a good idea to have it inspected. Replacing a roof in the fall helps to avoid the spring rush.



Seal any air leaks

Icy drafts are never fun. Not only do you feel cold, but it could drive up your heating bill. Check all your windows and doors to see if there are any gaps or broken seals where cold air could seep in or hot air could escape. A trip to the hardware store for some caulking should close those gaps easily.



Stock up on fuel

If you have a wood-burning fireplace, it's time to stock up on logs to make sure you've got heat throughout the winter months. It's also a good time to clean your chimney and check if it's drawing properly.



Check the alarms

This one isn't fall-specific, but since you're prepping your home for the season, checking the fire, smoke and carbon monoxide alarms is always a good idea. Replace the batteries and test them to ensure you're prepared for the season.



Get a bag of salt or sand

That first fall frost comes quickly. Keep your steps and driveway safe by having a supply of salt or sand to add extra grit and traction.

No one likes to do chores, but tackling them now means you'll make your home safe, cozy and enjoyable. You'll be ready to take part in all the festivities fall has to offer. 🏡





FINANCES

Home Improvement Rebates

You've got the keys to your new home and now it's time to make it your own. You have plans to decorate but before that can happen, renovations are in order.

Renovations can be expensive but are well worth it. They add value to your home and can save you money, especially if you update your home to be more energy efficient. If you're planning on doing renovations, several rebate programs can help.

GST/HST new housing rebate

This program lets you recover some of the GST or the federal portion of HST you paid for a new or substantially renovated house. It's also for anyone, not just first-time homebuyers. Here's what you need to be eligible:

- The house is required to be the primary residence for you or a relative.
- It's a new house or it was substantially renovated.
- Shares were purchased in a co-op complex for a unit that will be used as your or a relative's primary residence.
- The home was constructed or substantially renovated and the fair market value of the house when construction is completed is less than \$450,000.

The rebate isn't automatic, so you'll have to fill out the right forms and apply for it.

Sagen Energy-Efficient Housing Program

Homebuyers who purchase an energy-efficient home or make energy savings renovations can save when they get mortgage insurance through Sagen. Here's how to qualify:

- The home must have used Sagen financing and met all of the energy-efficient housing program requirements.
- All mortgage insurance premiums and fees must be received before the partial premium refund being issued.
- The application for the premium refund must be issued within 24 months from the closing date of the mortgage.
- All the documentation for the energy-efficient upgrades or renovations must be no more than five years old.





Home Buyers' Tax Credit

This lets first-time homebuyers claim \$5,000 of a property purchase as their tax credit which gives them a \$750 rebate. You need to claim the credit the year you buy the property and you can split it between two returns for joint purchases, but the total cannot exceed the \$5,000.

Land transfer rebate

Land transfer taxes can be expensive when you buy a new home. On average, the tax is between 0.5 and three per cent of the price of the home. If you're a first-time home buyer, some provinces will offer a rebate on the land transfer tax, so check to see if you qualify.

GST/HST new residential rental property rebate

You may get a rebate if you:

- Are a landlord who bought a newly constructed or substantially renovated residential rental property.
- Built a residential rental property.
- Made an addition to a multiple-unit residential rental complex.
- Are either a builder or a person who had to account for HST/GST under the self-supply rule.

To see if you're eligible for this rebate, check out the [new residential rental property rebate](#).

Buying and renovating a home can be expensive, but there is help out there. As part of your renovation plan, make sure to check if any rebates can help you save money. Make your home as beautiful and energy-efficient as possible so you can enjoy a cozy fall. 🏡



WORK FROM HOME

How to Find and Create the Perfect Home Office

With uncertainty of people heading back to the office any time soon, having some kind of office space has become crucial and a key ask for homeowners. How can you create an office in your home, especially if you don't have a spare room? We interviewed an interior designer to suggest some things to keep in mind when creating your office space.

Start with the basics

Interior designer William MacDonald says to start with a surface. "It can be a table, a desk, or even an old door on two sawhorses, as long as it's big enough to do the work you need to do." He says that most of us just need a space for a laptop or desktop, a lamp that provides good light, and somewhere to put notepads, pens, etc. Before you purchase anything, check with your company to see if they have an allowance for home office furniture.

Most of us don't need an entire room for an office.

Carve out some space

Most of us don't need an entire room for an office, we just need to carve one out of an existing room. MacDonald says space is expensive, so consider using some of the space in your dining room or kitchen. If you want to be more creative, you can convert a small closet. Measure the space before you make any purchases, and check out furniture stores that cater to tight spaces.

"Put in a plywood work surface, hang some shelves above, add a cork board on the back of the door, put a printer on the floor and voila! A small office that has everything. At the end of the day you can close the doors on the clutter and forget about work."

Hide furniture

If you have a small or open-concept space and need an office, use furniture that can disappear. A fold-down desk gives you the working space you need, but can be put away at the end of the day. It's an office without the feeling of clutter.

(Trying to) keep it quiet

Between children, pets and day to day living, it's hard to find a quiet space to get work done. If you have a separate office with a door, closing the door can get you some quiet time. If you don't have a separate room, then invest in noise-cancelling headphones. They cut out a lot of the ambient noise so you can maintain your focus and continue to work. If you have a partner, create a schedule with them so one of you can occupy the kids and pets while the other attends meetings.

Keep it tidy

Speaking of clutter, an office can get messy very fast with paper, pens, coffee mugs, and all the technology you need like a microphone, ring light and headphones. Get into the habit of recycling paper you no longer need, keep things in digital format, and treat yourself to cute filing options. MacDonald says that depending on your style, you can use baskets, cookie tins, ottomans with hidden storage or sleek cabinets.

Choosing the right chair

A good chair is crucial for home offices and good posture. Get a chair that is ergonomically right for you. "I think the chair and lights are key," says MacDonald. "Get the most comfortable chair you can afford, there are tons on the market. Just try it before you buy it." You can also add a back and foot rest to ensure your body is properly aligned for optimal comfort.

Light it up

Use a combination of ambient and task lighting to make sure you have enough light to work and prevent eye fatigue. You want your space to be attractive and well-lit, not dingy and uninviting. You might want to add a desk light or purchase a ring light to attach to your phone or computer for live meetings.

Use a combo of ambient and task lighting to make sure you have enough light to work and prevent eye fatigue.

Get creative

There are so many options out there to help you create the office that is right for you. Don't forget to add little embellishments to make your work space fun, like a coffee mug or markers. Lastly, get creative with where you work. "One should not turn one's nose up at the bed as an office," says MacDonald. A laptop on a breakfast tray is a great way to get the job done! 🏡





LOCATION

Urban vs. Small Town Living

Buying a new home comes with a lot of decisions: How many rooms? What style? And most importantly, where do you want to live? In the city or somewhere a little closer to nature?

We look at the pros and cons of urban vs. small town living. Remember, there's no right or wrong answer, it just has to be one that's right for you!



PROS

- Access to museums and galleries, headline concerts and festivals, often via public transport which means no parking fees
- Public transit for that car-free life
- Diversity of choice of food, restaurants, and retail stores
- High energy atmosphere
- Better accessibility and speed of WiFi
- More job opportunities in technology, as more technology-based jobs are found in urban centres
- Access to specialists in the medical field, and educational opportunities in person and on-line
- Higher salaries
- Greater home appreciation



CONS

- Noisy due to cars, people, events and construction
- Lack of privacy
- Higher levels of pollution
- Light pollution that could disturb your sleep
- Lack of new buildings, and condos have smaller square footage
- Real estate is more expensive due to higher demand, lack of inventory, urban living expenses, and location
- Safety concerns
- Higher cost of living
- Less nature and wildlife



PROS

- Naturally more green space
- Lower home prices
- Space is more affordable to purchase, so you can have that remote home office
- Quieter and more peaceful
- Cleaner air
- More green space for the kids and pets
- Larger properties that offer more privacy and backyard gardens
- More nature to enjoy wildlife
- Stronger sense of community
- Ample, free parking



CONS

- Potentially more expensive WiFi
- Less access to job opportunities
- Less access to in person educational opportunities at a university level or teaching hospitals
- Limited town services
- Out of town travel required for medical specialists
- Wildlife concern for pets
- May not have access to municipal water
- May rely on well and septic depending on area
- Public transportation schedules with less frequency



HOMEBUYING TIPS

Three Secrets to Winter Homebuying Success

Who wants to go house-hunting in the winter? Snow, ice, bulky winter coats and wet winter boots don't make it easy, but for the determined first-time buyer, there are deals to be had when you look for a new home during the winter months. Let's take a look at the advantages of buying a home during winter.

1 There is less competition

People tend to stay home during the winter. That means fewer people at open houses and therefore less competition. You might avoid bidding wars and could get your dream home within your budget!

2 Sellers are motivated

Winter brings with it the holidays. People go on vacation and it's cold — no one wants to spend time selling their home. They want to close the sale as quickly as possible and are more motivated to negotiate the price, closing costs, home inspections and sales terms, such as appliances.

Sellers aren't the only ones who want to close a deal. Buyers who house hunt in the fall are often more serious because they want to move in and get settled before the holidays and the start of the new school year.

If you're a buyer, ensure your mortgage approval, deposit and paperwork are prepared so you can move quickly when you find a house you love.

3 Winter staging is fun

When you're selling your home in winter, staging your home takes a little extra effort. You want it to be appealing to buyers. Here's what you can do to help stage your home.

- Bring in some light. Winter days can be dark, so open all the curtains and turn on the lights. Create a warm, appealing atmosphere and banish those dark corners.
- Turn up the heat. Buyers will linger in warm homes, increasing the chances that they'll like your home and make an offer.

- Shovel and salt your driveway and stairs. Don't make potential buyers slip or slide their way into your home.
- Buyers want to see themselves in the home, so remove personal items and clutter.

If you're looking for a home after the holidays, you'll be prepared to take advantage of the homes that will be listed during the spring market.

You're ready for the spring season.

Spring house-hunting season isn't that far away. If you're looking for a home after the holidays, you'll be prepared to take advantage of the homes that will be listed during the spring rush, which can start in February!

Winter homebuying has several advantages, so if you're not held to a schedule like the start of the school year, why not look at what's available? You may find your dream home sooner than you think. 🏡



IN THIS ISSUE

Meet the New Genworth

Work From Home

Home Care

Homebuying Tips

Location

WWW.SAGEN.CA