

Benefits of working with Spectrum

- + Better client relationships
 - + Improved client retention
 - + Increased client value
 - + Greater opportunity for wealth management
 - + Increased value to external Realtor referral relationships
 - + Increased service and product availability
 - + Referral fees
 - + Protect your client relationship and your 1st mortgage
 - + Ability to 'split' mortgage with Spectrum
- (You provide lower LTV 1st with Spectrum 2nd mortgage 'top-up')
- + Ability to recapture mortgage at renewal and regain mortgage customer
 - + Ability to outsource 'problem' mortgages



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Spectrum Canada

MORTGAGE SERVICES INC.

January 2010 Newsletter

Spectrum emerges from the recession with flying colours!

We all now know that the credit crunch at the end of 2007 became a full financial meltdown by the middle of 2008, and finally turned into a global recession.

When Household Finance in the US revealed huge losses due to subprime losses in February 2007, it was the first sign that the US housing market was turning sour, and that it could have a knock-on effect on the global financial sector.

Spectrum began battening down the hatches for what was to be an extremely difficult period in the Canadian mortgage industry and one from which many players would not emerge.

Although Spectrum wasn't totally unscathed, with our lending operation significantly scaled back, we have enjoyed a year of month over month profitability which well positions the company for the growth opportunities that are likely to present themselves during 2010.

Management wishes to take this opportunity to thank our bank and credit union origination partners for their ongoing support during these challenging times, our employees for their hard work, commitment and loyalty and our investors and friends of the company for their ongoing support and encouragement. We are excited at the prospects ahead for 2010 and wish all of you a happy and prosperous New Year!

"We're Here To Help You Build Your Business!"

Holly.M.Bertram@spectrum-canada.com

“We’re Here To Help You Build Your Business”

You may have seen our new tag line on recent marketing material...our focus for 2010 is to help you to build your business...so every time we speak with you we will have this in mind! There are a number of ways we can help you to do this...here are a couple:

Increasing wealth management opportunities

Many of the referrals we see from you are refinance applications where clients have high amounts of revolving debt. Successful refinancing often results in substantial monthly cash flow savings for these clients which can be put to good use in savings accounts, investment products or RRSP contributions.

We will notify you on all files where there are cash flow savings to allow you to contact your client to discuss these wealth management opportunities.

Bringing mortgage clients back to you at renewal

When you refer a client to us we will always look first for a SHORT TERM mortgage solution. We notify you prior to renewal of this mortgage to see if you can offer them conventional financing and regain them as a mortgage customer.

This helps you to build a book of business by providing future sales opportunities for those clients who may temporarily fall outside of your own lending guidelines.

What happens when lenders exit the mortgage market?

As mentioned on page 1, many Canadian mortgage lenders are no longer writing non-prime mortgage business and/or are looking to wind down their mortgage portfolios (Accredited, HSBC Finance, Xceed, GE Money, Citi Financial, Wells Fargo).

What happens when a client’s mortgage comes up for renewal and their current mortgage provider will not renew? Their first course of action is normally to see if they now fit their bank or credit union guidelines. If not, it is urgent that clients explore every option available in order to renew their mortgage and avoid foreclosure proceedings. This can even happen when the client has a perfect payment history with their current mortgage lender!

How can you help? Refer ALL clients to Spectrum-Canada! The mortgage market is still highly fragmented with hundreds of different lenders and literally thousands of products and options.

This is Spectrum’s area of expertise and where we have been focused for the past 10 years. We have access to every available lending source in Canada and can almost always find a solution!

We want you to refer ALL of these clients to us – We will research every available option and provide the help and guidance they need to secure their mortgage renewal. This helps you to retain the client relationship for other sales opportunities and is another potential mortgage customer for you in the future!

Where does Spectrum fit in the community?

In 2009 we supported the following charities

• CUPA – Proud Sponsor!	• Ontario CU Charitable Foundation – golf tournament
• United Way – Twin Oaks golf tournament	• Eastern Ontario Credit Union Alliance – golf tournament
• Ottawa Foundation for Mental Health – Alterna golf tournament	• CUMA Niagara
• Multiple sclerosis – Alterna Savings MS Walk	• VGH & UBC Hospital – Coast Capital golf tournament
• About Face – Scotiabank golf tournament	• Hands Across Niagara – Marty Cowal golf tournament