For insights on the big picture or important details, ask the experts

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What an investor, certified financial planner, mortgage broker, home inspector and realtor have to say about the best strategies for today's market

Low stock and bond market returns are making real estate investment more attractive, but it's essential to recognize and manage the risks. Real estate is not a passive investment, and due to limited liquidity in many market conditions, it is even more of a "buy and hold" investment than many stocks or mutual funds. Investors should plan to be in a particular market, through ups and downs, for a decade or more.

Investors can do extremely well by adding quality, well-researched real estate to the long-term portion of their portfolio as long as they are well informed about the risks as well as the potential rewards. If you analyze a property only for its potential income and capital cost, you'll often end up buying a risky investment – many rookies have lived to regret buying properties because of price rather than potential.

Successful real estate investment requires buying in markets with strong underlying economics, today or projected for the near future. A strategic approach is critical, and knowledge of a region is more important than knowledge of a particular property.

Don Campbell is a senior analyst with the Real Estate Investment Network and one of the co-authors of *Secrets of the Canadian Real Estate Cycle – An Investor's Guide*

My best advice is to have a plan for your future and a home payment amount that fits your plan and allows you to accomplish your other life goals as well. Make sure you plan for property tax and insurance, utilities and a savings account for ongoing maintenance and repairs – even new homes need regular TLC. To save interest overall, automate your payments to align with each payday, and remember that adding even an extra $25 extra biweekly (the cost of five gourmet coffees) onto each mortgage payment can shave years off the amortization.

Many new homebuyers want to jet-propel into their dream home right away, but there is nothing wrong with working your way up from an affordable 'starter' home, steadily increasing the size and features as your family and income grows. Don't let the dazzle of a property sway you: there are many people living in their dream homes with little or no furniture, no travel and high credit card bills.

Janet Gray is an Ottawa-based certified financial planner with Money Coaches Canada

My best advice for homebuyers is to remember their Saturday morning cartoons. An all-time favourite for me is the adventures of Wile E. Coyote attempting to capture the elusive Road Runner – only to have each attempt backfire.

Owning a home has many wonderful benefits, but more expensive is not always better, especially since banks are issuing approvals based on today's rock bottom interest rates.
Buy at the top of your budget, and like the coyote, you may find yourself running over the edge of a cliff and plunging to the ground below. To avoid the pain of that fall, have a plan in place for five years and one day so you'll know what your payment could go up to the day after your first mortgage term is due to be renegotiated. Since interest rates have nowhere to go but up, your low payment today could increase by several hundred dollars leaving you to deal with the 'gravity' of a paycheque that does not stretch as far as it once did. (Meep! Meep!)

Brandon Scott is an Edmonton-based accredited mortgage broker with Benchmark Mortgages Inc.

Across the country, prospective homebuyers are eager to either get into the real estate market or to upgrade. In all the excitement, it is sometimes easy to focus on the cosmetics, aesthetics, floor plans and neighbourhoods and to forget that a house is a complex set of systems designed to keep the occupants warm, safe and dry.

Remember that many of the systems of a home are effectively consumable items – the roof, furnace and air conditioner, for example, need to be replaced every 15 to 20 years. Other systems have longer life cycles, but can become obsolete, like the plumbing or electrical systems. The structure of a house usually does not have to be replaced, but poor-quality renovations or deterioration can result in expensive repairs.

Don't assume that the elements that you see on the surface represent the condition of the underlying systems and components, otherwise you could end up buying a home with unexpected, and unbudgeted, repairs. A home inspection can provide you with the unbiased information that you need to make an informed decision.

Graham Clarke is the president of the Canadian Association of Home & Property Inspectors

In Vancouver, we hear a lot about housing prices, but the issue is really land prices. It's been more than 40 years since the City of Vancouver built a new subdivision, and it doesn't matter what average incomes are if people are bringing in boatloads of money. There's a trickle-down: people are selling their houses because their kids have moved out, and they're downsizing to condos in the downtown core.

We've become a very big, world-class city, and if you look at other big cities, it's common for people to commute for two hours. They don't complain because it's been like that for a long time – only very affluent people live in Tokyo or New York City proper.

When people want the downtown lifestyle but can't afford it, I recommend buying a home in Port Moody or Surrey, somewhere further out, and renting it out. Then rent in the city. Too many people are trying to save up to buy a place downtown, competing with people with more money, and losing out on the opportunity to be in the market.

Ian Watt is one of B.C.'s leading realtors, specializing in luxury condos in Vancouver's downtown core