

More Colborne Creek lots

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Project management costs outlined Referring back to the October 16 meeting of Council, Deputy Mayor Ray Kelly asked Mr. Bowskill what the Builders' Group would charge to manage the project. (Council approved them as the managers on Oct. 16, despite uncertainty about the cost)

Mr. Bowskill explained that an outside project manager would charge between \$85-100,000. He later outlined in an interview that they generally charge about 10 per cent of the value of the work. Estimates to date for servicing the subdivision have ranged from \$1.15 million to about \$2.2 million. The actual cost will be established when bids have been received on the job sometime in January or February. According to Mr. Bowskill, that is an ideal time to seek tenders. Those costs will be a major factor in the final cost of the lots to the builders.

If the Builders' Group manages the installation of services, Mr. Bowskill estimates they will charge about \$40 per hour. This is significantly less than the \$125-150 per hour that an engineer would charge. Mr. Bowskill added that there would be expenses and an engineer would have to be brought in at critical stages in

construction.

Whatever route Council goes, Mr. Bowskill recommended that they put it out to tender if they were going to spend the money.

At its October 19 meeting, Council was faced with a recommendation from its lawyer, Peter Hustler that the entire development be put on hold pending receipt of further information about the cost of the project.

After a lengthy discussion on Oct. 19, Council agreed to proceed with the model homes and a total of seven houses on Division St. It will wait to decide on the rest until the bids are received for the servicing. If they are high, Council may want to take another look at a suggestion made by Councillor Ed Van Egmond that the Township sell the development to a developer.

Council agreed on Tuesday to Mr. Bowskill's request that the new plan be approved. Once D.M. Wills has completed the engineering plans they will be sent out for tender.

At the request of Councillor Marc Coombs, Township Chief Building Official and Planning Coordinator, Becky Bonisteel will consult with the Builders' Group to determine what is needed from a project manager.

How to buy a house in Colborne Creek

Want to buy a house in Colborne Creek, the new development in Colborne? Read on. Local realtor, Stan Chapman of Tip Top Realty, makes it all sound easy.

In an interview last week, Mr. Chapman outlined the process.

The first thing to do is contact your realtor and let him or her know you are in the market to buy. The realtor will want to know how you wish to be represented.

Most buyers want an agent to represent them, but some prefer to do the shopping themselves.

If you have an agent working for you, the agent will split the commission for the sale of the house with the agent who lists the house for sale. If you work on your own, you don't save anything. The lister pockets the whole commission.

But don't worry about money now. You won't be putting any money out until you're serious about making a deal.

Once you have agreed with the realtor how much commission will be paid, you sign a Buyer Agency Agreement. Commissions

generally range from two to three per cent of the sale price. When you add in the selling agent's commission, that can add up to close to \$12,000 for a \$200,000 home. Now you have an exclusive agent working for you for a set period of time.

You and your agent can put together an offer on the property you want - and sign another paper.

This one, called a Confirmation of Co-operation and

Representation form tells everyone who is representing whom on any specific offer. Mr. Chapman says this form is now in use for 80-90 per cent of all deals. It's part of the real estate industry's effort to make the business more open.

Now, head off to the property, check out the lots on the Colborne Creek plan, maybe even look through one of the model homes.

If you're buying from a model or a plan, you may want to make some changes. This is the time to upgrade the flooring, change the cabinets, or even move an interior wall.

Now, make an offer on the Agreement of Purchase and Sale form.

So far, you haven't spend a cent on anything but your gas. You'll start now.

The offer will define which of the 72 lots you have chosen, describe the plan and name the lot. The price you are offering will be included and a deposit, usually around \$2,000. But it could be larger on a new home. It will be deposited in the listing broker's account and stay there. If the house is purchased, the money will be applied to the cost. If the deal falls through, it'll be returned.

Rarely, a buyer will lose the deposit by not acting in good faith. Often that happens when the buyer decides not to get financing.

When you make your offer, you and the seller will place conditions on the sale. Both sides have to agree. These will probably include the time the house will be finished, barring unforeseen weather or a

sub-contractor problem. In most cases, the deal will be subject to you getting financing, but that doesn't take more than a few days. It could also include a condition that your current home be sold if you're not a first-time buyer.

There is no sold sign on that lot until all the conditions have been met. And the seller may have an escape clause inserted in the event that you can't meet the conditions within a reasonable time (Often two weeks).

As a realtor, Mr. Chapman doesn't advise keeping a long-term condition on a property. It ties it up for too long.

The offer will have a number of clauses protecting the buyer and seller from anything unexpected. They will define how much will be paid when the deal closes and the house becomes yours. One clause will allow for a house inspection, another will define the specifications of the house. If it is a new home, you will be expected to pay some of the cost as it is built.

Somewhere in the long list you will find the list of restrictions placed on the property by the Township. This can include fences, sheds, driveway materials, and anything that might affect the outward appearance or use of the property.

The papers are signed, the house is built, it's time to move in? Not yet.

Get out your cheque book. There are land transfer taxes, legal fees, title search fees, and moving costs.

Now you can move in.