

The Law and You

These questions and answers, based on Ontario Law, are intended to inform and not to advise. No one should try to apply or interpret the law without the aid and advice of a trained expert who knows the facts, since the facts of each case may change the application of the law.

Q: I plan to have some repairs done on the house and will need to borrow some money. Does it make any difference whether I go to a bank or a finance company?

A: The type of credit you receive from a bank or a finance company is what is termed lender's credit. In exchange for the cash loan, the bank requires some form of security. In some cases this may consist of a chattel or realty mortgage tie: the lender is given the right to seize certain personal or real property should the borrower default on the payments, or perhaps a co-signer on the loan will suffice. A person consigning in effect is promising to pay the loan should the borrower default on his payments. While it may be more difficult to obtain a loan from a bank, it is to your advantage to try, as a bank's interest rates are generally lower than those of a finance company. Also a bank is likely to advise its customers on financing. If you can not obtain a bank loan it may be worthwhile postponing your purchase, ask yourself if it is absolutely necessary to you at that time.

Q: I am told that interest rates can often go as high as 24 per cent a year. This seems a little steep. Is there no limit set by the government?

A: Basically loans over \$1,500 are unregulated except by the Unconscionable Transactions Relief Act and any rate clearly set out and agreed to by you is binding. Loans under \$1,500 are governed by the Small Loans Act. By this there is a set limit of 2 per cent a month on the first \$300.00, then 1 per cent a month on the next \$700.00 and 1/2 per cent a month on the final \$500.00. Looking at a schedule of examples:

- \$300.00—24 per cent a year
- \$500.00—21.7 per cent a year
- \$1,000.00—17.7 per cent a year
- \$1,300.00—16.2 per cent a year
- \$1,500.00—15.2 per cent a year


It is clear that loans under \$300.00 are the most expensive. One should be wary of lenders offering to loan over \$1,500 and also of "Bill Payer Loans" whereby small loans are amalgamated. In such a case the loan could exceed \$1,500 and the lender would lose the protection of the Act.

Q: When I am obtaining credit, what information am I entitled to receive from the lender?

A: If you do buy on time and the purchase price exceeds \$50 the Consumer Protection Act requires that the contract contain, in writing, the following:

- name and address of the seller and buyer
- a description of the goods sufficient to identify them

(Continued on page 10)



Saxe

Stephen P. Saxe Limited Realtor

877-2219 or 453-1111 TORONTO LINE



**\$47,500.00
RETIREMENT HOME**

Or small 2 bedroom bungalow for starter home. Bright living room has a view of large lot with gardening potential. For appointment to view please contact Eleanor Langdon



\$98,500.00

TROUT FISHING NEXT DOOR!

Beautiful country setting in Niagara Escarpment very well landscaped, aluminum and cut stone bungalow, deck from kitchen, walkout, 2 fireplaces, double car garage, workshop wired for 220. Located near Limehouse. Call John Caton.

COMMERCIAL STORES
4000 sq. ft. \$1650 per month
900 sq. ft. \$375 per month
1500 sq. ft. 813 per month
All properties net, net. Call Tom Cooper

BUY YOUR OWN GARAGE!
3 bays, Shell gas pumps, all equipment included, paved lot good outside storage, office, income from apartment. Located in Georgetown. Asking \$135,000.00. Call Tom Cooper

TALL PINE ESTATES

Don't miss it. Exclusive park area with very unique homes. Right now 2 homes open for inspection. Exceptional "curb appeal" as well as host of well-thought-out interior amenities. Note the outstanding workmanship. Drive by tonight or better still call Robin Fischer to tell you more about the.

These homes are sold. Only 4 lots left to choose from to move in before Christmas!

- Lot 12 - \$109,800. - 4 bedroom 2080 sq. ft., walkout basement, ground floor laundry. Dormer roof-line.
- Lot 11 - \$106,300. 4 bedroom side split. 2-4 pc. washrooms. Contemporary design.
- Lot 6 - \$105,800. - 3 bedroom side split. Walkout family room. No crawl space. Double car garage.



"HIGH ON A HILL COUNTRY COMFORT"

A great home for family living and luxury entertaining. High on a hill, it stands in regal splendor featuring large studio, living room with floor to ceiling stone fireplace, formal dining and stone feature wall in the open concept entry hall. In-floor pool, sauna, separate shower and washroom, excellent entertaining area at walk out level with commercial bar systems. Priced at \$168,500. For your appointment call John Caton.



WOULD YOU LIKE A MAIN FLOOR FAMILY ROOM AND PAY ONLY \$49,900?

Then find out more about this home. It is not only amazingly spacious and very clean but has 3 bedrooms, living and dining room, eat in kitchen, 2 bathrooms and garage. Too good to pass by. Call Rozetta Stolp.

**\$56,900.00
DUPLEX SPECIAL**

This 2 storey brick home has 2 self contained apartments, and has recently been improved with a roof, wiring, aluminum soffits, fascia and eaves. Centrally located to schools, shopping and all amenities. For your exclusive viewing call John Caton.

GOOD OPPORTUNITY IN RURAL AREA

73 Acres of land with bank barn, approximately 40 acres of good workable land, balance is mostly cedars with pond sites. An ideal location for your hobby farm just 20 minutes from Georgetown and close to paved road. Asking \$87,500. Call Norm Sinclair.



NEW EXCITING KITCHEN

Do you want a country property ten minutes from town, with absolutely no work except to move in? This 3 bedroom sidesplit in the Wildwood area is just the one. Fireplaces in the living and rec. room, new kitchen, main floor laundry area. Priced at \$108,500, call Robin Fischer for an appointment to view.



START IN A TOWNHOUSE—\$41,900

You'll be surprised at the space these homes have. 3 bedrooms, living and dining room, and best of all—Parking is right outside your door. Call before it's gone. Rozetta Stolp.



CENTRAL AIR CONDITIONING

A fenced yard for the kids, central air conditioning to beat the heat, deck, living room, dining room and eat in kitchen. Three good sized bedrooms upstairs in this semi. Priced at \$59,900. Call Robin Fischer.

**Stephen P. Saxe Limited, Realtor
170 Guelph Street, Georgetown, Ontario**

**Tom Cooper, F.R.I. 877-9620
John Caton 877-6564**

**Norm Sinclair 877-6050
Howard Caton 838-2708**

**Rozetta Stolp 877-2180
Don McMillan 854-2435
Wendy Saxe 877-2984
Robin Fischer 877-7194
Eleanor Langdon 877-2493**