

HALTON HILLS & AREA PARADE OF HOMES

By MACK PARLIAMENT
Director of Publications
Canadian Real Estate
Association

While federal government loans for existing housing have not received the publicity or prominence that other federal housing programs have, they are nonetheless available to Canadians who wish to invest in this type of home.

There are advantages for many people in acquiring an existing (resale) home such as its better location relative to a place of employment; the all-important price tag and the fact that young, childless couples especially can acquire a house of a size to suit their present requirements and lifestyle without being "overhoused."

The last mentioned has important dollars and cents implications. The space in a home which is not being used or needed still must be paid for, both in higher mortgage payments and in higher taxes. It is just good business practice to tailor the space purchased to requirements, thus avoid unnecessarily high fixed overhead costs.

The money saved by following such a practice can be invested and the savings, plus the earnings on them, can be used to purchase large accommodation when the need for it arises or to purchase some other big ticket item in the future.

If the money is used for a larger or a new house later, mortgage payments will be effectively reduced, resulting in the new property being easier to carry and in a considerable savings in mortgage interest over the long haul.

However, with the apparent concentration of government programs on new housing and with their attractive subsidies, some persons have found themselves in possession of more accommodation than they actually need and in a location further from their place of employment than they would like to be.

The alternative is acquisition of an existing home, which meets a husband's and wife's preferences with the assistance of a National Housing Act (NHA) loan.

While the interest rate on the loan may not be as attractive as those for some subsidized federal programs concerned with new housing, the other terms do make going the NHA route to existing housing more than worthwhile.

For instance, the loans are high-ratio for moderately priced homes with the buyer's minimum equity (down payment) being only equal to 5 per cent of the value of the property. For most other purchases of existing homes the down payment requirements average at least 10 per cent.

The low equity requirements are made even more palatable because the equity can be in the form of cash, labor, equity in the property, or any combination of these.

In addition, the purchaser can borrow any amount above the 5 per cent from other sources, but this will be taken into account when the ratio of payments to income is being considered. In other words, the purchaser can borrow the down payment as well as the rest of the money, but from a different source.

Payment obligations in a year for the mortgage loan plus municipal taxes are not more than 30 per cent of the borrower's income. Depending on the lender, the annual income figure may include whatever portion of a spouse's income that is considered appropriate.

Then if a husband is earning \$14,000 and his wife \$6,000, the total gross income allowed in calculating the 30 per cent mentioned above could be \$20,000. Knowing NHA loans are insured, lenders are often more generous in allowing a greater portion of a spouse's income to count.

More specifically, if the combined income was \$20,000, the gross debt service ratio of 30 per cent would be \$6,000—or the total amount the couple could afford to use for mortgage payments. So in many cases, couples with a con-

siderably lower combined income could afford to purchase an existing home under the program.

The maximum loan available for an existing dwelling is as high as 95 per cent of the first \$47,000 of lending value, or \$44,650, plus 75 per cent of the balance up to maximums established by Central Mortgage & Housing Corp. (CMHC) for specific municipalities and regions.

Here are some examples of other maximum amounts: Toronto, \$55,000; Hamilton and Oshawa, \$53,500; Vancouver and Victoria, \$55,000; Edmonton and Calgary, \$47,500; and Yukon and Northwest Territories, \$52,000.

The mortgage loan usually has a repayment period of from 25 to 30 years, but the "term" is usually five years. This merely means the balance of the loan is renegotiated at the end of each five years at interest rates then current. This has been a common practice for several years.

Application for a mortgage loan is made to an NHA approved lender and must be accompanied by an application fee of \$35 as well as two copies of the CMHC Form 1604. The \$35 will be returned if the application is rejected.

The NHA loans may also be used for improvements on an existing house and in some

cases to discharge certain debts, such as mortgages, sales agreement balance, liens or other debts.

This means that a person can buy a lower priced home, sometimes referred to as a "handyman's special", and not only obtain a mortgage loan for the purchase price, but also for the improvements. If the purchaser does some of the labor himself, this can be converted into "sweat equity" and used as part of the down payment, as described earlier.

As one veteran real estate practitioner, who has had considerable experience with the program, remarked: "It is a great way to buy a structurally sound home that needs some work done on it."

It is possible for more prospective buyers to be qualified under this program than under private lending schemes, he added.

According to CMHC, the principal purpose of the program is "to extend home ownership opportunities to those families who may wish to purchase a dwelling from existing stock and to enable owners to improve their homes." It is frequently referred to as the "E Program."

HOME OF THE WEEK



BEAUTIFUL BARGAIN

Builder's Home. This spacious side-split has all the features you'd expect for thousands more than the asking price. Five levels completely finished. Family room, rec room, play room, formal living and dining rooms. Large kitchen, 4 baths, broadloom throughout, valances, walk-in closets and many more extras too numerous to mention. Would you believe \$79,000 - \$25,000 to one mortgage moves you in.

FINN H. POULSTRUP

877-0173 Realtor 877-5331

ZORGE
JON ZORGE REAL ESTATE Inc.
Realtor
877-0155 457-2624



JUST DISCOVERED

Mature tree one acre property south of town, beautiful landscaping. Big 3 bedroom bungalow, broadloom throughout, family room with walk out to poolside patio plus inground 18x36 concrete pool. Priced to sell at \$89,900.



OWN YOUR PLACE

In the country. Not too big, not too small. 9 acres with 3 bedroom bungalow, barn, workshop and lots of fresh air and space to be on your own. Located 15 min. N. of Georgetown and priced at only \$89,900.



HERE'S ANOTHER

3 bedroom townhouse just listed. Very clean and nicely decorated. Broadloom throughout and handy to shopping, etc. Call now before it's gone. \$42,900.



RAVINE LOT

Large roomed 2 storey, 3 bedroom house in older area of town. Kingsized 23 ft. master bedroom, almost new kitchen cabinets. Priced low at \$55,900, to allow for necessary new decorating. Owner anxious, so make offer now.

MOVING TO MISSISSAUGA?

We have a sweet little bungalow near Brown's Line. Listed at only \$53,900.



CONTEMPORARY "WHITE PINE" BEAUTY

50 acres mixture of mature bush and rolling hills with view for miles from the escarpment. The home is professionally designed and built by master craftsmen and features large comfortable rooms, balconies, a kidney shaped pool and much more. A pleasure to show. Price \$259,000.

SELECT YOUR CHOICE LOT NOW.
ON BEAUTIFUL MULLEN PLACE—JUST OFF MOUNTAINVIEW RD. NORTH
NOTE THESE DISTINCTIVE FEATURES:

- 100 ft. min. frontage
- country size lots
- underground services
- paved and curbed
- only minutes from Plaza

AREA: 1774 sq ft
WIDTH: 56 ft 4 in.

THIS IS ONE OF THE MANY DESIGNS AVAILABLE, OR YOU MAY BRING YOUR OWN.

877-0155 457-2624

10 Mountainview Rd. S., Georgetown

WARREN CRAWFORD 878-7487
CORING DE PAOLI 877-7974
SALLY REED 877-4350
VICKY LUKAS 877-5476
JON ZORGE 877-5345



JUST LISTED
4 bedrooms main floor family room, backing onto open fields. Steps to schools and shopping. Asking \$62,900. Don't delay this one will be sold today. Call 877-0173.

SPIC AND SPAN
Is the only way to describe this super 3 bedroom side split in show room condition. Large living room and dining room with walkout to patio and gas barbecue. Rec room in English pub style with roughed in fireplace. 2 car garage, fully fenced and a real steal at only \$61,500.00. This one won't last. Call 877-0173.

SHERWOOD FOREST
This spacious four bedroom home on 2 1/4 acre estate type lot in Caledon. Only 20 miles to Georgetown. Spacious family room offers antique brick fireplace with barn beam mantle, plus walkout to your gorgeous 70' pines. New owner may have choice broadloom and interior colours from the builders samples. Best yet! The price is only \$99,900, with excellent financing. Call 877-0173 for more details.

IMMACULATE AND MASSIVE
This super clean country charmer has everything you've asked for. 1 1/2 acres of rolling tree country side. Lots of room for kids or even a horse. Immaculate 27' family room with walkout and fireplace. 3 bedrooms, broadloom and much more. Call 877-0173 for personal inspection.

BUILDERS HOME
They didn't spare the quality in this super clean 5 level home. Everything is perfect - no cracks, nothing missing, completely finished in over 2200 sq. ft. Only \$25,000 down to a Vendor's mortgage. Call us today for details on extras and what's inside. 877-0173.

HUNGRY
Everyone has to eat. This fast food business currently making a good profit shows potential for a super return. If you want your own business but can't afford the set up cost, or are worried about the risk, try this one at only \$12,500. Including all equipment, lease and training. Call 877-0173.

MINI ESTATE
This attractively finished raised bungalow offers over 1800 sq. ft. of luxury living space, broadloom, fireplace, 3 washrooms and much more. Priced low high? Not at \$65,900! Excellent financing available. Call 877-0173 for details.

CUTE AS A BUTTON
A completely renovated no maintenance Aluminum sided bungalow situated in town on a large tree lot. Broadloom, Appliances and much more. Try \$5,790. down. Hey! It even has 2 full bathrooms. Don't delay call 877-0173 today.

WHAT CAN WE SAY
About this home? You must see it to appreciate it! This stone 2 storey century home has 3 bedrooms and a lot plenty big enough for the children to play, plus a garden - maybe a tennis court, aluminum oaves and soffits and a resingled roof shows the care this home has seen. Country living, just 5 minutes from Georgetown Call 877-0173.

877-0173 **FINN H. POULSTRUP** Realtor 877-5331
VIBONNEVILLE 275-4935 FINN H. POULSTRUP 877-7858 R.C. (BOB) OLLIVIER 877-9290

Canada Trust
877-9500
Realtor

GOLDEN OPPORTUNITY
For you to finish this builders home and really save. 4 bedroom Spanish bungalow with big family room and impressive floor to ceiling stone fireplace, 3 baths, sunken living room, huge kitchen. This 2500 sq. ft. home is located on 27 acres of gently rolling country just north of Georgetown with 562 ft. frontage on main paved road. Asking \$98,500. Inspect today and submit your offer.

THE DREAM HOME
For the choosy family who love a gracious setting away from traffic, in a prestige area should have some or all of the following features, (1) Plenty of room to putter at your favorite hobbies. This one has the following: golf practice area, rock garden, heated pool, hobby & games room, wine cellar and 29x14 Florida heated room with fruit bearing grape vines. (2) For your fair lady, a gracious setting, 11 rooms tastefully decorated with quality carpet throughout, a formal dining room, 20x13 living room with walk out to balcony and pool area, rec room on ground level, an angelstone floor to ceiling fireplace, with sliding glass doors to pool & patio 15x13 master bedroom with 5pc. bath ensuite, large eat-in kitchen with built in oven and dishwasher. (3) For the weekend guest, a 12x15 bedroom with walkout to pool & patio area. Listed at \$144,900.

48 ACRES
A hobby farm, with all the trimmings including a 2,200 ft. air strip, a completely renovated and modernized rustic farm house, a 26x40 barn, large beautifully kept yard, with plenty of room for family activities. Located on quiet side road, 15 min. to 401, a real treat for the city commuter, must be seen to be appreciated. For further information call 877-9500. Asking price \$125,000.

4 BEDROOM SEMI-DETACHED
Mature trees, fenced yard, close to schools and plaza, large kitchen, rec room finished. Priced to sell fast. \$48,700.

WM. M. WATSON F.R.I. MANAGER
29 MAIN ST. S.
GEORGETOWN ONTARIO
TORONTO LINE 457 2900

ASK ABOUT OUR BRIDGE LOAN PLAN

W. F. HUNTER REAL ESTATE & INSURANCE LIMITED
122 Guelph St., Georgetown

A FIREPLACE AND LARGE LOT
These are two of the features of this lovely 2 bedroom bungalow. Located in a quiet area, and sitting on a 66x122 foot lot, this home has a nice sized kitchen, living room, and a family room with a stone fireplace. There is a modern 4 piece bath and forced air heating. A lovely house and asking \$47,000.

SCENIC - 40 ACRES
One of the few remaining parcels, situated high on the Niagara Escarpment with a panoramic view of Southern Ontario. Ideal setting for your future home and hobby farm. Two natural springs rising on property for future ponds. Well within commuting distance to Toronto, on all-year-round road. Asking \$140,000 with good terms.

CALEDON - 17 ACRES
What seclusion this well treed 17 acres offers with over 1000 ft. frontage and great possibilities for large lake - a very unusual piece of property - interest? Call and we'll show it to you.

ONE ACRE
Choice building lot 175'x250' on paved road Terra Cotta, Cheltenham area. In an area of fine homes. Building permit available. Good terms.

OFFICE 877-4441 OR 877-5165
IRENE CURRY 877-6616 LLOYD CRICHTON 877-6546
MARJ HUNTER 877-6906
HUGH HUNTER A.A.C.I.
APPRAISAL MANAGER 877-1931