

## Glossary of home buying terms

*Feel like you're back at school? Well, buying a house usually does involve learning a thing or two, especially for the first time purchaser. Here are some terms that you might hear bandied about during your visits to neighborhood open houses or model homes.*

**Amortization:**  
The period of time required to reduce a mortgage debt to zero when payments are made regularly. Amortization periods are most often 15, 20, or 25 years long.

**Approved lender:**  
A lending institution authorized by the Government of Canada through Canada Mortgage and Housing Corporation (CMHC) to make loans under the terms of the National Housing Act.

Only approved lenders can negotiate mortgages which require mortgage loan insurance.

**Deposit:**  
A sum of money placed in trust by the purchaser when an Offer to Purchase is made. The sum is held by the lawyer until the sale is closed, and then it is paid to the vendor.

**Easement:**  
A right acquired for access to, or for use of, another person's land for a specific purpose, such as a driveway or public utilities.

**Gross Debt Service Ratio (GDS):**  
The percentage of the borrower's gross income that will be used for housing costs, including monthly payments of mortgage principal, interest, property taxes, heating costs and half of any condominium maintenance fees.

**Interest Adjustment Date (IAD):**  
A date from which interest on the mortgage advanced is calculated for your regular payments. This date is usually one payment period before regular mortgage payments

begin. Interest due from the date your mortgage is advanced to the IAD is due on closing.

**Land Survey:**  
A document that illustrates the property boundaries and measurements, specifies the location of buildings on the property, and indicates any easements or encroachments.

**Mortgage:**  
A mortgage is security for a loan on the property that you own. It is your personal guarantee to repay the loan as well as a pledge of the property as security for the loan.

**Mortgage Loan Insurance:**  
Canadian lending institutions are not permitted, by law, to give conventional mortgages to purchasers who cannot provide a downpayment of 25 per cent unless the purchaser buys mortgage loan insurance, provided by CMHC. This insurance covers the lenders in the event that a home buyer has trouble making his or her mortgage payments.

**Offer to Purchase:**  
A written contract setting out the terms under which the buyer agrees to purchase the property. If accepted by the seller, it forms a legally binding contract subject to the terms and conditions stated in the document.

**Total Debt Service Ratio (TDS):**  
The percentage of gross annual income required to cover all payments for housing and other debts, such as car payments or student loans.

The Canada Mortgage and Housing Corporation publishes helpful booklets on buying a home and a variety of other housing issues.

## Find a new home on the Internet

Did you know you can now use the Internet to assist you in your search for a new home? The Ontario New Home Warranty Program (ONHWP) makes it possible through its web site, [www.newhome.on.ca](http://www.newhome.on.ca). An increase in consumer demand for faster and more in-depth information about new home buying resulted in the addition of many new and unique features to the site, one of which is the Builder Rating for After Sales Service search engine, Find-a-Builder.

Buyers are now able to check their builder's rating, search for a new home and confirm their builder's registration—all Ontario new home builders must be registered with ONHWP by law—with a click of a mouse. And because ONHWP's web site is the only one that lists every registered builder in Ontario,

new home buyers can be sure that the information they receive is the most comprehensive, current and accurate listing of new homes and builders available anywhere.

The site's Find-a-Home search function is particularly useful, enabling consumers to search for any new home enrolled with ONHWP according to geographical area, price range or unit type. It lets consumers access thousands of new homes across the province and hundreds of builders at their fingertips.

But more importantly, the new web site ensures consumers get the information they need, when they need it. For those without Internet access, a consumer hotline (1-888-463-6466) has been set up to handle builder ratings-related inquiries. —News Canada

## Buy from a registered builder

**B**etter safe than sorry. That's the advice the Ontario New Home Warranty Program (ONHWP) has for consumers thinking about buying a new home. With thousands of new homes and builders to choose from, prospective buyers would be wise to listen.

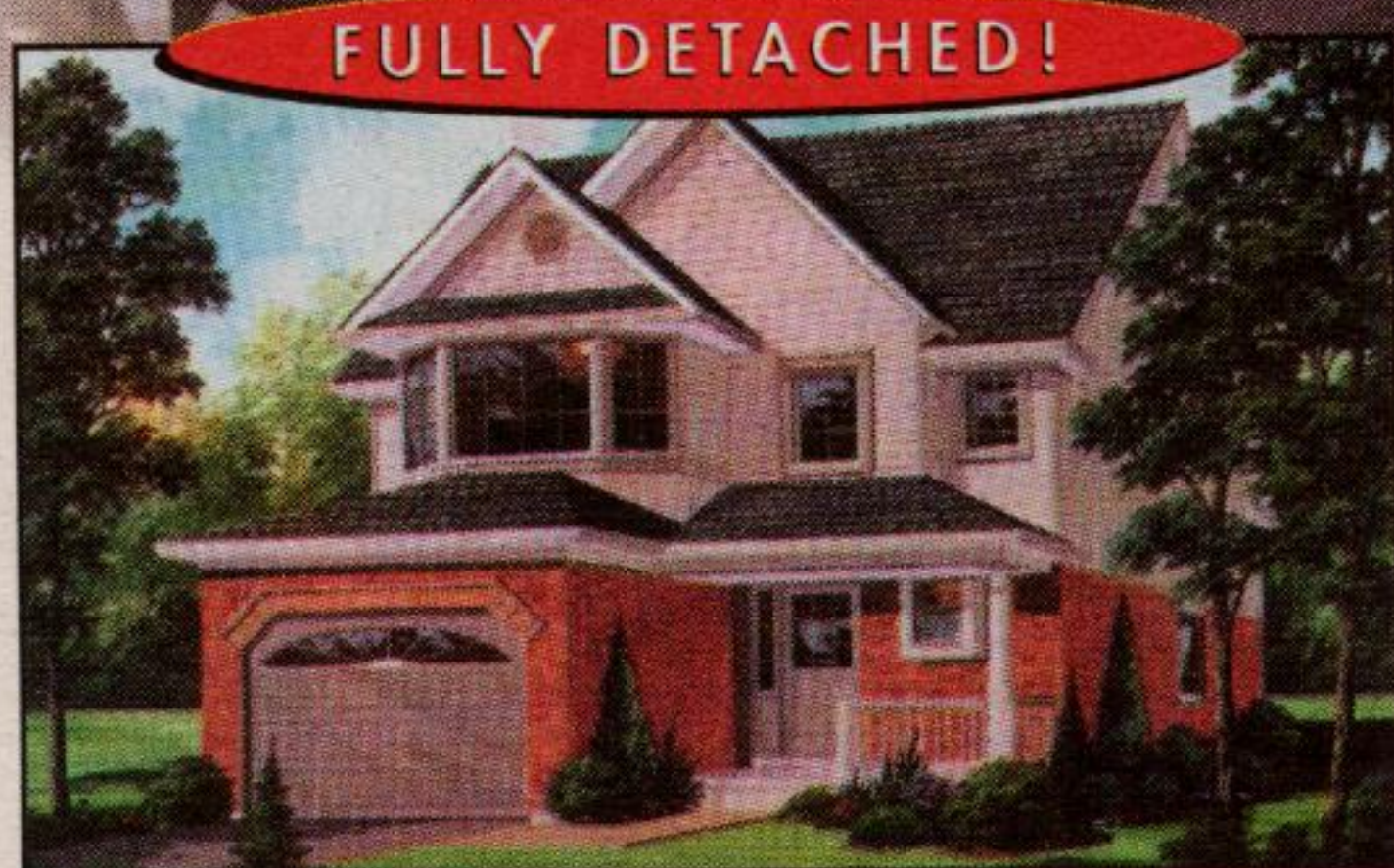
First, make sure your builder is registered with ONHWP (all Ontario new home builders must be regis-

tered with ONHWP by law) and has enrolled the home or condominium unit you are considering purchasing (all new homes and units must be enrolled with ONHWP). Ask for your builder's registration number and the home's enrollment number. This ensures that your new home will be built by a legal builder, to the standard ONHWP requires.

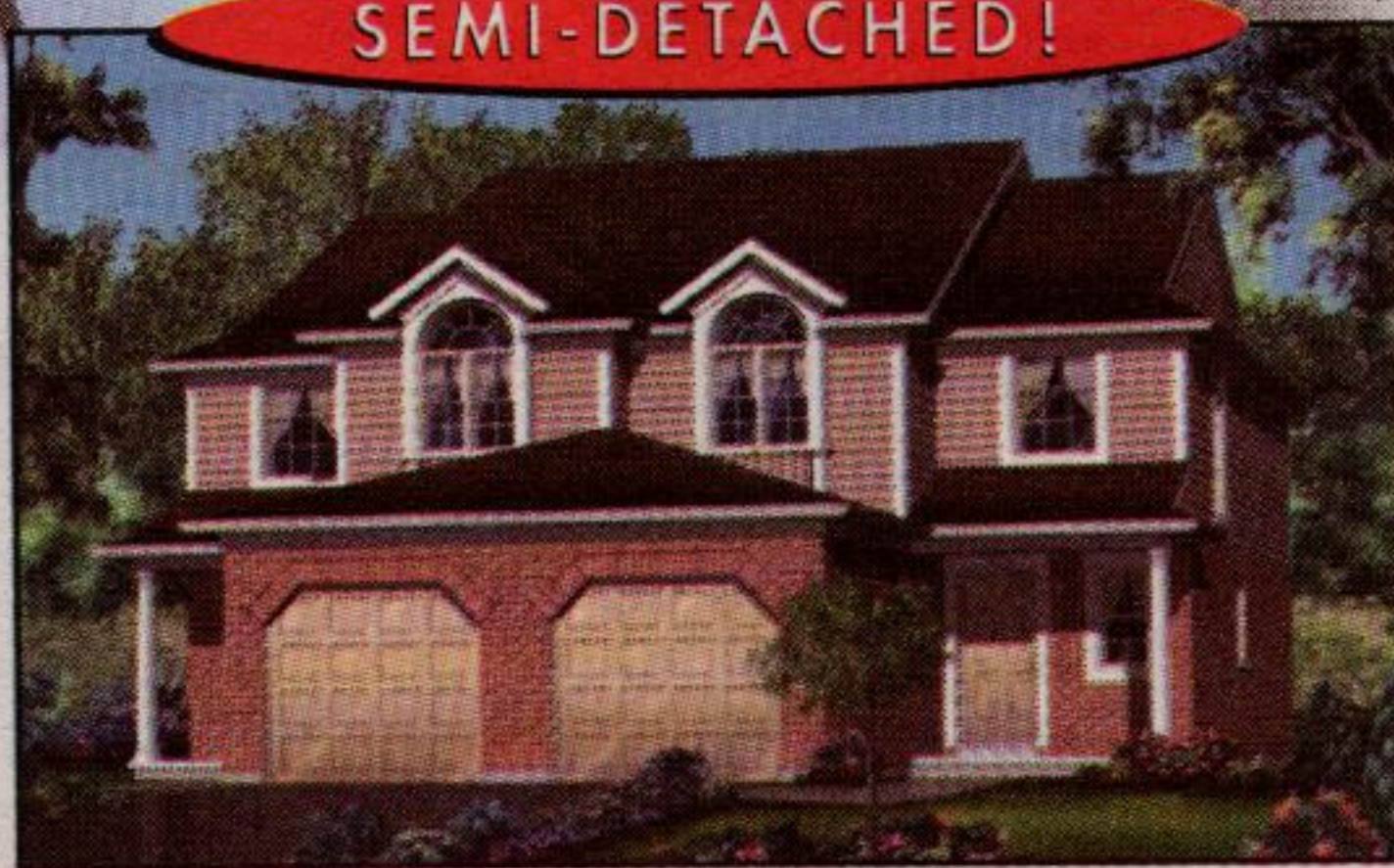
Next, check the builder's Rating for After Sales Service.

Every year, ONHWP awards each registered builder with a rating—from Below Average to Excellent—based on their ability to deliver a new home within established customer service criteria and guidelines. Builders who maintain an Excellent rating for consecutive years are awarded the Seal of Service Excellence. Look for it on display in sale offices, advertising and promotional materials.

# We've got what you want!



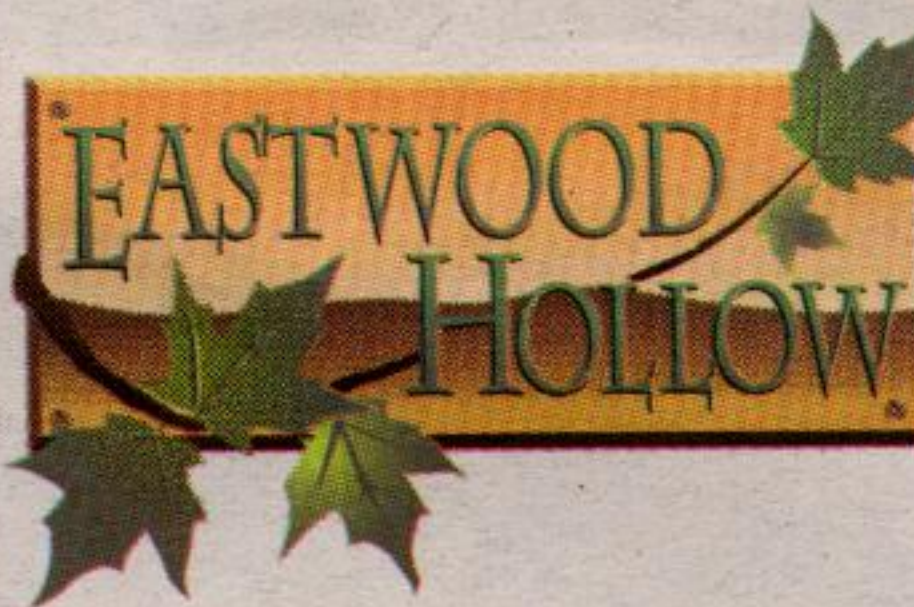
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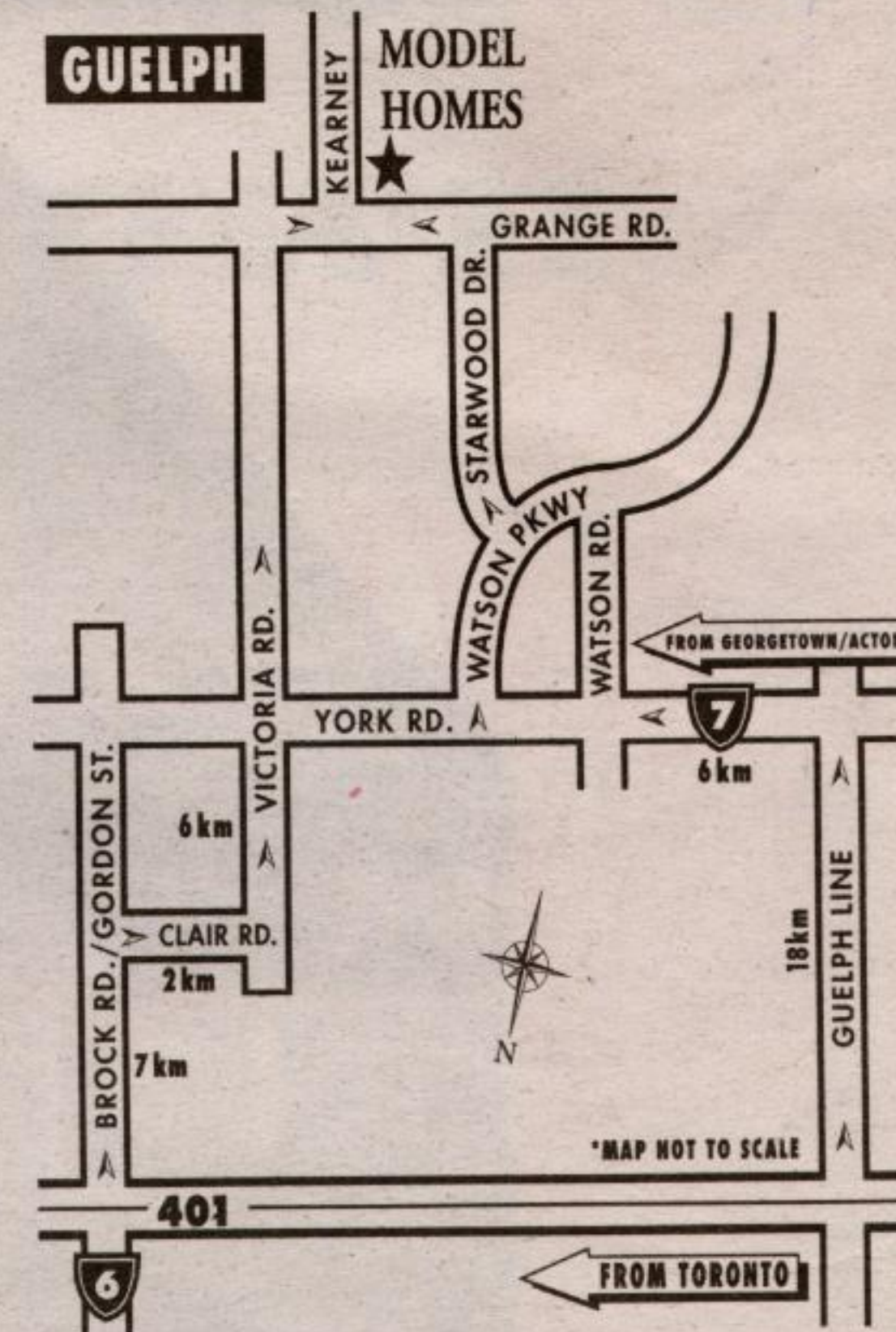
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Brooklyn Homes presents Eastwood Hollow, a new home community close to parks, golf courses, and the Guelph Lake Conservation Area, with easy access to Highway 7 & 24. We invite you to tour our designer model homes, or visit with a Brooklyn Home representative on site.

### Step Up to a Brooklyn Home!



Model Hours:  
Mon. - Wed. 2-7 pm  
Sat. & Sun. 12-5 pm  
(Other times by appt.)



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