

Affording a home involves variety of different factors

By JAMIE JOHNSTON

With real estate values moving upward, people are again becoming more concerned about "affordability" in home ownership.

The common belief is we are spending more and more of our income on housing. That would be true if income and operating costs (including mortgage interest) remained fixed and only house values increased.

But in reality, all three factors are changing. For example: when mortgage interest declined by 3 per cent from 13.5 per cent to 10.5 per cent, potential monthly mortgage payments dropped by 20 per cent. Affordability would then increase.

Over time, family income tends to increase which would also improve affordability. Unfortunately, property taxes and utilities also seem to increase — over time.

To create an accurate measure of affor-

dability would then involve relating all three factors. No index has been developed by Statistics Canada or the real estate industry as yet.

The Canada Mortgage and Housing Corp. did a report on the local housing market in Toronto in which an affordability index was developed. It showed that affordability was at a low in 1981 (when prices jumped and interest rates were on the way up to 20 per cent). Surprisingly, the affordability level in 1985 was virtually the same as in 1978 — meaning people were spending the same percentage of their income seven years later.

This type of information should be available for all cities over a lengthy period of time. It would assist the public and would provide governments and industry with better information in setting policies and providing housing.

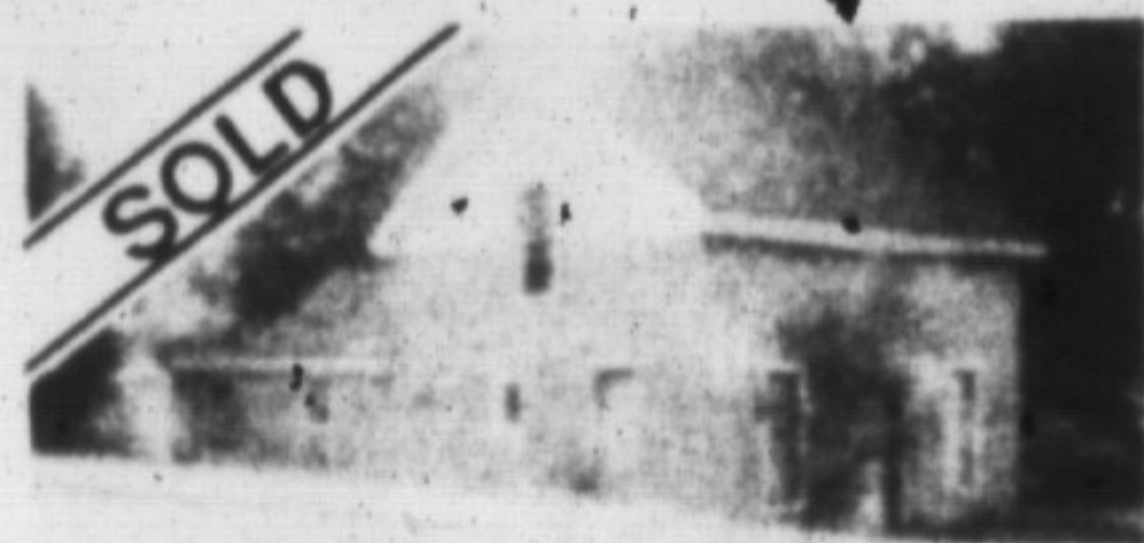
CHRISTIE & WOODS REAL ESTATE LTD.

189 Main Street, Milton 878-2095



CAMPBELLVILLE

In a class by itself. Built by one of Milton's prestigious builders, this truly elegant home awaits your inspection. Enormous kitchen with walkout to large deck. Beveled French doors on the main floor. Beamed ceiling and fireplace in the family room. Corner jacuzzi in master ensuite. Central air and much more. For your personal inspection call Marg Christie 878-2095 or 875-2443.



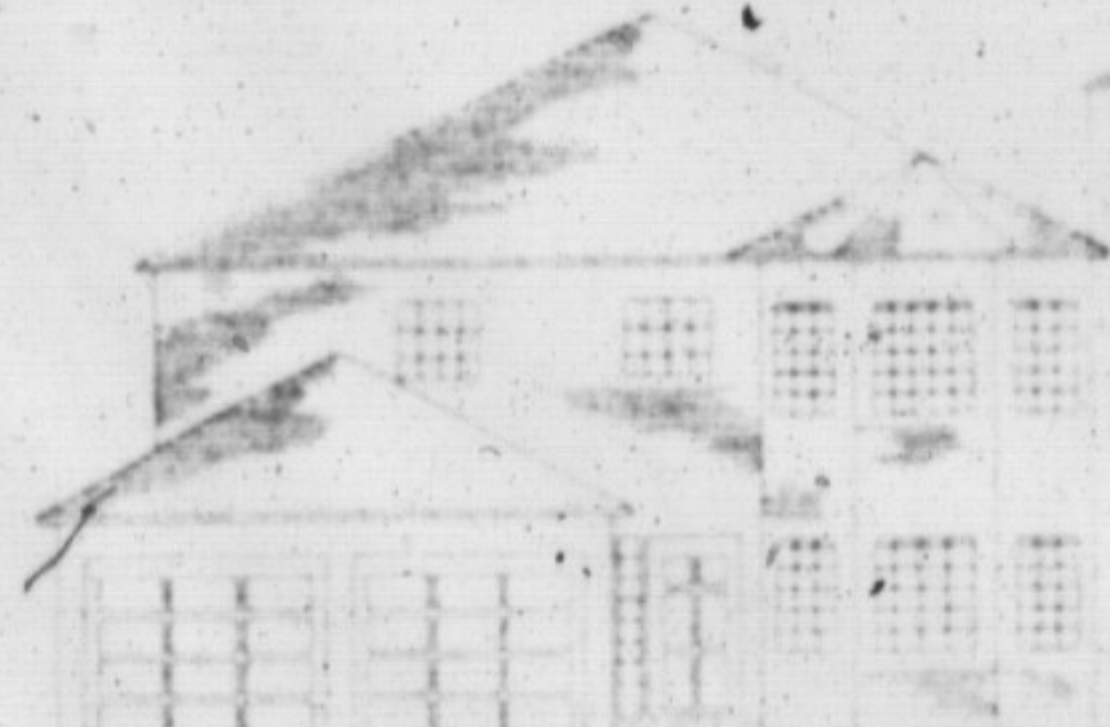
TOO LATE

See what happens when you hesitate? This 1-1/2 storey home was sold by Cameron Gall just last week. It could have been yours. There are many more to be sold so don't wait any longer. Call Cameron Gall 876-2856 or 878-2095.



VENDOR TRANSFERRED LOOKING FOR OFFERS

Situated on a quiet avenue and backs onto a park. This 3 bedroom home has been freshly painted and trimmed. Finished rec. room, w/o to deck and large master bedroom with double closet are but some of the features this home has to offer. Priced to sell at \$199,900. Don't hesitate to call Cam Gall today for your personal inspection. 876-2856.



ALL BRICK CUSTOM HOME

To be built on a treed lot in Milton. 4 bedrooms, fireplace, main floor family and laundry room. You can pick your own colours. Call Tim Nevins for all the details. 875-1263 or 878-2095.

LOTS

Building lot in town, private crescent nicely treed. \$124,900. Call Marg or Tim 878-2095. 3/4 acre lot on Woodward Street. Close to downtown. \$159,000. **SOLD** by Marg and Tim.

I'M ALL SOLD OUT

And have plenty of qualified buyers hoping to purchase soon. If you have been considering a move or need any real estate information give me a call. Cameron Gall 876-2856 or 878-2095.



THREE BUILDINGS FOR THE PRICE OF ONE!

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Yvonne Christie—Broker/Owner—878-2095

Tim Nevins 875-1263 Cameron Gall 876-2856
Allan Christie 878-2095 Margaret Christie 875-2443

Freeman

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FOR LEASE

38,700 sq. ft. Industrial warehouse, outside storage, CN Spur line, 1-20 ton plus 2-10' ton cranes. Asking \$4.00 net net.

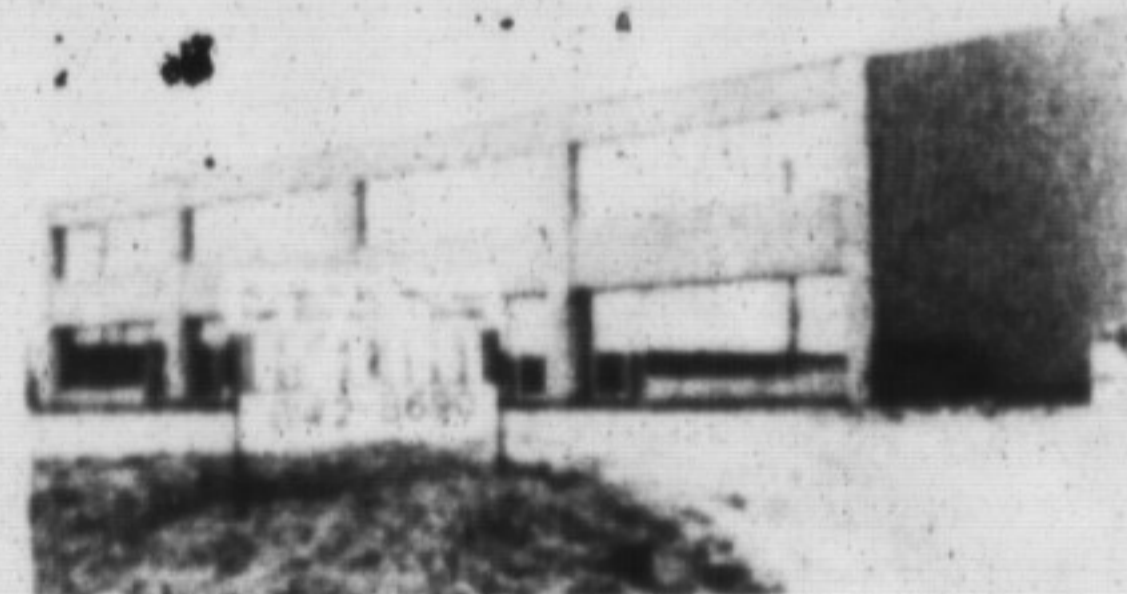
1,200 and 1,600 sq. ft. Industrial. Excellent locations. Asking \$4.80 net net.



3,000 sq. ft. Prestige Commercial Auto Plaza. Heavy traffic location, turnkey \$13.75 net net.

We are the specialists in Industrial and Commercial Leasing. Please call if you have space available or coming available.

OWN YOUR OWN BUSINESS LOCATION THE CONDOMINIUM WAY



2,000 sq. ft. plus 650 sq. ft. mezzanine
21 ft. clear, close to 401
\$200,000 per unit

INDUSTRIAL SITE FOR SALE

9.128 acres serviced, 401 exposure, rail available. Asking \$300,000

FOR THESE AND OTHER INDUSTRIAL, COMMERCIAL AND INVESTMENT REQUIREMENTS, CONTACT
MARILYN ANDREWS - 842-8690 or 878-4380

Bruce Freeman Real Estate Services Inc. - Realtor

This is not intended to solicit properties currently listed with other Brokers.

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To Keep You Informed:
MORTGAGE RATES THIS WEEK

BANKS	VARIABLE RATE	6 MONTHS	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Can. Imperial	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Bank of Montreal	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Laurentian Bank	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
National Bank	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Bank of N.S.	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Royal Bank	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Toronto Dominion	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
TRUST COMPANIES							
Cabot Tr.	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Canada Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Central Guaranty Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Co-operative Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
First City Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
General Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Guardian Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Household Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Montreal Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
National Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Premier Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Royal Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Standard Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Vanguard Trust	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Duca Credit Union	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%
Jet Power Credit Union	13 1/2%	13 1/2%	13 1/2%	12 1/2%	11 1/2%	11 1/2%	11 1/2%

NOTES: ** INTEREST RATE CHARGED SUBJECT TO ADJUSTMENT DURING TERM OF MORTGAGE

PLEASE CONSULT INSTITUTIONS FOR TERM OF YEARS AVAILABLE

R.O.R. RATES ON REQUEST R.O. RENEWALS ONLY

OP OPEN N/A NOT APPLICABLE

NOT QUOTING

RATES TAKEN

OCTOBER 4, 1989

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