



THE BIG HOME-BUYING PICTURE

April 18, 2011



BY HUGH HERON

Buying a new home today is fascinating, because you have more choices than ever before. It can also be a bit overwhelming because of that tremendous choice. There are a lot of things to consider, such as location, design, finishes, features and price. Over the years, I've sometimes seen buyers get caught up in one aspect, when it's the big picture, or overall package, that will make your decision the right one. This is a big step and probably the biggest investment you'll make in your life, so you want to be happy and content with the result.

Let's take incentives as an example. If you are considering several different communities where builders are offering special deals with your purchase, look at each one objectively and compare apples to apples. Free trips and cash backs are great, but when they become the main reason for buying, you may pass up the perfect home because of it.

One of the best things you can do is ask yourself what's important to you in a home. Then do your "homework" and compare fairly. I used to say that people spent more time picking out a pair of shoes than a home, but not anymore. Today's buyers are smart and informed. There are a lot of tools out there, from the Internet to home builders' organizations and industry associations where you can find information on just about everything.

Then start with the most important thing on everyone's list – location. Drive your potential commute during rush hour and see how realistic it is. Think, too, about future resale value. Of course, price is a huge driving factor for many people, but take some time to look at numbers in the proper light. Ask what your purchase price includes in the way of features and finishes. If you're offered a choice in incentives, think long term. As an example, if a builder offers \$5,000 in free upgrades or a year of free condominium maintenance, do the math and see which one places you ahead of the game in a few months or years.

Remember closing costs – these can range up to 2.5 per cent of your purchase price. Ask the sales representative for a clear description of what the charges will be, as they differ among builders and municipalities. These costs include things like legal fees, mortgage expenses and adjustments such as realty taxes and utility charges, and the provincial Land Transfer Tax (plus the Toronto Land Transfer Tax if you buy a home within that city).

Next on your list should be design – and I advise buyers to resist letting the number of square feet automatically qualify or eliminate choices. In reality, layout is far more important. Examine how the space is used and envision your life there. Is it convenient to get from one area to another as you go about your daily routine? Touring a similar-size model suite or home can help you decide whether the layout you're considering will work. And if you are thinking of purchasing a condominium, ask whether the square footage quoted includes a balcony or terrace.



Be sure that the builder's reputation is somewhere on your list. Find out whether the company has a proven track record. Drive through communities the builder has completed and see how the streetscapes look and whether the homes have aged well. You can also research builders on the Tarion Warranty Corporation (www.tarion.com) website. Know your rights when it comes to your new home warranty.

When all of these things come together to your liking, you're well on your way to choosing the perfect home for you.

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