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NEWHOMEGUIDE

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//INDUSTRY OUTLOOK

Find the home that's right for you

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HUGH HERON is Principal and Partner in the Heron Group of Companies and President of Heathwood Homes, as well as a former Member of the Board of Directors of Canada Mortgage and Housing Corporation, and a Past President of the Toronto Home Builders' Association and the Ontario Home Builders' Association.

When you're shopping for a new home, you can get information from a variety of sources such as magazines, newspapers, ads, websites, TV commercials, signage, sales centres and word of mouth. There are tremendous choices out there, and you may find your opinion being swayed as you gather more knowledge about your options from several places. Take time to think through all the parameters carefully, and avoid getting caught up in the excitement of the moment. The most important thing to remember is that when you sign on the bottom line, the new home you buy should be the right one for you.

Looking for a new home should be both fun and realistic. If this will be your first home purchase, get yourself pre-approved for a mortgage so you know exactly where you stand and what you can afford. Realize that your first home will not be your dream home, unless of course, you won the lottery. For many first-time buyers, price dictates entering the market with a condominium, townhome or condo townhome. Then again, depending on location, you may be able to afford a semi-detached or fully detached home.

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The great news is that today's standard features are of a higher quality than ever before, and you will certainly have thousands of choices when it comes to colours and finishes. If you really feel you need to upgrade, think it through and make sure you select items that will net you a good return on investment when you sell in the future. In addition, when you speak with your financial institution representative and sales representatives, ask about any available financial programs or incentives that might help with affordability.

On the subject of finances, make sure to find out exactly what your purchase price includes. What you don't want on closing day is unexpected closing costs. Take your Agreement of Purchase and Sale to a lawyer who knows real estate so you know what will be expected of you financially on that day.

Be sure to keep the big picture in mind when you shop. I have seen people obsess over square footage, for example, to the exclusion of other elements that make a bigger difference in their lives. Today's designs are so well thought out that smaller square footages live a lot larger than they may sound. Look at layouts and how they will accommodate your needs.

Location is the major consideration, and once you start your search in the area you've chosen, compare, but be fair. Again, look at the choices from all angles, and ask questions if there is anything at all you don't understand. For example, if reading floorplans is new to you, ask what abbreviations such as w/d (washer/dryer) and LIN (linen closet) mean. Better yet, tour model homes and suites whenever you can and notice how the floorplans for those models translate to reality. And remember that two homes of a similar size may be priced differently because one includes more or a higher level of standard features. Pay attention and keep track.

I always advise both first-time and seasoned new home shoppers to visit Canada Mortgage and Housing Corp.'s website (cmhc.ca) and download the guide called Homebuyit Step by Step. This publication contains information, a glossary of terms and worksheets to use during your search.

Remember that a home is likely one of the biggest financial investments you'll make in your lifetime. It's also one of the wisest. Do your homework, make an informed decision – and congratulations buying new.

