

New in Homes

■ NEW PROJECT

Energy efficiency offered at affordable prices

THERESA BOYLE
REAL ESTATE REPORTER

A new development underway in Mississauga comes with both a reasonable price tag and affordable monthly utility payments.

The Daniels Corporation has just commenced construction on 354 stacked townhomes that will be sold at entry-level prices and that will meet the highest of energy efficiency standards.

"They are targeted not only at keeping the cost of the initial purchase down, but at keeping the cost of carrying down," says Don Pugh, vice-president of low-rise housing for Daniels.

Daniels will be the first builder in Canada to offer homes that are priced for entry-level buyers and built to Energy Star standards on a large scale in an urban/suburban location.

Homes with the Energy Star rating have insulation upgrades, higher performance windows, sealed air ducts, better draft proofing and more efficient heating and air conditioning systems.

This is the first year that Energy Star homes are being built in Canada. Ontario is leading the charge on the initiative, while other provinces are expected to follow suit next year.

Owners of Energy Star homes can expect to save about 40 per

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Plan aimed at first-time buyers

From N1

cent on their utility bills.

The development, at Churchill and Eglinton in Erin Mills, is part of Daniels' FirstHome program, which is aimed at helping first-time buyers on tight budgets purchase affordable homes. The FirstHome initiative was launched last year at Daniels' Heritage Hills development in Mississauga. Some 92 stacked townhomes — that look just like the ones being built in Erin Mills — sold out within days.

Pugh says the convergence of the Energy Star program with Daniels' FirstHome initiative is a boon for anyone on a budget.

"It speaks to the people who could probably use it the most," he says. "They are concerned about long-term carrying costs."

Stacked condominium townhomes at the Erin Mills development range in price from \$129,900 to \$230,000, and in size from 456 square feet to 1,375 square feet.

Monthly maintenance fees, which include lower utility costs, will average about \$110.

The development is targeted at young, first-time buyers whom Pugh believes will appreciate the need to conserve energy. He notes that younger people have grown up in a world of blue box-

es and recycling and have learned about environmental sciences at school.

"These are people who know about Energy Star, about greenhouse gas emissions and about the One Tonne Challenge," he says.

The Energy Star program is aimed at conserving energy. Greenhouse gas emissions are created from the burning of fossil fuels and lead to global warming. The One Tonne Challenge is a federal government program that asks every Canadian to reduce the amount of greenhouse gases they produce by 1 tonne annually.

Homeowners can cut down on emissions by, for example, installing energy-efficient furnaces, purchasing energy-efficient appliances, and using caulking and weather-stripping to seal air ducts.

Critics have charged that homebuyers often scrimp on purchasing energy-efficient upgrades for their new homes. Even though these upgrades cost more upfront, they save money over time by cutting the cost of monthly utility bills.

But in this new Erin Mills development, the Energy Star upgrades will be standard features.

"It's not an option. When you buy in this community, your

home will be Energy Star rated, so you will get all the benefits of that," Pugh says.

Daniels hopes the Energy Star initiative will have a ripple effect.

"We really hope they will see the benefit of this and that they will want to carry it forward to their next home-buying purchase. Therefore, it helps increase the desire for that kind of product on the marketplace," Pugh says.

Daniels has a reputation for being a progressive builder with a social conscience. Its building products range from rental units all the way up to luxury houses and condominiums.

Under the FirstHome program, homebuyers without huge cash reserves can secure a new home with an initial \$2,500 deposit and additional deposits of only \$1,000 every 30 days until closing.

What's more, residents of Daniels rental communities in Mississauga and Brampton can put \$200 of their monthly rent, to a maximum of \$6,000, toward the purchase of a Daniels' home.

"It's about getting people into the marketplace. It's really important," says Pugh, explaining Daniels' vision.

"It's great to be able to sell product and have a nice big sin-



The new Daniels Corp. development in Erin Mills will be similar in appearance to this earlier Daniels project, Heritage Hills, in Mississauga.

gles and semis program happening, but you're not feeding the entire marketplace. If you don't have entry level product, affordable product, then where are all these buyers going to come from?" he asks.

"It's a philosophy and it's a long-term vision," he adds.

While Daniels makes more profit from its higher-end homes, it is committed to serving the entire market.

"We're absorbing a lot of the construction costs," Pugh says of the FirstHome project.

Another way of keeping the cost of the project down is by foregoing a huge, expensive marketing campaign. As the Heritage Hills development showed, the homes go quickly without pricey advertising.

Furthermore, Daniels can take advantage of economies of scale and efficiencies by building all 354 stacked townhomes to the Energy Star standard.

And because the homes are built first, then sold, there are savings to be had in not waiting around for the vast majority of

units to be sold first. Most condo developers have to wait until about three-quarters of their units are sold first, to ensure that they have enough financing for their projects to go ahead.

"We see great enthusiasm by people who are buying their first home at this product level and they can afford it," Pugh says.

"I know it's a cliché to say dreams are being realized, but when somebody has just bought a house and gives you a big hug and says I'm so happy, that's a really good feeling."