



Buying Your FIRST HOME



RENT BUY?

Is home ownership right for you?

Buying a home is one of the biggest emotional and financial decisions you'll ever make

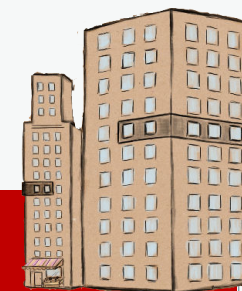
The differences between renting and buying a home are vast, and there's advantages and disadvantages for both.

Before you undertake the home buying process you should be sure that home ownership is the right option for you.

OWNING

VS

RENTING



PRO	CON
<ul style="list-style-type: none"> ▪ Good long term investment ▪ Builds Equity ▪ Housing payments will stay stable ▪ Can settle in a community. ▪ Can decorate & renovate as you wish. 	<ul style="list-style-type: none"> ▪ Have to pay for maintenance & repairs ▪ Property Taxes ▪ Less flexibility to move ▪ Not a liquid asset. ▪ Home could lose value ▪ Buying a home requires a cash investment.
OWNING	OWNING

PRO	CON
<ul style="list-style-type: none"> ▪ No maintenance costs ▪ Not responsible for repairs ▪ Easier to move. ▪ Can avoid owning a depreciating asset 	<ul style="list-style-type: none"> ▪ Monthly payments can increase ▪ Don't build equity ▪ Can't paint or remodel without owner's approval. ▪ No stability
RENTING	RENTING

Steps to Buying A House

01

Initial Buyer Consultation

02

Get Pre-Approved for Mortgage

03

Start Looking at Homes

04

Put in an Offer

05

Get Home Inspection

06

Get Financing Approved

07

Fulfill Any Other Conditions

08

Waive Conditions

09

Meet with Lawyer

10

Closing Day

11

Move

12

House Warming Party

Closing Costs

Besides the deposit and down payment you should budget for closing costs. A rule of thumb is **2% of the purchase price**.

Closing costs include:

- Appraisal Fee
- Home Inspection
- Land Transfer Tax
- Legal fees



A large, glossy pink piggy bank is the central focus on the left side of the image. It has a classic pig shape with a snout, two ears, and a coin slot on its back. At its base, a pile of gold coins is scattered, with some stacked on top of each other. The background is a light, neutral gradient.

Additional Costs

In addition to closing costs, there will be a few other expenses to budget for:

- Property Insurance
- Loan Mortgage Insurance
- Moving Expenses
- Service/Utility Connections
- Miscellaneous: eg. Lawn mower, ladder, etc.

Why use a REALTOR®

Buying your first home is one of the most important investment decisions of your life. It's also one of the most complex transactions you may ever undertake.

A qualified REALTOR® will:

- **Listen** to your needs **and show you properties** that meet those needs.
- **Evaluate properties** that you view & help you **determine their value**
- **Identify any problems or issues** to help you make an informed decision prior to making an offer
- Guide you with **structuring a successful offer** with terms and conditions that benefit you.
- **Negotiate** on your behalf



Purchasing a home is a complicated process and there potential pitfalls a knowledgable REALTOR® can help you avoid.

Overpaying

Examples:

A REALTOR who knows the comparable sales and listings, particularly in a changing market, will help prevent this.

Often times buyers become emotional when negotiating on a house, especially in bidding wars. A good REALTOR will help you avoid this.

Zoning Issues

Examples:

A buyer wants to put a pool in the backyard. If there are utility easements this will be an issue.

A property backing on green space may not be as idyllic as it seems. Is the space zoned for apartments or retail space in the future

Is the basement suite in a home you like legal?

Local Knowledge

Examples:

A condominium may have a large special assessment which may make it difficult to resell.

Some neighbourhoods have a history of flooded basements. This affects their value.

A house that's been used as a grow op is a potential health hazard, requires a lot of work & is problematic for resale.

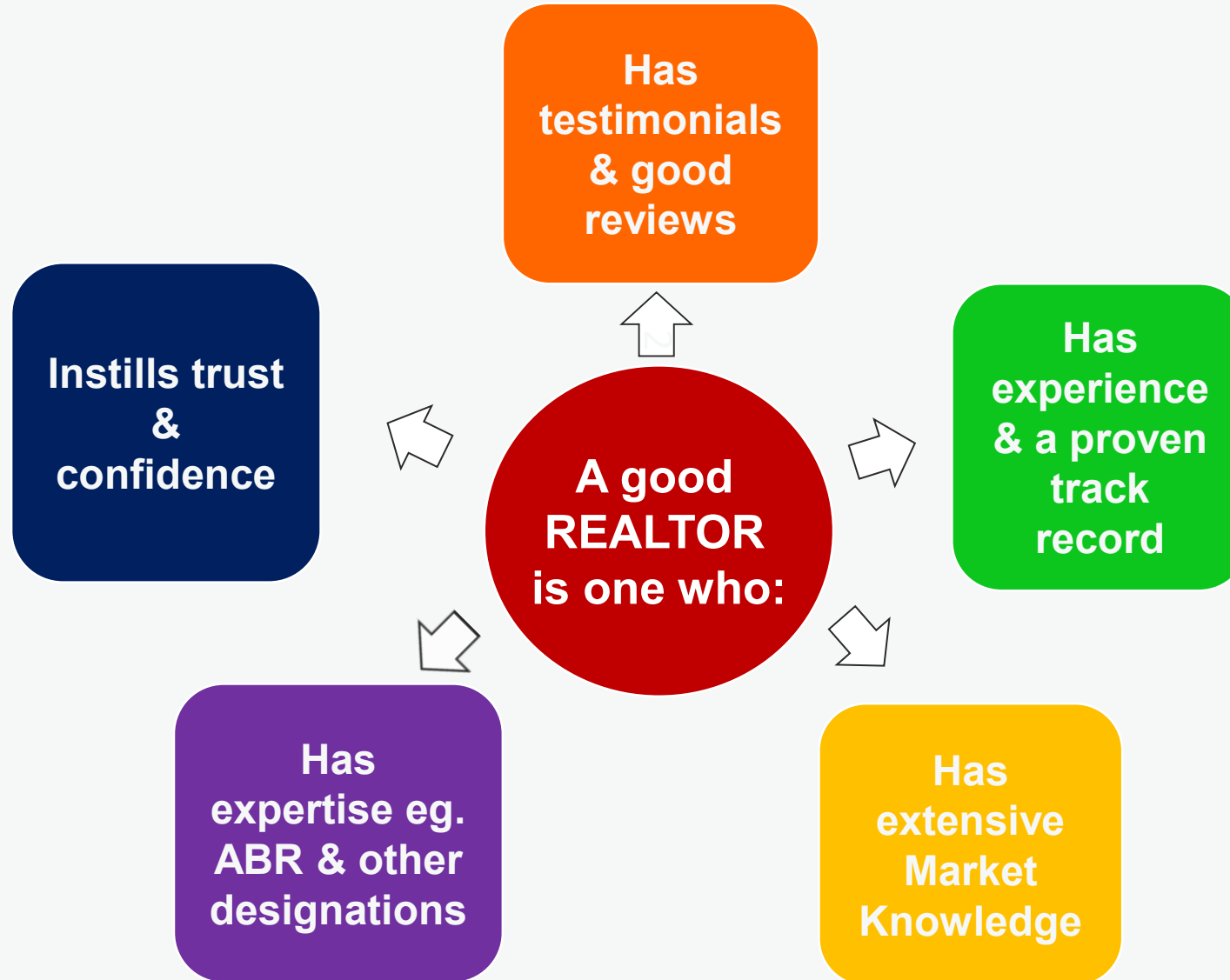
Problems with Property

Examples:

If a building inspection turns up problems there often is recourse if you still want the house. Price can be re-negotiated or stipulations can be put in whereby the seller rectifies the problems.

Often there are problems at closing: chattels are missing, or damaged, etc. A pre-closing inspection may avert this.

Choosing a REALTOR®



AGENCY

Who is your REALTOR® representing?

The REALTOR® you're working with may actually be working for the seller, not for you, the buyer.

You have a choice in representation as a **client (buyer representation)** or as a **customer**.

Signing a **buyer's agency** agreement with your REALTOR® ensures he or she is representing you as a client & is legally bound to represent your interests. This involves the highest standard of care and extreme loyalty to you.

The buyer agency agreement will clearly state the services and duties owed to you, the length of the contract and how your REALTOR® is to be compensated.



Home Buyer's Checklist

This checklist gives you a summary of each step in the homebuying process.

STEP 1	Decide what kind of home you want
<input type="checkbox"/>	Choose the neighbourhood(s) where you want to live
<input type="checkbox"/>	Consider which features are important to you (size, number of bedrooms/ bathrooms, type of house, etc.)
STEP 2	Calculate how much you can afford
<input type="checkbox"/>	Calculate how much money you have saved for a down payment
<input type="checkbox"/>	Calculate how much your closing costs will be (ask your realtor or lender for advice)
<input type="checkbox"/>	Calculate how large a mortgage payment you can afford each month
<input type="checkbox"/>	Calculate the other monthly costs you will be responsible for as a homeowner maintenance and repairs, property insurance, taxes, etc.)
STEP 3	Get the help and advice you need
<input type="checkbox"/>	Find a realtor to help you find a home
<input type="checkbox"/>	Get pre-approval for a mortgage so you know how much home you can afford
<input type="checkbox"/>	Hire a lawyer to look after your legal interests and review any contracts
<input type="checkbox"/>	Get home inspection for any property you are thinking about buying
<input type="checkbox"/>	Make arrangements to get property insurance after you purchase your home

Home Purchase Cost Estimate

The purchase price is the biggest expense in buying a home. But there are many other costs you must be prepared to pay as well. Fill in this worksheet to calculate how much your home will really cost.

Cost of the Home	
Purchase price	\$
+ HST (newly built homes only)	\$
Total cost of the home	\$
Up-Front Costs	
Appraisal fee (if applicable)	\$
Deposit (to be paid when you sign the Offer of Purchase)	\$
Downpayment	\$
Status Certificate fee (for condominium)	\$
Home inspection fee	\$
Land registration fee	\$
Legal fees and disbursements	\$
Mortgage broker's fee (if applicable)	\$
Mortgage loan insurance premium (can be included in your mtge)	\$
Adjustment for prepaid property taxes and/or utility bills	\$
Property insurance	\$
Survey or Certificate of Location fee	\$
Title insurance	\$
Other up-front costs	\$
Total up-front costs	\$

Other Costs	
New appliances	\$
Gardening equipment	\$
Window coverings (curtains, blinds, etc)	\$
Decorations	
Hand tools	\$
Dehumidifier	\$
Moving expenses	\$
Renovations or repairs	\$
Fees to set up utilities and other services	\$
Condominium fees	\$
Total other costs	\$
Total costs (cost of home+upfront costs+other costs:	\$



Contact us for
more information

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Not intended to solicit buyers already under contract.