



BUYER GUIDE

WORKING WITH A REAL ESTATE AGENT

My duty to you as your agent:

- **Full disclosure:** I must tell you everything I know which may influence your decision in a transaction
- **Loyalty:** I will act only in your best interests
- **Avoid conflicts of interest:** I must avoid any situation that would affect my duty to act in your best interest
- **Confidentiality:** I must not reveal your private information without your permission, even after our working relationship ends

I will consult you on:

- What's the motivation behind purchasing a home?
- When do you plan on making a move?
- What's your financial situation?
- Are you renting or owning? If renting when does the lease end? If owning do you need to sell before purchasing?
- Finding the best location for you and your needs
- Provide you with insights on local markets
- Determine the appropriate kind of home for you (number of bedrooms, bathrooms, parking)
- Help you with other things you might not have thought of such as: direction facing, future development, etc
- Create a list of must haves as well as deal breakers

DETERMINING PRICE RANGE

It's important to determine your price range and secure a pre approval. Shopping with a pre approval can:

- Help narrow down listings that are within your price range and matches what you're looking for
- Have peace of mind when submitting an offer knowing that you have a pre approval done already
- Shows the seller that you're a more serious buyer

I will connect you with a mortgage broker who can help with the following:

- Find the best rate for you by shopping around with different lenders
- Find the best mortgage plan for you based on your own unique situation
- Help determine your price range via amount you can get pre approved for
- Update you on current interest rates

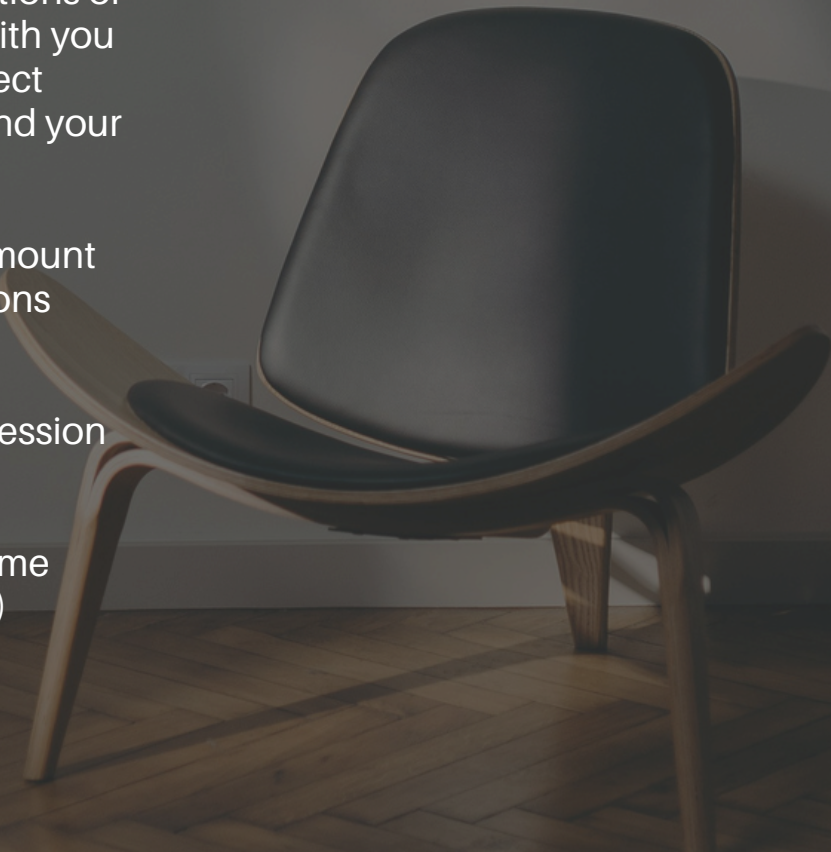
SUBMITTING AN OFFER

Once we find a property that's the right fit for you, we will submit an offer. I will help you:

- Write a contract of purchase and sale for the property
- Come up with an educated price to offer by doing a comparative market analysis on the similar homes nearby and determining what the market value is
- Explain terms and conditions of the contract and work with you to include the right subject clauses to protect you and your rights
- Advise on the deposit amount and it's relative instructions
- Work alongside you to determine the best possession and closing dates
- Advise on the HBRP (Home Buyer Rescission Period)

If the seller does not accept the first offer submitted they will likely come back with a counter offer.

It is at this stage where I will help you negotiate with the seller / the sellers agent to get you the best deal possible while also protecting your rights and making the transaction as stress free as possible.



SUBJECT REMOVAL PERIOD

The subject removal period is a the time frame (usually 5-7 days) after the offer is accepted where we're able to do our due diligence to ensure this property is the right fit for you. We will typically:

- Work alongside your mortgage broker to submit final documents to finalize your financing
- Hire a home inspector to conduct an inspection of the property to make sure there's no major flaws with the property to help you avoid costly surprises and gives you peace of mind
- Obtain quotes for property insurance and ensure the cost fits your budget
- Reviewing the title of the property to ensure the property has a clear and legal ownership history. We check for liens, easements, or other claims that could affect your ownership
- If the property you are purchasing is a strata property, we will review strata documents to understand the building's finances, bylaws, and meeting minutes
- Strata documents can help us get a better understanding of the stratas financial health as well as the bylaws that may prohibit the way you wish to use your property. We can also find out any major repairs they have planned which may cost you more money in the future

If everything is satisfactory to you, we can remove subjects, making your offer firm. If something doesn't work, you can walk away without penalty.

COMPLETION AND POSSESSION

Once subjects have been removed, we will wait until the completion date which is when the legal ownership of the property is transferred to your name. The money is also transferred to the seller on this date.

Possession date comes after the completion date and this is when you would receive the keys to your new home and you can start moving in and occupying the space. Congratulations!

06

CASH NEEDED ON HAND

Here are some costs to consider during either subject removal or before completion:

LEGAL FEES

Buyers are required to required to hire a lawyer or notary public to handle the closing documents which the title of the home is properly transferred. Fees can range from **\$1500 - \$2500**.

TITLE INSURANCE

On completion day when you meet with your lawyers, they will offer title insurance that can range between **\$200 - \$400** depending on the property type.

HOME INSPECTION

A home inspection is a report on the condition of the home and includes structural and moisture problems, as well as electrical, plumbing, roofing and insulation. Fees can vary between **\$500 - \$1000** depending on the property type.

HOME APPRAISAL FEES (IF APPLICABLE)

Some lenders require an appraisal of a property before the mortgage is finalized in order to ensure the collateral protects them adequately. The appraisal fee can cost from **\$300 - \$500** depending on the appraiser chosen by the lender.

PROPERTY TRANSFER TAX

When a property is purchased, the provincial government charges a tax based on the property's value. The calculation is as follows:

- 1% on the first \$200,000
- 2% on the portion greater than \$200,000 to \$2,000,000
- 3% on the portion greater than \$2,000,000
- Additional 2% on residential property over \$3,000,000

HOME INSURANCE

Can cost between **\$1000 - \$3000 yearly** depending on the property type.

ADJUSTMENT FEES

These are costs like property taxes and utility bills and strata fees that may need to be adjusted between the buyer and seller at closing. Be prepared for these adjustments in your budget. You can expect it to cost around **\$3000 - \$5000**

MOVING COSTS

Whether you hire a moving company or rent out a truck, it's important to budget for this. You can expect it to cost around **\$500 - \$1000**

FIRST TIME HOME BUYER EXEMPTIONS

Here are some benefits first time home buyers are able to take advantage of:

FIRST TIME HOME BUYER PTT EXEMPTION

If the purchase price of the property is:

- A) \$500,000 or less:**
 - Full exemption. \$0 for PTT
- B) Between \$500,000 - \$835,000:**
 - Exemption of \$8000
- C) Between \$835,000 and \$860,000**
 - A sliding scale exemption between \$8000 - \$0

EXAMPLE:

Purchase Price: \$830,000

Normal PTT: \$14,600

FTHB PTT EXEMPTION:
 $\$14,600 - \$8000 = \$6600$

EXEMPTION ON NEW HOMES

Exemption on GST for newly built homes:

- A) \$1,100,000 and under:**
 - Full exemption is available
- B) Between \$1,100,000 to \$1,150,000:**
 - Partial exemption is available