

# FIRST TIME BUYERS GUIDE:

Includes information on Incentives, Savings and the Buying Process

Presented to:

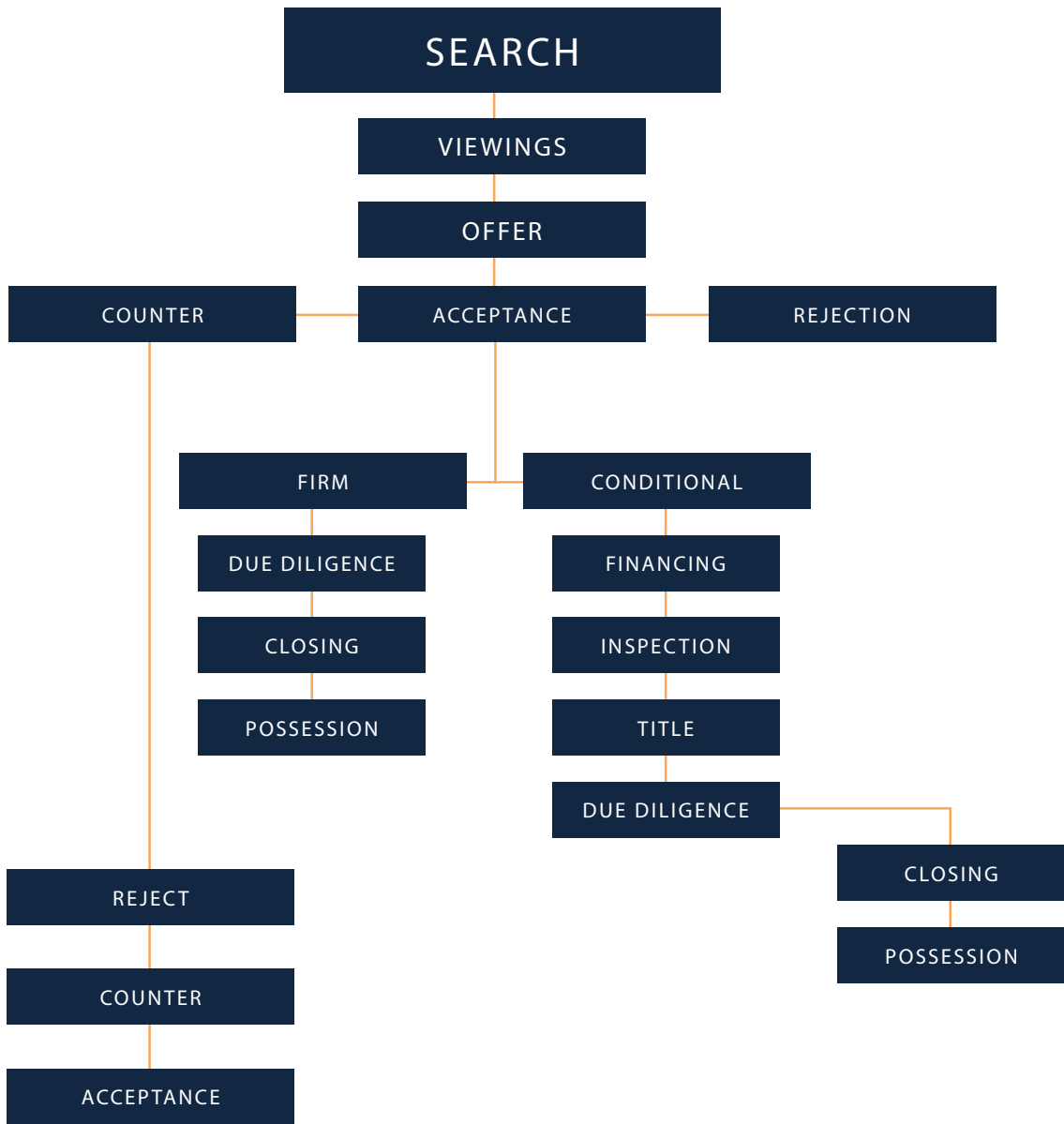
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# HOME BUYING PROCESS CHART



# BUYERS DESERVE REPRESENTATION



Buyers now have the same rights as sellers and are able to hire professionals to protect their interests.

It wasn't always this way. Initially, everyone worked for the sellers' best interests since they were the ones paying commission to their sales representatives.

## Buyer Representation or Customer Service Agreement

This document sets out the responsibilities of the buyer's sales representative. It includes the terms of the agreement and specifies the commission payable to the buyer's brokerage.

A plain English copy is included at the back of the book. Review it carefully and don't be afraid to ask any questions.

### ARE YOU A CLIENT OR A CUSTOMER?

The obligations of your sales representative depend on the specific agreement you sign.

Buyer Representation Agreement You are a client	Customer Service Agreement You are a customer
The sales person will provide advice and full disclosure of all information	The sales person will answer all of your questions, but is not obligated to give advice.
The sales person is obligated to act in accordance with all your lawful requests	The sales person is not obligated to act in accordance with your lawful instructions
All information is kept strictly private and confidential	There is no guarantee of confidentiality

## **STEP 1 | Choose a Sales Representative You're Comfortable With - Choose a Trusted Origin Group Sales Representative**

Select your sales representative with care. You're choosing a working partner who'll be with you every step of the way to home ownership.

We do our best work when we understand what you're looking for and what your expectations are. It's up to you to tell us!

Before starting a search you should be confident that your sales representative knows exactly what's on your shopping list, Origin Group makes themselves fully aware of market conditions, can provide you with financing options and will work hard to negotiate a successful sale.



## **STEP 2 | Understand Your Financing Options**

Home shopping demands a budget. Pre-approval is key because it lets you know exactly what you can afford before you start your search.

Get a second opinion. We offer a free, no obligation Mortgage Analysis that determines your needs and identifies options. Our in-house mortgage brokerage saves its customers money 95% of the time.

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DOMINION LENDING CENTRES EDGE FINANCIAL

To schedule a no obligation Mortgage consultation Contact us

**\*\* You might be eligible to buy a property with a downpayment of 5% to 10% through shared equity mortgage from the government of Canada. For the complete list of incentives see PAGE 11**

## STEP 3 | It's Time to Go Shopping!

Home shopping takes discipline. Work with your sales representative to come up with a list of properties that match your selection criteria.

### KEEP AN OPEN MIND

Don't eliminate categories of housing without investigating them first. If you're looking for a house, you might also look at condos or townhomes. If you're investing, take a look at pre-construction options or existing multiplexes. - For Preconstruction We have extensive platinum access to the cities best new pre-construction projects. Try our site - [www.newconstructions.ca](http://www.newconstructions.ca) and ask us for our pre-constructions information guide. Your sales representative will lay out the pros and cons of each.

### DON'T BE FOOLED BY FIRST IMPRESSIONS

Sellers often spend a lot of money to stage their home. What you'll see when you open the door is a beautifully decorated space. Your sales representative will help you look beyond the décor to its true investment value.

### LOCATION, LOCATION, LOCATION

Real estate often involves trade-offs. Buyers will have to carefully consider locations and neighbourhoods against the sizes and conditions of the housing stock. Your sales representative will help you weigh your options.

### VIEWING PROPERTIES – THE GROUND RULES

While you're eager to start your search, remember that sellers and or tenants often ask for overnight notice to prepare the home for viewing. Some specify specific days and times. As a rule, extended visits of 30 minutes or more aren't practical for the first viewing.

Your first viewings shouldn't include children. They may be included in subsequent viewings of finalist properties. Pets are not welcome due to potential seller health or safety concerns.

Common courtesy dictates no smoking in or around the property and the removal of footwear in all weather conditions. You may take photographs only with the approval of the seller or their agent.

Last – but not least – if you have a question during a viewing where the seller is present, it should be directed to your agent.



## STEP 4 | Make an Offer

This is where the negotiating skill and steady hand of a real estate professional really pays off. Origin Group also has seasoned experience in multiple offer situations and can properly advise you further on how to put your best foot forward in multiple offers. Mostly, price is the best determining factor but also having a clean, firm offer is too and knowing the market pays off (we'll do the research and help you understand what may happen on offer nights). We'll also help you get ahead of the process by having a home inspection done prior to offer date or by receiving and reviewing the listing home inspection, as well we will help gather and have your lawyer review the status certificate prior to offer for condos. Below are the key elements of an offer and they are all negotiable.

### PRICE

Price is what you're willing to pay for the property. Build in some negotiating room if your Agent think it's priced above market value.

### CLOSING DATE

Closing is the date on which the property's ownership changes hands.

### DEPOSIT

This is the money you put down to show your good faith in the transaction. Your deposit is applied to the purchase price on closing. Deposits are typically 5% of the purchase price.

### IRREVOCABILITY

The irrevocability date on an offer is the time you give the seller to respond to your offer. The length of time depends on the availability of the seller as well as the length of time the property has been on the market.

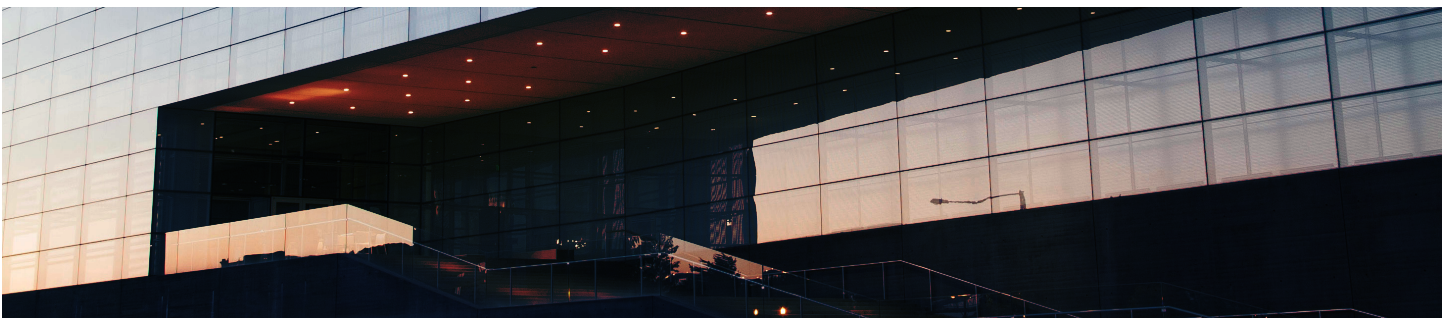
### CONDITIONS OR CLAUSES

A clause is simply a statement of something you want to have happen. Examples include – financing, home inspection, provision of a status certificate.

## STEP 5 | Satisfy the Conditions of the Offer

These are the steps you have to take to complete the transaction. The most typical ones in residential real estate are financing, home inspection and the status certificate in the case of condos.

Conditions are in the buyers' best interests and protect them from the risks associated with entering a binding agreement.





# KNOW YOUR MARKET

In order to understand the market, as a first-time buyer, you need to know that Toronto as a whole is a Macro market, but the most important factors that affect your purchase are those that are happening in Micro markets. The chart below is the Condo Apt Avg Price Trends in C01 aka Downtown West, which is a good representative of a Micro Market. For more insight about your own Micro market that you are planning to buy your property, contact us for a no obligation consultation meeting.

## DOWNTOWN CONDOS AVERAGE PRICE TREND

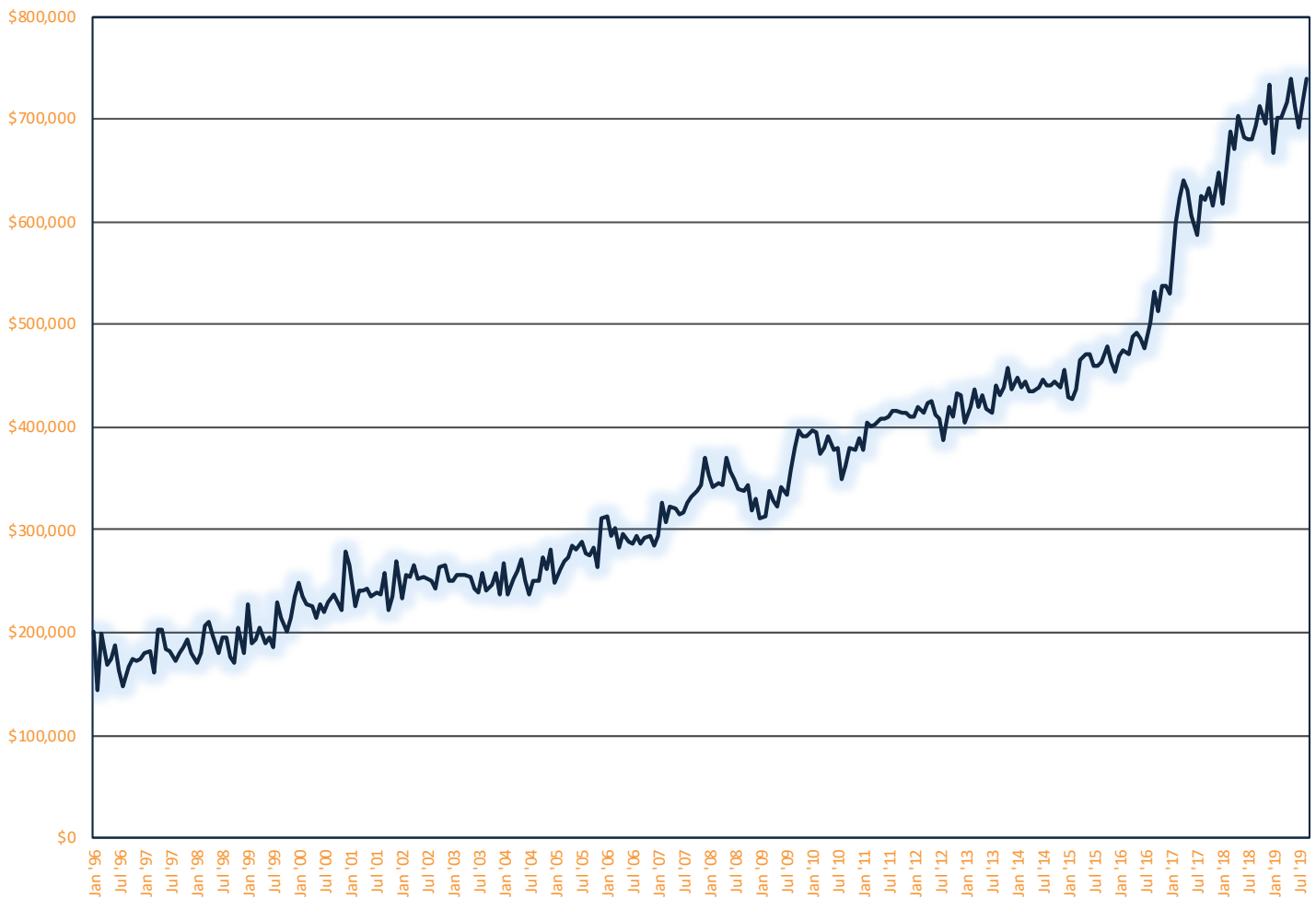


CHART 1

# KNOW YOUR MARKET

Probably the most important factor to know supply and demand is MOI. Months of Inventory is an indicator that seasoned real estate market analysts and brokers rely on to analyze the conditions and how competitive the market is. As a first time buyer it's important to educate yourself about it in your target micro market. Our seasoned team can help you with that, book yourself a no obligation and free consultation to cover your questions and or concerns about the whole process including multiple offer situations explained in full detail.



# FIRST TIME BUYER INCENTIVES

## FIRST-TIME HOME BUYER GOVERNMENT EQUITY INCENTIVE:

The First-Time Home Buyer Incentive helps qualified first-time homebuyers reduce their monthly mortgage payments without adding to their financial burdens.

## THE FIRST-TIME HOME BUYER INCENTIVE IS A SHARED-EQUITY MORTGAGE WITH THE GOVERNMENT OF CANADA. IT OFFERS:

- 5% or 10% for a first-time buyer's purchase of a newly constructed home
- 5% for a first-time buyer's purchase of a resale (existing) home
- 5% for a first-time buyer's purchase of a new or resale mobile/manufactured home
- The Incentive's shared-equity mortgage is one where the government has a shared investment in the home. As a result, the government shares in both the upside and downside of the property value.

## FIRST-TIME HOME BUYER LAND TRANSFER TAX REBATES:

In some provinces and cities, there is a rebate available to help first-time homebuyers offset the cost of their land transfer tax. If you qualify, land transfer tax rebates are available to first-time homebuyers in the province of Ontario. There is also a land transfer tax rebate available for first-time homebuyers in the city of Toronto. Here's how each province and city's rebate works:

REGION	ONTARIO	TORONTO
Maximum rebate	\$4,000	\$4,475
Rebate will cover LTT to a maximum home value of	\$368,333	\$400,000
Partial refund available?	50% refund if spouse does not qualify	50% refund if spouse does not qualify

## FIRST-TIME HOME BUYER RRSP INCENTIVE:

The Canadian government's Home Buyers' Plan (HBP) allows first time home buyers to borrow up to \$35,000 from your RRSP for a down payment, tax-free. If you're purchasing with someone who is also a first time homebuyer, you can both access \$35,000 from your RRSP for a combined total of \$70,000.

\*The information above can change at any time please consult with your broker, or sales representative and the appropriate government websites to verify information.

# CLOSING COSTS

## Expenses Related to the Purchase of a Home

### Expenses Due On Acceptance

5%	<p>DEPOSIT</p> <p>This becomes part of the purchase price.</p>
\$100	<p>STATUS CERTIFICATE</p> <p>This applies to condominiums only. It is a legal document with all the financial information about the condominium corporation, information on special assessments and outstanding legal actions.</p>
\$250 - \$400	<p>APPRAISAL INSURANCE</p> <p>Typically required for conventional mortgages by the bank.</p>
\$300 - \$900+	<p>HOME INSPECTION</p> <p>Costs vary with the type (e.g. cottage), size and age of the property.</p>

### Expenses Due On Closing

~\$2,000	<p>LEGAL FEES</p> <p>These include disbursements.</p>
Varies based on the property	<p>CLOSING ADJUSTMENTS</p> <p>Items vary by deal. Examples include – but aren't limited to municipal property taxes, utilities and condo maintenance fees.</p>
Up to 4.5% of the mortgage loan amount	<p>CMHC, GENWORTH OR CANADA GUARANTY MORTGAGE LOAN INSURANCE (IF APPLICABLE)</p> <p>Mortgage loan insurance is typically required by lenders when homebuyers make a down payment of less than 20% of the purchase price. The premium is rolled into the mortgage, but not the PST.</p>
Depends on the property location	<p>LAND TRANSFER TAX – PROVINCIAL</p> <p>For single family or two family homes outside the City of Toronto.</p> <ul style="list-style-type: none"> <li>• Up to \$55,000: 0.5%</li> <li>• \$55,000.01 to \$250,000: 1% minus \$275</li> <li>• \$250,000.01 to \$400,000: 1.5% minus \$1,525</li> </ul>

<p>To find an online land transfer tax calculator, visit the finance centre at <a href="http://origingroup.ca">origingroup.ca</a></p>	<ul style="list-style-type: none"> <li>• \$400,000.01 to \$2,000,000: 2% minus \$3,525</li> <li>• Amounts exceeding \$2,000,000: 2.5% minus \$13,525</li> </ul> <p>The first time buyer rebate will reduce the Land Transfer Tax by up to \$4,000 for principle residence.</p> <p>LAND TRANSFER TAX FOR THE CITY OF TORONTO</p> <p>For single family or two family homes in the City of Toronto you pay both city and provincial tax.</p> <ul style="list-style-type: none"> <li>• Up to \$55,000: 0.5%</li> <li>• \$55,000.01 to \$250,000: 1% minus \$275</li> <li>• \$250,000.01 to \$400,000: 1.5% minus \$1,525</li> <li>• \$400,000.01 to \$2,000,000: 2% minus \$3,525</li> <li>• Amounts exceeding \$2,000,000: 2.5% minus \$13,525</li> </ul> <p>First time buyers of principle residences in Toronto receive rebate of up to \$4,475 along with their provincial rebate of up to \$4,000.</p>
<p>Pre-Construction</p>	<p>HST FOR NEW CONSTRUCTION</p> <p>13% of the sale price minus any applicable rebates.</p>
<p>Mortgage</p>	<p>MORTGAGE ADJUSTMENT PERIOD</p> <p>These are fees owing on the portion of the month following the closing to the end of the month. The bank is entitled mortgage interest on closing at the point.</p> <p>Actual mortgage payments don't start until one calendar month after closing.</p> <p>PROPERTY INSURANCE</p> <p>The house must be insured in order to get a mortgage. Costs vary policy to policy.</p>
<p>Up to 50% of one year's annual tax due</p>	<p>TAX ADVANCE</p> <p>This may be required by lenders.</p>
<p>Approximately \$300 - \$500</p>	<p>TITLE INSURANCE</p> <p>This is not a legal requirement in Ontario, but you may want to confer with your lawyer on its advisability.</p> <p>It simply protects property owners and their lenders against losses due to the property's title.</p>
<p>Approximately \$200</p>	<p>UTILITY HOOKUPS</p> <p>These include Toronto Hydro, Enbridge, Rogers, Bell etc. Rogers and Bell charges are highly negotiable and often waived.</p>

# CLOSING AND POSSESSION

## Purchaser Visits

Once your offer is firm (conditions if any have been met and the agreement is binding) you will have the opportunity to see your future home before taking possession as per your contract.

Usually it's 2 times. One of the appointments we reserve for the week prior to closing just to ensure all is good. We will make the appointment for you. The sellers will require a minimum 24 hour notice. These appointments are limited to one hour.

It's always tempting to show family members during these visits but keep in mind it's important to be focused during the appointments as you will not have a lot of time. You will be taking measurements, figuring out furniture placement, planning your move, discussing changes you want to make so it's advisable to keep family members to a minimum if any.

## Closing and Possession Defined

Closing is the final step in executing a real estate transaction. It's sometime after your offer has been accepted. On the closing date ownership of the property is transferred to the buyer.

Possession is when the buyer is entitled to take possession of the property.

## Timing

Once the legal documentation is complete, the lawyers transfer title. So – for example, assume the documents are signed in the morning, factor in time for the title transfer, and your possession may be late in the afternoon or early evening of the closing date.

Your lawyer will notify you that the property has closed and that you may come and collect the keys from their office. It makes good sense to rekey all the locks since you have no idea how many keys are in circulation.



# MOVING CHECKLIST

Don't leave the details of the move to the last minute. You'll be sure to forget something. Do up a list early and cross off the items as they are done.

- Canada Post – change of address
- Service Ontario – government-issued documents, e.g. health card, driver's license
- Your insurance provider – cancel, transfer or arrange for new home, auto and other insurances
- Book the movers

... and work from this list to ensure no interruptions!

Accountant	Doctor
Lawyers (Wills, POAs)	Alarm company
Employers	Schools
Bank	Family
Veterinarian	Charge accounts
Friends	Newspaper subscriptions
Church	Investment Advisor
Magazine Subscription	Dentist
Landlord	Utilities (Cable, Wireless, Internet)







# CONGRATULATIONS

ON TAKING YOUR FIRST STEPS TOWARDS  
HOME OWNERSHIP. WE LOOK FORWARD  
TO HELPING YOU!

# ABOUT US

Origin Group Toronto Real Estate was formed by President's Gold award winners Mark and Ari who rank within the top 6-10 percentile of all Royal LePage agents in Canada. They formed Origin Group with the intention of providing artful and strategically curated full-time Real Estate service for our city and the GTA. We coupled our resources to continuously provide valuable service in Toronto Real Estate as your Trusted Advisors. Our intent is to help you buy, sell, lease or invest with exceptional results. If you require loyal Real Estate professionals - we would be honoured to assist you.

To Reach us:

Call or Text - 416 888 5765 for Mark &

647 909 6569 for Ari

Email - info@origingroup.ca



Mark Allen,  
ABR®, srs  
Sales representative



Ari Armani,  
M.Sc., CNE  
Broker

As featured in:



In support of:



# TESTIMONIALS

## Megan D.

Hey Ari, I've had a few experiences with agents trying to find me a unit in the past, and not all of them I've had a helpful experience with. Ari was very friendly and attentive to my needs.

## Sheldon W.

My brother recommended Ari to me when I was looking for a real estate agent. I would like to publicly recommend Ari to all who are looking to purchase or rent property.

## Breanne M.

Mark was amazing to work with. He anticipated my questions and needs from start to finish, and I trusted him completely. It was obvious that he had my best interests at heart.

## Chris D.

Mark did a great job getting us our house bidding against someone else and was helpful during the buying process. Marks service was fast and effective I recommend him to anyone looking to buy.

## Dan

Mark is an excellent, hardworking Realtor. He gave great customer service, responded to my needs and requirements, and did a lot of research. I was happy to have Mark as my Realtor, and I recommend him to you.

## Walaa K.

Thank you so much for everything. We appreciate all your help. We enjoyed working with you as well you were very professional, punctual, & really organized. We will definitely be contacting you in the future.

## Barry & Patrizia

Dear Ari, Just a note to say thanks for all your hard work. I appreciate the professionalism and the outstanding service. You proved to be reliable and made every effort to ensure our needs were considered. I would be willing to recommend you to my associates as I know they would be will looked after in your hands. Thanks again

## Mark R.

Thanks so much, Mark. And same to you! Thanks for making all this so easy for me. Best wishes for 2017!

# CONVENIENT LOCATIONS TO SERVE YOU

Strategically located across the city, Royal LePage Signature has 3 locations to serve the residential real estate market effectively and efficiently.



## Central Office

8 Sampson Mews, Suite 201  
Toronto, ON M3C 0H5  
416.443.0300

Free Parking



## West Office

30 Eglinton Ave. West, Suite 201  
Mississauga, ON L5R 3E7  
905.568.2121

Free Parking



## Downtown Office

154 Bathurst St.  
Toronto, ON M5V 2R3  
416.205.0355

Street parking on Richmond and Portugal Square

