



BUYING YOUR FIRST HOME – WHAT TO EXPECT

Buying your first home is a big milestone — exciting, emotional, and sometimes overwhelming. My role is to simplify the process, provide clarity, and ultimately guide you to making the best decision for you on your budget, the property within that budget and make sure your mortgage meets your goals.

What to Expect When We Work Together

This isn't about rushing you into a decision or pushing you to your maximum approval. This is about

- understanding your goals and timeline
- creating a comfortable, realistic budget
- building a clean, lender-friendly plan
- avoiding surprises at closing

You'll always know where you are in the process and what's coming next.

Step-by-Step: From First Conversation to Keys in Hand

1: The Initial Conversation

We start with a relaxed, no-pressure call to get to know each other and to talk about the following:

- your goals and ideal timeline
- the type of home you're picturing
- your biggest questions or concerns
- working with a broker versus the bank

2: Clarifying Your Budget & Comfort Zone

Rather than focusing only on the maximum you qualify for, we look at:

- what feels comfortable month-to-month
- how homeownership fits into your overall lifestyle
- room for savings, travel, family, and life
- Whether a variable or fixed rate matches your risk appetite

3: Down Payment & Savings Strategy

We organize where your down payment is coming from and make sure it's documented properly:

- personal savings
- gifts from immediate family
- RRSP withdrawals (Home Buyers' Plan)
- First Home Savings Account (FHSA)

This early planning helps avoid last-minute stress and delays!

4: Consent, Authorization and Information Exchange

I provide you with an easy to use on line application link to enter basic information on

- Current employment, tenure and compensation
- Past employment
- Current residence and past residence (if less than 3 years)
- Co-applicants
- Dependents
- Assets / Investments

I then send you a docu-sign with credit consent and authorization, my privacy policy and politically exposed person declaration.

5. Pre-Qualification With purpose

Your pre-qualification confirms:

- A realistic purchase range
- estimated monthly payments
- expected closing costs
- any conditions to plan for early
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This gives you confidence when shopping and clarity when making an offer.

6: Offer Accepted → Mortgage in Motion

Once your offer is accepted:

- your mortgage application becomes "live"
- the lender reviews income and down payment that I have previously reviewed
- Review of property
- an appraisal may be ordered (very common)

I manage the process and keep you informed every step of the way.

7: Conditions & Final Approval

This is the paperwork phase — and where guidance matters most. I will manage every step of this on the back-end including:

- telling you exactly what documents are needed (and why)
- review everything before it goes to the lender
- keep conditions organized and on track

My goal is **firm approval with no surprises** and minimal stress.

8: Closing Day

Your lawyer handles registration, funds are exchanged, and you receive the keys. You're officially a homeowner. 

Understanding Closing Costs (What to Budget For)

In addition to your down payment, you'll want to plan for closing costs, which are paid at or before closing and cannot be added to the mortgage.

As a general rule, I recommend budgeting 1.5%–4% of the purchase price, depending on your situation.

Common Closing Costs Include:

Legal & Registration

- lawyer fees and disbursements
- title search and registration
- title insurance

Land Transfer Tax

- Ontario land transfer tax
- first-time buyers may qualify for rebates
- Toronto properties may have an additional municipal tax

Lender & Property Costs

- appraisal fee (if required)
- lender legal or administration fees (varies by lender)

Insurance & Adjustments

- home insurance (required before closing)
- property tax or utility adjustments
- condo status certificate (for condos)

Moving & Setup

- movers, trucks, or storage
- utility hookups
- locks, small repairs, or initial furnishings
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I'll review these with you early so there are no last-minute surprises.

FIRST TIME HOME BUYER PROGRAMS - 2026

There are several First Time Home Buyer Programs available to families and individuals to assist with buying a first home. The following are a brief description of them and at what stage they are applicable.

Home Buyer's Plan

This program is designed to assist first time home buyers in saving up funds needed to purchase or build their first home. You can withdrawal \$60k in RRSPs to be used towards your down payment, which must be paid back within 15 years. Some locked-in or group RRSPs don't allow withdrawal. Can be one withdrawal or more, on different dates and from different RRSPs but not totalling more than 60k. If you're purchasing with someone who is also a first time homebuyer, you can both access \$60,000 from your RRSP for a combined total of \$120,000.

Repayment starts the second year after the year when you first withdrew funds from your RRSPs. For example, if you withdrew funds in 2025, your first year of repayment will be in 2027, but you can choose to start your repayments earlier.

RRSP contributions must be in the RRSP for 90 days before withdraw for the first time home buyers program. If you have already bought the home, the withdrawal must be made within 30 days of purchase. Once RRSPs are withdrawn, you must purchase a home by October 1 of the year after the withdrawal.

Eligibility:

- You are a first time home buyer (haven't lived in another home owned by you, your spouse, or common-law partner in the year you acquired the property or any of the last 4 years).
- Must have an agreement of purchase and sale.
- Must intend to occupy the home within one year of buying it.
- Must be a Canadian resident.

APPLICATION: This applies at the DOWN PAYMENT stage. When you start your mortgage application, any amounts in an RRSP as a FTHB will be factored into your down payment for qualifying. You must show the RRSP amount withdrawn and deposited into a bank account as a requirement of the lender.

First Home Savings Account (*NEW)

The FHSA offers prospective first-time home buyers the ability to save \$40,000 tax-free. Like registered retirement savings plans (RRSP), contributions to an FHSA are tax deductible. Like tax-free savings

accounts (TFSA), income and gains inside an FHSA as well as withdrawals would be tax-free. You can contribute up to \$40,000 over your lifetime and up to \$8,000 in any one year.

The annual contribution limit applies to contributions made within the calendar year. Unlike RRSPs, contributions made within the first 60 days of a given calendar year cannot be attributed to the previous tax year.

You may carry forward up to \$8,000 of your unused annual contribution amount to use in a later year (subject to the lifetime contribution limit) provided you have opened an FHSA. In other words, carry-forward amounts do not start accumulating until the FHSA is opened.

You can hold more than one FHSA, but the total amount cannot exceed your annual and lifetime FHSA contribution limits.

Eligibility:

- be an individual resident of Canada
- be at least 18 years of age
- be a first-time home buyer, which means you, or your spouse or common-law partner (“spouse”) did not own a qualifying home that you lived in as a principal place of residence at any time in the year the account is opened or the preceding four calendar years

For the purposes of the first-time home buyer’s test, a home owned by your spouse in which you lived during the relevant period will only put you offside of the test if that person is still your spouse when the FHSA is opened.

Land Transfer Tax Rebate

The Ontario government offers a refund of all or part of your land transfer tax if you’re an eligible first time home buyer. No land transfer tax is payable by qualifying first-time purchasers on the first \$368,000 for eligible homes. First-time purchasers of homes greater than \$368,000 would receive a maximum refund of \$4,000. First time home buyers in Toronto may be eligible for a rebate of up to \$4,475.

Eligibility:

- You must be 18 years old and a permanent Canadian resident. If you are not a Canadian resident at the time of purchase but meet all other requirements, you will have 18 months following registration to become eligible, and can apply for a refund.
- You must be a first time home buyer. You do not qualify if you have owned a home anywhere in the world.
- **Ontario does not allow you to re-qualify as a first-time homebuyer for this program. This rebate is available one time only, on your first purchase.**

- If you are a first time home buyer and you have purchased with someone who isn't a FTHB, then you will be eligible for a portion of the rebate.
- The refund will be proportionate to the interest acquired by the individuals who qualify for the refund. For example, if spouses own equally (50/50) and one is a FTHB, then they can get a \$2000 rebate (50%). If your spouse owned property while you were married, then there will be no rebate for either spouse.
- You must occupy the home as your principal residence within 9 months of the date of transfer.

APPLICATION: Land Transfer Costs are factored **into CLOSING COSTS** when you purchase the home and they cannot be amortized into the mortgage. At the closing / signing appointment, your lawyer will apply for you and the discount will be applied immediately to the purchase.

Home Buyer's Tax Credit

The Ontario government doubled the non-refundable income tax credit for FTHB up to \$10,000 if you're an eligible first time home buyer. The tax credit can be split between you and your spouse but the total amount cannot be greater than \$10,000. It would offer a modest maximum of \$1500.00 but offsets closing costs.

Eligibility:

- You must be a First Time Home Buyer (defined as someone who has not lived in a home owned directly by you/your spouse in the previous 4 years)
- New homes and existing are eligible.
- The home must be your primary residence for 1 year

APPLICATION: This credit is applied by your **accountant when filing your taxes and is applied to line 32170 to lower your personal income taxes.**

WHAT DOCUMENTS SHOULD I EXPECT TO PROVIDE?

Salaried Employee

- Photo ID
- Signed application/consents (credit, privacy, etc.)
- Employment letter (position, status, salary, start date)
- Recent paystub(s)
- Down payment proof + 90-day history
- Bank statements showing closing funds
- After offer: Agreement of Purchase and Sale + listing/MLS (if needed)

Hourly / Variable income (hours, overtime, bonus, commission)

- Everything above, plus:
- Paystubs showing YTD income
- 2 years T4s + 2 years NOAs (often used to average income)

Business for Self / Self-Employed

- Photo ID + signed application/consents
- 2 years NOAs + T1 Generals
- If incorporated: T2s + corporate NOA (often requested)
- Business bank statements (often 3–6 months)
- Proof business is active (license/articles/HST/GST where applicable)
- Down payment proof + 90-day history
- After offer: Agreement of Purchase and Sale + listing/MLS (if needed)

QUICK TIPS

- **Don't buy at your max.** Buy at your comfort level — and keep space for life.
- **Closing costs surprise people.** Plan for lawyer fees, adjustments, moving, and a buffer.
- **Keep your job + credit stable during the process.** No big purchases, no new credit, no job changes unless we discuss first.
- **Your mortgage should support your life — not squeeze it.** I'll structure this with strategy, not just approval.

**** This email is designed for preliminary informational purposes only. Individual qualifications exist and should be further discussed with your mortgage professional, your legal representative and/or your accountant.*

