

Purchasing

Documents required, upfront with application

- Offer to Purchase
- MLS or Feature sheet of property if sale is private or from an on-line HomeSale
- ***Income Verification and Down payment Verification** See income requirements and down payment requirements*****
- Void Bank Cheque with your name and account number printed on it, for mortgage payments
- Name of Real Estate Lawyer for your Home Purchase
- If starting a Purchase Plus Improvement mortgage, you will need a quote in writing from a contractor or the supplier of materials and scheduled build. Click on link for more details.



<http://www.genworth.ca/en/products/purchase-plus-improvements-program.aspx>

- If selling existing home, require a copy of the sale
- If separated, require a copy of the separation agreement
- Two pieces of I.D., one must be photo I.D. (Health Card is not an option for I.D.)

Mortgage Approval Process

- We recommend you have a pre-approval to protect and hold rates and also to create confidence knowing your borrowing limits and budget
- Upon receipt of documentation above we will obtain mortgage approvals based on your closing date (rates may improve the closer you are to your purchase date, we will give you our best rate)
- We will call or meet to discuss product selection and tailoring
- Upon tailoring and application completion we will have your mortgage approval back promptly for review
- With any mortgage request, an appraisal may need to be ordered to confirm the value and status of the home and property. **The appraisal cost is the customers' responsibility;** it must be paid up front in all circumstances. If your purchase does not complete for any reason, your appraisal fee is not refundable.
- In some cases the mortgage lender may refund the cost of the appraisal once the mortgage process is complete. Please discuss with your Mortgage Planner for further details
- Once your mortgage approval is accepted and you wish to continue, we will order the appraisal.
- ***If we have your income verified, and your down payment is verified, and all mortgage application conditions have been met, you may confidently waive your financing condition. All documents will then go to your lawyer. If your income, down payment, and other conditions are not verified your mortgage approval is not complete and you do not have mortgage financing.***

We will continue to monitor the market for better rates and product options. You will receive the lenders lowest rate between approval and closing date. Ask us for more details!!

Once your closing date approaches you will then meet with your Real Estate Lawyer where you sign the final mortgage documents and Land Registration Deed. They will ask you for a certified cheques for the down payment (less your original deposit) plus closing costs. ***(We recommend a discussion with your Real Estate Lawyer/Clerk on fee structure before your final signing)***

Closing Cost Estimates

- Legal Fees including disbursements can be between \$1200-1500, *always confirm final fees with your lawyer.*
- *Land Transfer Tax will be charged on closing, at your law office. First Time Home Buyers can receive a refund, please have your lawyer discuss this with you. Maximum refund at this time is \$2000. Land Transfer Tax for all other buyers depends on the price of your home and the location, please see calculations for accuracy. See Government of Ontario Guidelines posted below, and click on link for further details.*

Land transfer tax rates

The tax rates calculated on the value of the consideration, your property, are:

- 0.5% up to and including \$55,000
- 1% above \$55,000 up to and including \$250,000
- 1.5% above \$250,000
- 2% above \$400,000 where the land contains one or two single family residences.

The land transfer tax rate is the same for residents and non-residents of Canada.



www.fin.gov.on.ca/en/tax/ltt/

- Other adjustments – property tax paid by owner in advance.
- Property Tax holdbacks, by lender
- PST on CMHC, Genworth Home Insurance Fees, payable on closing
- TARION charges on new homes (see builder contract)
- First time home buyers may need to put deposits down for Hydro, Union Gas etc.
- If paying out another mortgage company, penalties or discharge fees
- ***We recommend you gather your fee information before final signing so you can come to your final signing with confidence, and remember we are always here to help you!***