



A Home Buyers Checklist

GETTING READY TO BUY A HOME?



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Buying a new house is one of the most (if not the biggest) investment that a person can make in their life. This can be extremely stressful.

We've compiled this checklist for you so that you can be in control every step of the way and feel confident in the process.

Here are the steps:

1. Building a Foundation
2. The Financials
3. Finding Your New Home
4. Due Diligence
5. The Home Stretch





Building a Foundation

Step 1: Find a Realtor

- Interview a few agents and see if their personality matches your needs and wants. You want to “click” – the buying process will mean spending a lot of time together.
- Find an agent who works full-time in the industry and has a track record.
- Qualifications your agent should have:
 - Local market knowledge
 - Good reviews or testimonials
 - Financial Knowledge – they can walk you through the numbers!
 - Great time management and communication skills:
 - Did they show up on time & prepared?
 - Do they communicate with you in a way that you understand and feel comfortable with?
 - Network connections:
 - Effective real estate agents rely on their relationships. Do they work with other agents regularly?
- Share your new house goals. Your wants and needs and your “Blue Sky” lists.

Step 2: Know your Financials

- Maintain excellent credit.
- Pay off as much debt as you can before proceeding. Your lender will be pulling your credit in the future as a part of the pre-approval process.
- Compile and save any important financial documents:
 - 2 months’ worth of pay stubs & bank statements.
 - 2 years of tax returns & T4’s.



Step 3: Find a Lender

- Compare different lenders to understand the benefits and advantages of working with each. Something as simple as a lower rate or term can save you thousands of dollars over the life of the loan.
- Make sure to tell EACH LENDER not to pull your credit until you're fully committed to working with one.
- If your credit isn't where you want it to be, work on creating a plan with your chosen lender.
- If you don't have a lender or aren't happy with yours, ask your agent. Your agent may also be able to help you find someone trustworthy that they have worked with before.

The Financials

Step 4: Get Pre-Approved for a Mortgage

- Get Pre-Approved! This gives you, your agent, and the lender an estimate of how much you can afford based on your credit score and current financial documents.
- Work with your lender and real estate agent to determine if your file should be underwritten before submitting any offers. This will help to avoid any potential disappointments or delays during the transaction.

Step 5: Establish a Budget

- Remember that just because you're approved for a certain amount doesn't mean that you have to spend that amount. Work with your lender and agent to establish a price point and monthly payment that you will be comfortable with.
- Saving up 20% of a home's purchase price as a down payment is suggested, but often hard to do in high-priced markets.
- If saving up 20% isn't feasible, work with your lender to create the best plan for your needs.



Finding Your New Home

Step 6: The Fun Part

- Meet with your agent to discuss your home buying wish list. Make sure to include:
 - Must-haves: bed/bath number, garage, etc.
 - Nice to have: pool, jacuzzi, smart home capabilities, etc.
 - Things to avoid: pools, busy streets, etc.
- Bring along your pre-approval and lender contact information so you can discuss your budget.
- Determine different neighborhoods you might want to live in.
 - Break down your neighborhood requirements: close to transit, school districts, etc.

Step 7: Find a Home

- Keep your "Must Haves" checklist in mind.
- Keep a journal or guide of the different houses you're interested in.
- Take plenty of pictures to look back at.
- Stay within your price range!
- Provide your agent with ANY feedback regarding the properties that you view. Both positive and negative feedback can be very helpful for an agent to find exactly what you want.

Step 8: Make an Offer

- Work with your agent to establish a strategy to get the most from your offer and have the best chance of it getting accepted.
- Get a certified cheque or bank draft to submit "herewith" the offer.
- Sign the offer and any additional documents.
- Submit your offer. Follow your agent's guidance through the process.



Due Diligence

Your Offer is Accepted!

Step 9a: Conditional Offers:

- If your offer is conditional on a Home Inspection. Find a reputable and thorough home inspector:
 - If you need suggestions ask your agent.
 - A good home inspector will help to ensure that you don't end up in a "money pit,". For example, a property with significant electrical, plumbing, or foundation issues.
 - An inspector will also report any issues found with the home that will allow you to ask for repairs during negotiations.
- Review inspection, disclosures, and paperwork with your agent:
 - If work is needed to be done on the property, strategize with your agent to submit a request for repairs.
- If you will be doing any additions or construction to the property, such as adding a pool or a guest house, check with the city building department to ensure zoning allows for those upgrades.
- If your offer is conditional on Financing:
 - Send your lender a copy of the accepted APS and a copy of the broker MLS
 - Ensure you outline for the lender the length of the conditional period.
 - Have your agent work with the lender to book any appraisals required by the bank.
 - Review and discuss your lender's findings.
- Your agent prepares the Notice of Fulfillment of Conditions or Mutual Release depending on findings.



Step 9b: Firm Offers

- Congratulations – You’ve bought a house!
- Send accepted APS to your lender. They may still want to do an appraisal of the property. Have your agent work with the listing agent to arrange the visit.
- Work with your agent to arrange the next steps and deliverables of the offer.

Step 10: Arrange for Homeowners Insurance

- Search for a homeowner’s insurance policy with great coverage at a reasonable cost. Ask your lender for suggestions if necessary.
- Some lenders require a year’s worth of homeowner’s insurance upfront before approving a mortgage.



The Home Stretch

Step 11: Finalize With Your Lender & Hire A Lawyer

- Double check that your interest rates and mortgage payments are what you agreed upon.
- Hire a real estate lawyer to close your sale:
 - They will do a Title Search on the property to make sure there are no liens or encumbrances on the property.
 - They will prepare all the documents, calculate on adjustments and handle the transfer of funds on closing.

Step 12: Final Walkthrough of the Home - "Purchaser Visits"

- Go through the house with your agent to double check everything you agreed upon in your offer is present.
- Ensure that any repairs that were agreed upon in the transaction were completed.
- If repairs are difficult to visually inspect, call back your home inspector or a specialist to ensure the repairs were completed correctly.
- Turn on all lights and appliances to make sure that they still are in good working order.

Step 13: Closing the Deal

- Bring everything required to your lawyer's office:
 - Form of identification.
 - Any additional payment you may need.
- Sign the mortgage documents.
- Arrange with your lawyer/real estate agent to get the keys to your new home!

CELEBRATE!

Congratulations! You now own your new home!



HAVE ANY QUESTIONS?

The home buying process can be confusing and stressful, but we're here to help! We strive to make the process as fun and exciting as possible as we guide you through the transaction from start to finish.

LET US KNOW HOW WE CAN HELP
YOU FIND YOUR DREAM HOME!

LET'S CHAT!

