

# Home Buyer's Package

*The Complete Guide to Understanding  
The Home Buying Process*



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This communication is not intended to cause or induce breach of an existing agency agreement.

# New Home Wish List



*Please take a few moments to fill out this information to help me gain a better understanding of your wants and needs for a new home.*

Describe your present home: \_\_\_\_\_

What do you like about it? \_\_\_\_\_

What do you like least about it? \_\_\_\_\_

Have you seen any homes that you like? Yes \_\_\_\_\_ No \_\_\_\_\_ Describe: \_\_\_\_\_

## **Requirements For The New Home:**

Desired Area: \_\_\_\_\_ Are you familiar with this community? Yes \_\_\_\_\_ No \_\_\_\_\_

Is it important to be close to the following? (please circle if important): Elementary/Middle or High Schools, Colleges/Universities, Recreational Facilities, Public Transit, Shopping Facilities

Preferred price Range: \_\_\_\_\_ Maximum Price: \_\_\_\_\_

Number of Bedrooms: 1 2 3 4 5 \_\_\_\_\_ Number of Bathrooms: 1 2 3 4 5 \_\_\_\_\_

Type of Home: \_\_\_\_\_ (2 storey, condo, etc) Style of Home: \_\_\_\_\_ (Rancher, etc)

Lot Size: \_\_\_\_\_ (1/4 acre, 1/2 acre etc) Age: \_\_\_\_\_ Year Built: \_\_\_\_\_

Other Desired Features (please circle): Family Room, Storage, Patio, Eat-in Kitchen, Fireplace, Fenced Yard, Trees, Swimming Pool, Recreation Room, Basement, Garage

Number of Parking Spaces: \_\_\_\_\_ Room For RV Parking? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you want rental income? Suite? Authorized? Unauthorized?: \_\_\_\_\_

Do you need to accommodate any unique or unusual sized furniture? \_\_\_\_\_

What other special requirements do you have? \_\_\_\_\_

# Meet & Greet

Over the course of the home buying process we will learn things about each other, in the meantime here is a bit of information for you.

I am a specialist in the Tri-City and surrounding areas real estate market. I joined real estate in 2002 and in a short period received one of the top awards my company offered, the President's Gold Award (including many years following). I believe it is important to have a Realtor who is knowledgeable, honest, a good negotiator and sensitive to the needs of my clients. I pride myself on always putting my client's best interests first! As a resident of the Tri-Cities for most of my life, I have an extensive knowledge of and an appreciation for the Coquitlam, Port Coquitlam and Port Moody areas and offer over 25 years experience in the housing industry.

I received my license to sell real estate in 2002. Prior to entering the real estate industry I worked for 20 years in the construction industry. The knowledge I acquired in those 20 years has been a huge asset in assisting clients with their purchase or sale of real estate. The knowledge that I bring to the table has resulted in a high level of trust and satisfaction from my clients, and respect from my fellow realtors. I am a firm believer in continuing education, training and developing ways to better serve my clients. I have taken the time to increase my knowledge in the industry by continually taking courses, which have included negotiation courses offered at the Justice Institute which have allowed me to learn the skills necessary to negotiate effectively for my clients.

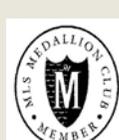
## Achievements & Awards:



2005-2010



2009



2009

Now that you know a bit about me, I look forward to getting to know you better over the next little bit!

# Client Testimonials & References

*Thanks for all your hard work. You continued to market my home and pushed for the sale. You sold my house and got me the house of my dreams.*

*- T. Smith*

*We enjoyed working with you to complete our real estate transaction.*

*- R. & L. Gray*

*If you want a Realtor you will use again and again and recommend to your friends and family then Mark Brennan is the one! When we were looking for our first home, we felt safe and secure that we would be making a great buying decision because of Mark's in depth knowledge, professional expertise, caring attitude and attention to detail. Mark was always available and ready to view and evaluate homes with us, and willing to go the extra mile to skillfully help us negotiate and get what we wanted. Needless to say, we are very happy with our new home and very happy that we chose Mark as our Realtor!*

*- P. & R. Slobin*

*Really friendly person. He took most of the stress out, stress associated with buying a house.*

*- S. Trembly & M. Picard*

*We had a positive experience buying and selling with Mark Brennan as our realtor. We had three realtors advise us of a list price for our condo. Mark suggested a list price that was \$10,000 over the other realtors' recommended price. We were enriched with a sale one week after the listing, which was within \$5,000 of the asking price. The excitement of the sale followed with a greater down payment for our upgrade condo and the need to view new properties quickly. We felt so important to Mark. Visits to potential condos were arranged promptly. Each meeting with Mark was a pleasure. We enjoyed his calm and professional care. His skilled negotiation helped secure benefits and price for our swanky new condo that we couldn't achieve on our own. Mark's expertise in building structure and carpentry ensured our newly built codo had the deficiencies repaired before we moved in. We will be returning to Mark for future realty needs. We happily refer him to our friends!*

*- The Cantelons*

*If you would like to talk to any past clients here are a few and you are more than welcome to call as a reference, please keep in mind these are working people with families so please keep their privacy in mind and contact them at a decent time of day - thank you in advance for your cooperation.*

**Janet Bingham**

**778-868-8699**

**Ajay & Anupma Garg**

**604-362-2095**

**Ron & Lorraine Gray**

**778-887-4522**

**Justin Bryan**

**604-761-4289**

# Services You Will Receive

*Deciding whom to represent you is the most important decision you will make in the home buying process, next to actually choosing a home, I will assist you in the following areas that are critical to achieving a satisfying and happy real estate experience.*

- ◆ *I will act as your trusted advisor and represent you, not the seller, in the process of acquiring what may be your biggest asset.*
- ◆ *I will provide counsel from start to finish regarding all matters concerning your purchase, such as:*
  - \* *Where is the best location to buy?*
  - \* *What taxes are payable if anything?*
  - \* *Guidance regarding competent conveyance lawyers/notaries, mortgage brokers and qualified property inspectors.*
  - \* *Discussion of financing options.*
- ◆ *I will keep your bargaining position confidential.*
- ◆ *I will make you aware of current issues that could affect land value.*
- ◆ *I will negotiate the best price and terms for you that meet your needs and budget.*
- ◆ *I will keep you abreast on the most up-to-date listings in your price range and provide you with the most recent “solds” in your chosen area(s).*
- ◆ *I will prepare a reasonable and binding offer.*
- ◆ *I will put you at ease and answer all of your questions in an open, honest and frank manner.*
- ◆ *I will oversee the complete closing process.*
- ◆ *I will be available long after the sale has completed.*
- ◆ *I will find you a wonderful home!!!*

# My Request of You

***I hope that you will follow just a few simple steps...***

- 1. Write all offers through us. All real estate brokerages co-operate with each other. If you wish to view a property listed by another Realtor or Real Estate Company that's fine. We can show it to you!*
- 2. Phone us on any real estate ads or signs that interest you and would like to have more information on.*
- 3. When you go through "open houses," please inform the hosting sales representatives that you have a Realtor already. Do not give out your name and number. If you want additional information on a home, I will get it for you.*

***Buying or selling a home should be a pleasant experience. Our goal is to provide you with the kind of service that will make you want to refer us to all your friends and family.***

***We make it our business to know the housing market. We will help you find your "perfect" home and will stand by you every step of the way - that's a promise!***



# Buyer's Checklist

<b>Mortgages</b>	
Are you pre-approved? Submitted employment letters? Interest rate protected for 60, 90, or 120 days? Tallied liabilities and assets? Do you need mortgage loan insurance i.e. CMHC? Compared interest rates, pre-payment privileges? Compared payout penalties (if any)? Do you want mortgage life insurance? Signed a letter of commitment when you have purchased and your mortgage has been approved	
<b>Down Payment</b>	
Are your monies readily accessible? Are your monies a gift? If so, you may need to provide a letter verifying this from the donor. Do you qualify to use RRSP monies? New immigrants should verify down payment requirements	
<b>Home Fixtures/Chattels</b>	
Know that there sometimes will be exclusions. Know the age of all appliances and if in good working order. Security alarm systems are not always considered a fixture & may be leased. Built-in vacuum system's accessories & attachments may be chattels. Shelving can be considered a chattel.	
<b>Deposit</b>	
You will need to obtain a bank draft once you have an accepted offer on a property. Realize that your deposit becomes part of your down payment. Check with your Realtor as to how much money is required.	
<b>House Inspectors</b>	
Read their contract for exclusions (what may not be inspected). Ask your Realtor to recommend several. Check their credentials. Ask for referrals. BC inspectors are licensed & are required to carry errors & omissions insurance as well as general liability insurance in order to obtain a license. Get a specialist in as well if you suspect the home may have a problem i.e. insect specialist, pool specialist, roof specialist, etc.	

# Buyer's Checklist Continued

<p><b>New Homes</b></p> <p>HST/GST will be payable. Question who will receive the rebates.</p> <p>Know about all warranties, when they expire, etc.</p> <p>Know that the estimated completion day can vary from the Purchase Contract</p>	
<p><b>House Insurance</b></p> <p>Lenders will require insurance as security for their loan.</p> <p>Tenant insurance should be obtained should you rent out a portion of the house.</p> <p>Condominium/apartments need only to be insured for contents and liability.</p>	
<p><b>Lawyers/Notaries Public</b></p> <p>A fee plus HST will be charged on completion day.</p> <p>Shop and compare pricing.</p> <p>Ask your Realtor or Mortgage Broker to recommend several.</p> <p>The Buyer's Lawyer orders the Survey should one be necessary.</p>	
<p><b>Extra Costs</b></p> <p>Besides the down payment, have extra monies set aside for property transfer tax, legal fees, survey, appraisal fees, property tax adjustment, etc.</p> <p>Ask your Realtor for an itemized breakdown.</p>	
<p><b>Apartments/Townhouses</b></p> <p>Know the difference between a strata, leasehold, co-op, etc.</p> <p>Know what the contingency reserve fund is before you offer on the property. If it is low ask why.</p> <p>Make sure you are in receipt of all documentation and have a professional handy in case you don't understand their content.</p> <p>Know the parking stall(s) and storage locker are part of the condominium unit or part of the com-</p> <p>You will receive a "Form B" as part of the strata documentation, Usually, this is a one page document verifying the current status regarding information pertaining to a particular unit, i.e. amounts owing to the strata corporation by the current owner, etc.</p> <p>Know the restrictions in the by-laws, i.e. rentals? pets? age restriction?</p>	
<p><b>Schools</b></p> <p>Know the nearest elementary, middle &amp; high schools</p>	
<p><b>Gas/Hydro</b></p> <p>Know the monthly charge for winter and summer or the monthly average</p>	

# Buyer's Estimated Expenses

## Estimated Selling Price

\$ \_\_\_\_\_

These “**up-front**” expenses are payable on or before the completion day of your purchase. It is possible that you could be exempt from some fees or some fees may be waived.

## Add

### Property Transfer Tax

1% of the 1st \$200,000, 2% on the balance of the purchase price.

\$ \_\_\_\_\_

### Lawyer/Notary Fees

Includes your lawyer's fees & registration of mortgage and Certificate of Title and disbursements.

\$ \_\_\_\_\_

### Appraisal Fee

Most lenders require an appraiser's report confirming that the purchase reflects fair market value. Depending on your down payment, some lenders will waive this requirement.

\$ \_\_\_\_\_

### House Inspection Fee

It is the buyer's option to have a home inspection to pinpoint defects. This is not a lending institution requirement.

\$ \_\_\_\_\_

### Survey or Title Insurance

A survey accurately depicts the location of the house and outer buildings in relation to the property lines. Title insurance provides for no-fault protection against title risks.

\$ \_\_\_\_\_

### Property Tax Adjustment

Based on the “adjustment date,” you may have to reimburse the Seller for his/her portion of the prepaid property taxes.

\$ \_\_\_\_\_

# Buyer's Expenses Continued

## GST & the BC Transitional Tax

\$ \_\_\_\_\_

5% GST and in most cases, a 2% BC Transitional Tax will be payable on the full purchase price of a new home - minus any rebate if applicable. After April 1, 2015 only the 5% GST applies.

## Interest Adjustment

\$ \_\_\_\_\_

The amount of interest due between the date a mortgage starts and the date the 1st mortgage payment is calculated from. When there is a gap in the dates, the interest adjustment is payable.

## CMHC/Genworth Financial/AIG United Guaranty Mortgage Loan Insurance Premium

\$ \_\_\_\_\_

This fee can be paid "up front" but is much more common to include it in your mortgage and pay it back over the length of your amortization period. This is not required for conventional financing. Premiums vary on the amount borrowed.

## Other Charges

\$ \_\_\_\_\_

(This can include things such as moving fees or items that are required to be purchased prior to moving).

\$ \_\_\_\_\_

## Subtotal including Estimated Selling Price

\$ \_\_\_\_\_

Subtract      **Down payment (this includes your deposit monies)**

\$ \_\_\_\_\_

Subtract      **Mortgage amount & insurance premium (if applicable)**

\$ \_\_\_\_\_

## Estimated Expenses

# Offer Flow Chart

**Buyer's Realtor**

**Seller**

## **Write an Offer**

We will prepare the required paperwork required to submit an offer & research what we believe is a fair value of the property & guide you make the choice of what to offer.

## **Present Offer to Seller & Seller's Realtor**

Once your offer is complete with your terms we will present the offer to the Listing Realtor/Seller(s) on your behalf.

## **Offer Will Either Be...**

### Accepted

Seller(s) accept the written offer as presented

OR

### Countered

Seller(s) make changes to your original offer & you will have the same 3 options dealing with the counter (accept, reject or counter)

OR

### Rejected

Seller(s) reject the offer with no counter offer back

## **Accepted Offer**

Both parties agree on terms & conditions of the offer.

## **Mortgage Broker/Bank Obtains Financing**

## **Property Inspection Occurs**

## **Other Subjects Are Fulfilled**

Review of Title, Property Disclosure Statement, etc.

## **Subject Removal**

Once all the subjects/conditions have been fulfilled, the subjects/conditions are removed and this is now a firm deal. At this point in time we will forward all the corresponding paperwork off to your lawyer/notary of your choice to handle the conveyance end of the sale.

## **Deposit Is Submitted to Buyer's Realtor's Office**

**Buyer(s) meet with their Lawyer/Notary & sign documents/  
pay balance (statement of adjustments which Lawyer/Notary  
will provide you with beforehand)**

**Signed documents sent to Seller(s)  
Lawyer/Notary to be signed by the  
Seller(s)**

**Documents Returned to Buyer's Lawyer**

**Buyer's Lawyers Register Property At Land Titles**

**Buyer's Lawyer's Release Proceeds of Sale to Seller's Lawyer & Payout Realtor's Commission**

# Property Transfer Tax

***Almost everyone in B.C. pays Property Transfer Tax on each home purchase unless you are a first time home buyer (FTHB) and meet certain criteria.***

*There are other commonly claimed exemptions such as transfers of a property between related individuals but for a complete list, the B.C. Government website should be accessed.*

*Do not confuse this tax with your yearly property taxes. Property Transfer Tax is a land registration tax payable when an application is made at any Land Title Office in B.C. to register changes to a certificate of title. Property tax is the amount paid on an annual basis for services received from local government.*

*Unless you qualify for an exemption, you will be charged 1% on the 1st \$200,000 and 2% on the balance of the purchase price of the land and improvements. If you are a first time buyer and meet all conditions, you are exempt from this tax if your purchase is under the ceiling price of \$425,000\*.*

## ***Examples of taxes due without an exemption:***

*i.e. Purchase Price:      \$276,000 = \$ 3,520.  
                                     \$400,000 = \$ 6,000.  
                                     \$700,000 = \$ 12,000.*

*This amount must be paid to your conveyance lawyer at the time the application to register a transfer is presented to the Land Title Office (on the completion date of your purchase). Your lawyer will complete your Property Transfer Tax Return for you but Buyers must complete the certificate portion of the form.*

## ***Types of transactions that are taxable***

*Taxable transactions include, but are not limited to, the registration of:*

*A transfer of legal title (i.e. the purchase of a home and registration in your name); a right to purchase (an agreement for sale); leases and lease modification agreements; life estates, foreclosures; property transfers as a result of corporate reorganizations; estates, forfeitures, quit claims; and Crown Grants.*

# Property Transfer Tax Continued

## ***Some of the conditions for the First Time Buyers PTT exemption***

1. *Each buyer applying for exemptions/refund as a first time home buyer, must be a Canadian citizen or permanent resident, who has resided in BC for 12 consecutive months prior to registration date or filed two income tax returns as a BC resident within the last six years.*
2. *Where a buyer is not entitled to an exemption at the registration date only because they are not a Canadian citizen or permanent resident, and the buyer satisfies that requirement on or before the first anniversary of the registration date, they may apply for a refund of the tax paid. Application for a refund must be made within 18 months of the registration date.*
3. *Each buyer who applies for an exemption or refund as a first time home buyer must not have previously owned an interest in a principal residence anywhere in the world or previously obtained a FTHB exemption or refund.*
4. *The fair market value of the land and improvements which comprise the principal residence must not exceed \$425,000.*
5. *\*If the fair market value of the land and improvements which comprise the principal residence exceeds the applicable qualifying value by an amount not greater than \$25,000 a proportionate exemption is available.*
6. *The full exemption/refund is available on properties where all of the improvements are residential and the land portion does not exceed 0.5 hectares (1.24 acres) in area. A partial exemption/refund may be available where:*
  - \* *The improvements (buildings) are not all residential. In this case, only the fair market value of the residential portion is to be included in the exemption calculation. The purchase price of the entire property must not exceed the limitation outlined.*
  - \* *The land exceeds 0.5 hectare in area. In this case, the exempt portion of the fair market value of the land is restricted to a 0.5 hectare portion.*
7. *If the property has a residence on it, the buyer must occupy the property as their principal residence within 92 days of the date of registration of the transfer at the Land Title Office.*
8. *The buyer(s) must occupy & use the property as their principal residence for the one year period following the date of registration of the purchase at the Land Title Office.*
9. *If the property purchased is vacant land, the residence must be established prior to the first anniversary of the registration date, and the buyer must occupy and use the property as their principal residence from the date the residence was established to a date no earlier than the first anniversary of the registration date. If the property purchased is vacant land, the fair market value of the land plus the total cost to construct the improvement must be no greater than the qualifying value in 4 or 5 above.*

***Please note that this is a guide only and does not refer to all limiting conditions. For more details refer to: [www.gov.bc.ca](http://www.gov.bc.ca)***

# Key Players

## ***Realtor***

Driving around aimlessly following "open" arrows and looking at "open" houses is almost always a waste of time for a buyer. Most buyers arrive at these "opens" and realize that either they can't afford the home or the property just isn't suitable.

Your representative will give you invaluable advice on how to prepare your Contract of Purchase and Sale. He/she will should include conditions that will safeguard your best interests and give you guidance as to what would be a realistic price to offer. Some properties are overpriced. Your Realtor should tell you which homes are and why he/she thinks so. Realtors will also provide you with good guidance regarding choosing other team players such as lawyers, mortgage brokers and property inspectors.

Once you have chosen your sales representative, be loyal to him/her. A good realtor will invest many hours of their time searching for the "perfect" home for you. Don't work with several realtors at the same time because if they find out that you are, they won't try as hard to find you a home and they may even stop calling you entirely.

Ask yourself, would you want to invest your time in someone that may eventually buy through another person other than yourself? Wouldn't a realtor better spend his/her time with someone who he/she is assured of selling a home to you? You bet. Remember that a realtor must earn a living too - just like you.

## ***Lenders & Loans Officer***

Most lenders will "pre-approve" a buyer for a mortgage and some will even do it over the phone. It costs you nothing to arrange for a mortgage before finding the home you wish to purchase and there is no obligation.

Shop around. All banks, trust companies, credit unions, etc. offer varying terms and options. Find the best deal for you. Credit Unions handle only members but it only costs a nominal fee to join one and sometimes they can offer greater flexibility than banks.

Your loans officer's experience is important. As in any occupation there are good apples and some, not-so-good apples. If you are unfortunate enough as to engage an inexperienced junior loans officer, you can be sure that the mortgage application process will not go as smoothly as you would wish. The consequences could be either harmful delays or worse.

## ***Mortgage Brokers***

Mortgage brokers are independent and represent a variety of banks, trust companies and private lenders. Brokers deal with discount only divisions of the big banks can sometimes offer 1 to 1.5 points below what banks have posted. Every mortgage broker in Canada is online with all of the major lenders and can get your pre-approved or completely approved within 24-48 hours of taking the application, usually without fuss, muss or bother.

Brokers usually don't charge a fee for this service as they most often receive a "finder's fee" directly from the Lender.

## ***Property (Home) Inspectors***

**Always** have a home inspected. For a nominal fee paid by the buyer, an inspector can provide some assurance about the condition of the residence about to be purchased and an approximation of how much it will cost to do repairs.

# Key Players Continued

A detailed written report will be supplied.

In addition to the normal property inspection, it may be wise to consider hiring a specialist regarding the condition of the home's roof or pool, etc., if there is concern that there may be a problem. Some inspectors specialize in condominiums only and may do a more thorough inspection than those that do not.

## ***Builders/Contractors***

Make sure that the builder you hire to erect your dream home or renovate your existing one has sound credentials. Ask for references and if possible, visit previous sites he has worked at. Speak to his clients to ensure they were satisfied with price, length of time in which the project was completed and overall, how the project was handled.

Remember, when purchasing a new home the HST is applicable. Make sure that this tax (which is a combination of GST and PST) is addressed in writing as to who is responsible for it and who is entitled to the rebates.

## ***Insurance Brokers***

Comparison shop before you buy a home. Brokers offer a wide range of policies and coverage and premiums do differ. Banks are usually more expensive than independents. Property insurance is a must because it covers damage or destruction to an insured property caused by perils such as fire. Your lender will want evidence of your coverage before they advance any mortgage monies, as they want to be assured their loan is secured in this regard. It is important to obtain replacement cost coverage.

Condominiums and townhouses need only to have liability and "contents" insured. The monthly maintenance fees cover the property insurance for the structure itself. Mortgage life insurance guarantees that if you die your mortgage will be paid in full. If you can afford it, it provides security for your children and spouse.

## ***Appraisers***

The lending institution will, in most cases, want their appraiser to evaluate the home and property you have chosen to purchase. Lenders want to be assured that the value of the security is worth the risk before they advance you a mortgage. Normally, an appraiser does an analysis of recent sales of comparable homes in the area by comparing lot, home size, age, condition, etc.

## ***Lawyers/Notaries***

Shop and compare. A lawyer's fee to do a conveyance can sharply differ from his/her competitors.

A notary public is not always cheaper than a lawyer and is not formally trained, qualified or allowed by law to provide a legal opinion on any subject matter. Buyers are free to choose almost any lawyer/notary to do their conveyance, which includes the mortgage document and transfer of title.

There are many excellent lawyers/notaries who specialize in real estate law. The buyer normally pays for all documentation regarding the new mortgage, transfer of title and disbursements and the seller pays for clearing title of all existing financial encumbrances on title, i.e. mortgage.

**Choosing the right representatives from the start is key to any smooth and worry free real estate transaction.**

# Glossary of Terms

*To those who are not deal with the purchase and sales of property on a daily basis some of the terms can be confusing or even foreign, so here are a few commonly used terms to help you get you started..*

**Amortization Period:** *The actual number of years it will take to pay back your mortgage loan.*

**Appraised Value:** *An estimate of the value of the property. Conducted for the purpose of mortgage lending by a certified appraiser. This appraisal is not to be confused with a building inspection.*

**Closed Mortgage:** *A mortgage that locks you into a specific payment schedule. A penalty usually applies if you repay the loan in full before the end of a closed term.*

**Condominium:** *The owner has title to a single unit, as well as a share in the common elements such as elevators or surrounding land.*

**Condominium Fee (maintenance fee):** *A common payment among owners that is allocated to pay expenses.*

**Conventional Mortgage:** *A mortgage loan issued for up to 75% of the property's appraised value or purchase price, whichever is less.*

**Down Payment:** *The buyer's cash payment toward the property. The difference between the purchase price and the amount of the mortgage loan.*

**Equity:** *The difference between the home's selling value and the debts against it.*

**High-Ratio Mortgage:** *A mortgage that exceeds 75% of the home's appraised value. These mortgages must be insured for payment.*

**Interest Rate:** *The value charged by the lender for the use of the lender's money. Expressed as a percentage.*

**Land Transfer Tax, Deed Tax or Property Purchase Tax:** *A fee paid to the municipal and/or provincial government for the transferring of property from seller to buyer.*

**Mortgagee:** *The person or financial institution that lends the money.*

# Glossary of Terms Continued

**Mortgagor:** *The borrower.*

**Mortgage Insurance:** *Applies to high-ratio mortgages. It protects the lender against loss if the borrower is unable to repay the mortgage.*

**Portability:** *A mortgage option that enables borrowers to take their current mortgage with them to another property, without penalty.*

**Pre-Approved Mortgage:** *Qualifies you for a mortgage before you start shopping. You know exactly how much you can spend and are free to make an offer when you find the right home.*

**Principal:** *The amount borrowed or still owing on a mortgage loan. Interest is paid on the principal amount.*

**Property Transfer Tax:** *A fee paid to the municipal and/or provincial government for the transferring of the property from seller to buyer.*

**Property Disclosure Statement (PDS):** *A form filled out by the seller of the property to provide buyers with greater knowledge of the property.*

**Refinancing:** *Paying off the existing mortgage and arranging a new one or re-negotiating the terms and conditions of an existing mortgage.*

**Renewal:** *Re-negotiation of a mortgage loan at the end of a term for a new term.*

**Second Mortgage:** *Additional financing. Usually has a shorter term and higher interest rate than the first mortgage.*

**Term:** *The length of time the interest rate is fixed. It also indicates when the principal balance becomes due and payable to the lender.*

**Title:** *Legal ownership of a property.*

**Variable-Rate Mortgage:** *A mortgage with fixed payments but fluctuating with interest rates. The changing interest rate determines how much of the payment goes towards the principal.*

**Vendor Take-Back Mortgage:** *When the seller provides some or all of the mortgage financing in order to sell their property.*

# Fixture or Chattel

The distinction between chattels and fixtures is often difficult to assess. The courts have adopted a general two-part test, which has to do with the degree and the purpose of affixation. To avoid any misunderstandings, your Contract of Purchase & Sale must specify which items you expect to be left behind once the sale completes. If you are a Buyer, take notes with respect to those items you want. Your Realtor will help you with this list and may even write items that are “built-in” into the contract to ensure that these items are not removed.

The following list represents a sample of the items that are the most commonly asked for in a Contract of Purchase & Sale. It is no means complete.

- \* Washer
- \* Dryer
- \* Stove
- \* Refrigerator
- \* Freezer
- \* Microwave
- \* Dishwasher
- \* Drapes/Window Coverings
- \* Alarm Systems
- \* Hot Tub Cover & Accessories
- \* Pool Cover & Accessories
- \* Garburator
- \* Shelving
- \* Mirrors
- \* Fireplace Inserts
- \* Water Purification Systems
- \* Built-in Vacuum Canister & Accessories

## ***Buyers:***

**It is not always prudent to include too many items in your offer especially if you are in a multiple offer situation. This could make for a “weak” offer. Sellers can take great exception to your offer when you include too much.**

**You may be able to purchase the house for less money if you do not negotiate for the fridge, stove, etc. After all, what is the actual value of a second hand fridge or dishwasher if you were to buy it though the classifieds?**

# Moving Checklist

I have put together a general overview on tips for the moving process, as this is just a guide some of these items may not be applicable to you or your specific situation.

## **Packing guide**

Packing all of your items yourself will save you money. It can also be quite stressful, so here are some simple techniques to make it easier.

### **Use proper packing materials.**

Sturdy boxes, packing tape, bubble wrap and packing peanuts can all be purchased at local moving or shipping companies. Wardrobe boxes plus other specialty boxes that may come in handy or help save packing time can also be found there.

### **You have to have the right tools.**

Here is a list of tools and materials to help make your packing go more smoothly, these items would also best be packed up and labeled well to help with the unpacking.

- Razor, knife and or scissors
- Dark, water-resistant marker
- Packing tape
- Packing wrap or Styrofoam peanuts for breakables

### **One room at a time...**

It's more efficient and less stressful if you pack one room at a time. Be sure and label each box appropriately (on top and side) with a description of its contents. Boxes containing breakable or sentimental items should always be labelled as "FRAGILE". Keep a detailed list of what items are packed in each box to make unpacking easier.

### **Empty your drawers...**

Empty all drawers of breakable or spillable items. Also, it's a good idea to put all furniture knobs, feet, screws etc. in one container so they won't get lost or damaged.

### **Flammable goods...**

Do not pack flammable goods or heat-sensitive items like records, audio and video tapes, propane tanks, aerosol cans, oil based paints and certain cleaning fluids.

# Moving Checklist Continued

## **A little TLC...**

Wrap each item individually and always place a layer of crushed paper in the bottom of the box or carton for cushioning. Fill empty spaces with additional crushed paper.

## **Will you be storing anything?**

If so, make sure your boxes are firmly packed with the heavier items on bottom. It's a smart idea to pack according to the season(s) which your things will be in storage and mark the boxes appropriately.

## **A note from the chiropractor...**

Put heavy items in small boxes so they're easier to carry.

## **When packing the truck...**

Make sure the items you need first are the last to be loaded (i.e. kitchen items, phone chargers or accessories, toiletries, etc). Use common sense, keep in mind the size, sturdiness and weight of your boxes.

## **It pays to plan ahead...**

Pack a separate bag with toiletries, a change of clothes, etc. for the first couple of days after your move.

## **Sometimes the weekends aren't so great...**

If possible, plan your move to occur on a weekday when banks, utilities and government offices are open.

## **First night survival kit:**

If all of your items don't arrive (especially if moving from out of town or province) or you're simply too weary to unpack everything, set aside some essential items you'll need for the first night in your new place, kitchen/food supplies (snacks, plastic cups/utensils/plates, paper towels, garbage bags), toiletries (toothbrushes, toothpaste, soap, toilet paper, towels, etc), medication, tools (flashlights, candles, scissors etc), clothing, sleeping gear (blankets/sheets), children's items (if applicable).

# Moving Checklist Continued

## Address Change

*Make sure you remember to inform the following of your new address!*

- Driver's License*
- Insurance Agencies (Health/Life/Property/Car)*
- Income Tax/GST*
- Canadian Pension Plan*
- Medical coverage (MSP)*
- Post Office*
- Doctor's Office*
- Dentist's Office*
- Newspaper/Magazine Subscriptions*
- Banks/Credit Card Companies*
- Employer(s)*
- Electricity Company/Hydro*
- Gas*
- Water*
- Telephone (Landline & Mobile)*
- Cable/Satellite Provider*
- Alarm company*
- Children's Schools*
- Your Family & Friends*
- Miscellaneous: \_\_\_\_\_*
- Miscellaneous: \_\_\_\_\_*

***Remember to leave things such as... for the new owner:***

- Warranties/guarantees for appliances, roofing, etc*
- Any instruction manuals (appliances, security system, etc.)*
- Any spare keys to doors/mailbox/sheds etc.*
- Garage door openers*

# Helpful Info & FAQ

## Helpful Numbers/Links

### **Canada Post**

1-866-607-6301

[www.canadapost.ca](http://www.canadapost.ca)

### **Shaw**

1-888-472-2222

[www.shaw.ca](http://www.shaw.ca)

### **Medical Services Plan (MSP)**

1-800-663-7867

[www.health.gov.bc.ca/msp/](http://www.health.gov.bc.ca/msp/)

### **Fortis BC**

1-888-224-2710

[www.fortisbc.com](http://www.fortisbc.com)

### **Telus**

1-888-811-2323

[www.telus.com](http://www.telus.com)

### **ICBC**

604-661-2800

[www.icbc.com](http://www.icbc.com)

### **Hydro**

604-224-9376

[www.bchydro.com](http://www.bchydro.com)

### **Canada Revenue Agency**

1-800-959-8281

[www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)

## Frequently Asked Questions

### **What does I cost as a buyer to use an agent?**

*The compensation that a sales agent receives typically comes from the seller's proceeds. In other words, there is no cost for a buyer to use the services of an agent.*

### **Can my agent give me information regarding properties from other companies?**

*Absolutely. Your agent has access to every property listed on the Multiple Listing Service (MLS). If you find a property on your own, you should contact your agent and not the property owner or the agent listing the property.*

### **Can I go to open houses without my agent?**

*You are welcome to go to open houses without your agent; however you need to make sure that you indicate your working with an agent. If you don't, your agent may not have the ability to represent you on that property in the future.*

### **How can I find out about new properties?**

*As your agent Luc and Mark will be able to set you up on an automatic system that will email you new listings within your search criteria as soon as they are listed.*

### **Summary**

*When purchasing real estate, a sales agent is an invaluable resource if you remember your responsibilities:*

- 1. Work with just one agent.*
- 2. Fully describe your requirements to your agent*
- 3. Always tell other agents you are already working with an agent.*