



WHAT EXPENSES TO EXPECT WHEN BUYING A HOME?

A minimum of at least 5% down payment is needed to purchase a single family or two-unit home. Additionally if your down payment is less than 20% of the total purchase price the homebuyer will have to purchase Mortgage Loan Insurance, which is also referred to as Mortgage Default Insurance.

BUDGET FOR A DEPOSIT

Having a deposit is very important in the process of purchasing a property. Placing a healthy deposit will show the seller that your intent to buy is serious. Your deposit will be placed in a brokerages trust account, and if the offer is accepted the deposit amount will be credited towards to purchase price. If the offer is declined, your deposit will be returned to you accordingly.

Depending on the purchase price of a property the average deposit ranges from 2% - 10%.

CLOSING COSTS

Furthermore, it's recommended that a buyer budget for approximately 3% of the sale price of the home for closing costs. These costs cover:

- Legal Fees
- Land Transfer Tax
- The Buyer's share of the Property Taxes for the remainder or the year
- Property Title search
- Title Transfer
- A Property Survey

HOME INSURANCE is another fee that Buyers must account for when purchasing a property. The cost is typically based on the value of your home, its contents and the amount of protection the buyer chooses to have from the Insurance Company. Home Insurance is a fee owners must pay for every year, and can choose a payment schedule of once a year or per month.

A 5% GST FEE may apply if the buyer purchases a newly built property, or an existing home that has recently experienced a considerable amount of comprehensive renovations.

MOVING COSTS

- Buyers will need to account for moving supplies (tape, boxes, etc.), and gas.
- If a buyer decides to hire a professional moving company most often their fees are based on what exactly you want moved, and the total number of hours you will need their services.

PLAN FOR Utility Service Charges such as cable, telephone, water, electric, etc.

Any Renovations that a buyer plans to do upon possession of their new home, such as remodeling the kitchen, bathroom, rec room or even updating windows, or the furnace.

DON'T FORGET...THE COSTS OF OWNING A HOME:

1. Mortgage Payments
2. Property Taxes
3. Utility costs
4. Maintenance and Repairs