

TIPS FOR FIRST-TIME HOME BUYERS

Buying a home is likely one of the single biggest investments that you'll make in your life, so, naturally, it's more than a little daunting. To help ease the stress of entering the real estate market, we've put together a list of tips for first-time home buyers.



GET PRE-APPROVED

As soon as you start thinking about buying your first home, visit your lender to find out where you stand financially and the mortgage amount that you qualify for. You don't want to put an offer in on a \$500,000 house and then learn that the bank will only loan you \$300,000. Your lender can also provide you with government incentive information for first-time buyers, like the Home Buyers' Plan and the First-Time Home Buyers' Tax Credit.



KNOW YOUR UPFRONT COSTS

When budgeting for the purchase of your first home, keep in mind that there are a few associated costs. Once you have an accepted offer on a property, for example, you'll be asked to make a deposit (usually 1% of the purchase price) that will be held in trust until the transaction closes. Other costs include the home inspection fee, legal fees, land transfer tax, title insurance, home insurance, any prepaid property tax or utility adjustments, and, of course, your down payment (5 to 20%).



FIND THE RIGHT AGENT

When it comes to hiring a real estate salesperson, do your homework. If possible, sit down with prospective agents in person, so you can make an informed decision on whom to work with. How well do they know the local market/communities? How long have they been in real estate? Can they provide client testimonials? How are their negotiating skills? How do they approach multiple offer situations? How accessible are they? Do you feel comfortable with them? And, most importantly, do you feel that they represent your best interests?



FIND THE RIGHT HOME

Finding the right home involves more than just the home itself; you also need to consider where the home is located. Is it close to work? Is it on the transit line? What school district is it in? What amenities are nearby? Is the community mainly young families or a more mature population? The home meets my needs now, but will it in 5 or 10 years? Are there any issues that may affect its resale value? The bedroom to bathroom ratio may be a factor in determining if a home is right for you, but make sure you consider the big picture too.



PROTECT YOUR INVESTMENT

These days, it's unlikely that your first home will be your forever home, so make sure you take care of your investment. Keep up with your mortgage payments, save for emergencies (because something always goes wrong!), don't put off repairs, perform seasonal maintenance tasks, and hire only reputable companies to do any fixes or renovations.