

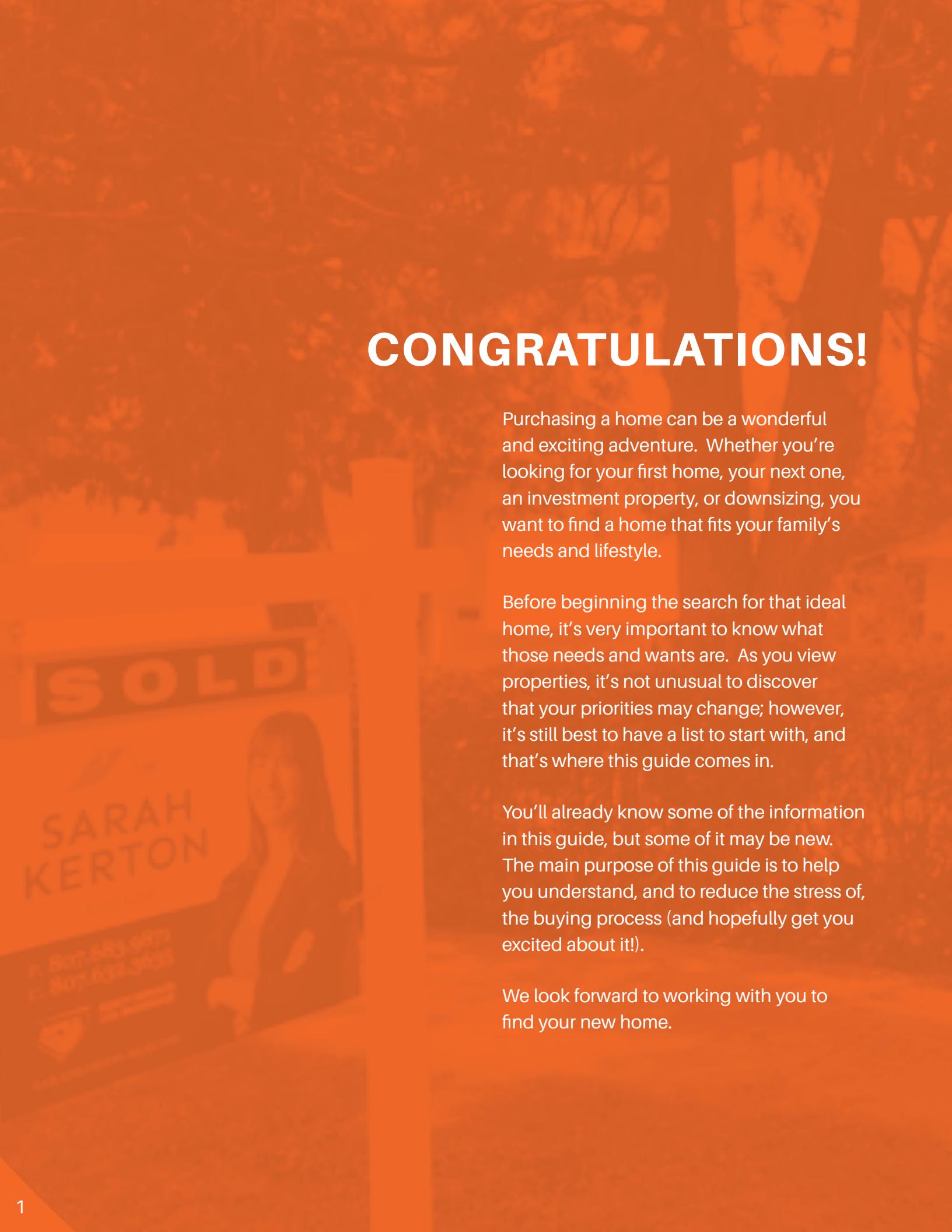


WORKING WITH SARAH & CHRIS

INFORMED BUYER PACKAGE



CONGRATULATIONS!

A woman in a red dress is holding a 'SOLD' sign in front of a house. The house has a 'SARAH KERTON' sign on the side. The background is a blurred orange.

Purchasing a home can be a wonderful and exciting adventure. Whether you're looking for your first home, your next one, an investment property, or downsizing, you want to find a home that fits your family's needs and lifestyle.

Before beginning the search for that ideal home, it's very important to know what those needs and wants are. As you view properties, it's not unusual to discover that your priorities may change; however, it's still best to have a list to start with, and that's where this guide comes in.

You'll already know some of the information in this guide, but some of it may be new. The main purpose of this guide is to help you understand, and to reduce the stress of, the buying process (and hopefully get you excited about it!).

We look forward to working with you to find your new home.



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THE BUYING PROCESS

1

WHERE AND WHAT TO BUY

IDENTIFYING YOUR NEEDS, WANTS AND LIFESTYLE

It is important for us to understand you, not just what type of property you're looking for; we need to know why, as well as a host of other critical factors that will play a role in your purchasing decision. It's also important for you to feel comfortable with us and that we are going to look after your best interests. The Home Buyer Questionnaire is an excellent tool we can use to identify the best possible home choices for you. Please fill it out and return it to us.

2

PRE-APPROVAL

In order to avoid wasting your valuable time and creating unnecessary frustration, we want to make sure that you're fully aware of the price range in which you should be searching. We strongly recommend you get pre-approved before beginning to look for a property. Pre-approval can be done by either your bank or through a mortgage broker. If you need help finding a lender we can provide recommendations.

GETTING PREAPPROVED FOR A MORTGAGE

The mortgage industry is a highly competitive field and it's important to understand that interest rates can change at any time. Partnering with a mortgage broker or financial institution to help you find the right mortgage product at the best rate is key to your home



buying process. Here are 5 easy steps to get you pre-approved for a mortgage.

1. Talk with a Mortgage Specialist. There are hundreds of options to choose from when it comes to lenders. Independent mortgage brokers tend to offer the most options because they don't just work with one bank, however the large financial institutions also have mobile mortgage specialists that are excellent. You may want to contact them as your first step toward finding the right mortgage for you, but be sure to compare rates.
2. Gather all the necessary documents. The mortgage broker will give you a list of documents that the banks/lenders need to finalize the mortgage.
3. Verification of your details. They will do their checks and balances to make sure that you are not getting in over your head.

4. Obtain a copy of your Pre-approval. This is a powerful negotiating tool and will help us go into negotiations for your dream home in a confident position.
5. Having that Pre-Approval documentation can offer you several benefits:
 - Save you time by only looking at properties that you can afford.
 - Save you money. Rate guarantees and mortgage terms can save you money for years to come.
 - Less stress throughout the process. You will know that you are ready and capable of buying a home.
 - Get a better deal on the home that you want. Sellers like to know that buyers already have financing in place.

3

CHOOSING THE RIGHT REALTOR® FOR YOU

First, it's important that you understand whose interests Realtors® are legally bound to serve in a real estate transaction.

THE LISTING AGENT

The Listing Agent is under contract with the seller to market and sell their property for the best possible price. Working with a listing agent means that they can:

- Arrange a showing of the property.
- Provide details about the property.
- Explain all the forms and agreements related to buying the property.
- Explain the multiple representation process.

- Expert advice on useful clauses such as home inspections and financing to protect you fully.
- Expert negotiation of the offer to purchase to achieve the best possible price and terms.
- Expert advice on market value, inclusions, location, as well as help you decide when you should walk away.
- Discovery and disclosure of information about the property and area market and planning activity.

As your Personal REALTORS®, our job is to ensure you are an educated buyer in all aspects of your home buying process.

YOUR PERSONAL REALTOR®

When you engage the services of your own personal agent—someone who is under contract to work solely in your best interest—you get all of the same services listed above plus your personal Realtor® provides:

- Confidential assistance that addresses your needs first.
- Honest, loyal and diligent care free from any conflicts of interest.
- Access to all listings including MLS, bank owned properties, estate sales, and even homes that were previously on the market where the seller might still be interested in selling.

4

BECOME AN EDUCATED BUYER

OUR HOME BUYER SERVICES

Our Home Buyer Services will empower you with key market information and every possible advantage to ensure you become an educated buyer. Educated buyers are able to make informed decisions creating a stress free and enjoyable home buying process.

Here's what you can expect from us when you work with us:

- Absolutely no fees or costs to you as our buyer.
- Access to a personalized dashboard that allows you to review up-to-the-minute property listings.
- Constant communication and notifications as new listings hit the market.

1 TESTING YOUR CRITERIA

Once we've had a chance to review your criteria with you, we'll take a look at some homes that match your requirements as closely as possible. This will allow you to ensure that we've focused on the right homes for you and gives us a chance to focus in on the exact homes in which you're interested, saving you time and frustration.

2 SHOWINGS

Once we've confirmed that we're on the right track, we'll schedule a series of homes for you to view. We ask that everyone involved in the decision making be present at the showings, in order to avoid having to view the home more than once, potentially causing you to miss out on what could be the perfect home. We suggest that you select a maximum of 5 homes to visit in one day (2 - 4 is best).

3 MARKET UPDATES

We will provide daily update emails on all the homes that are new to the market or have had a recent price change. You get all the information about every property - the same information only we, as REALTORS® have access to.

4 LISTINGS!

We personally inspect all the potential properties in the area and take in several listings ourselves. This hot new listing information is passed on to our clients first.

5 WRITING AN OFFER

We believe that writing an offer is much easier as an informed and educated buyer. To this end we provide as much advice and information as you want and need.

It's our goal to help you set the most appropriate purchase price for your new home.

When determining the purchase price you're willing to pay, it's important to remember to:

1. Avoid getting caught up on the total house price, rather than looking at the monthly payments. Several thousand dollars in the purchase price could actually only amount to a difference of several dollars when amortized over the life of the mortgage. Our job is to be objective and give you the facts. You make the final decision.
2. Avoid letting your emotions drive your purchase. That way you can avoid paying too much for your new home.

6 THE PURCHASE CONTRACT

Getting an offer accepted isn't just about the price. If the price is within a fair market range, many other factors, such as the closing

date, the number and type of conditions, the condition dates, fixtures and chattels, will come into play when sellers consider accepting it.

Many buyers can find signing an Agreement of Purchase and Sale to be a scary and complicated process. It's important to us that you're comfortable with your decision and that we reduce the potential stress involved. In order to accomplish this, we walk you through the entire contract, and explain each clause, so you have a complete understanding of what you're signing. The offer we write will protect you, follow your instructions and match your schedule and needs.

ELEMENTS OF THE OFFER

Irrevocable Date

The first date you'll encounter when writing an offer is called the Irrevocable Date. Your initial offer will be valid for a specified period of time, during which you're giving the Seller the opportunity to respond to the offer. Once this time frame has passed, the offer is considered to be dead.

Completion Date

This is the date set for completion of the transaction, when transfer of the title to the property occurs and may also be called the Closing Date. It can be one of the points negotiated between you and the Seller.

Requisition Period

This is the time during which your lawyer has the opportunity to determine if there are any problems with the title of the property, such as liens, encroachments, encumbrances, etc. It is usually set no more than 2 weeks prior to the completion date.

The Deposit

A deposit must be submitted upon acceptance of the offer. The amount will likely be \$1000. This demonstrates to the Seller your intent to proceed with the transaction. The deposit is refunded in full if the deal does not firm up. The deposit can usually be paid via e-transfer, or by cheque. Cash or credit cards are not accepted.

Chattels and Fixtures

These are the items within the house and on the property that may or may not be included in the offer. Fixtures are the items that are permanently attached to the property, such as a bathtub. Chattels, unlike fixtures, are not permanently attached, such as fridges and stoves, and are not considered to be part of the property. In order to ensure you get the chattels and fixtures you want, make sure they're included in the offer.

7

SKILLED NEGOTIATION

We have the proven ability to negotiate the best price and terms for the purchase of your home. Once you've made your offer, the Seller has 3 options. They can:

- Reject the Offer
- Accept the Offer as it is
- Make a counter-offer back to you with whatever changes the Seller wants. At this point, you have the option of accepting the counter offer or making your own changes and signing the amended offer back to the Seller.

8

CONDITIONS AND WAIVERS

Once the contract has been accepted, we will help you to follow up on each condition, coordinating services and meeting the deadlines set in the contract. We have a wide range of service providers available and can ensure that you receive the top-level service you deserve. We make sure that all the documents (waivers, notices of fulfillment, or amendments) required to finalize the purchase are completed as they should be, correctly, and on time. That way everything runs according to the timetable, thereby reducing any cause for concern or stress.

Some of the most common conditions we recommend including in your Agreement of Purchase and Sale are:

FINANCING

Even if you have been preapproved for a mortgage, the property will likely require an appraisal to assure the lender that the price you are paying falls within accepted market value. The lender will arrange the appraisal.

INSPECTION

This condition provides an opportunity to have the property inspected by a qualified home inspector who will look for any major defects in the building or its systems. Home inspections allow you to scrutinize the details of the home and save you from some unpleasant surprises. When making your decision about who to use...

- Ensure that the home inspector is a qualified professional. Being a member of an association can reassure you are getting an experienced knowledgeable professional (OAHI, CAHPI).
- Ensure the home inspector checks for visible issues with plumbing, electrical systems, the roof, insulation, walls, ceilings, floors and windows, and the condition of the foundation. They can also check that included chattels, like furnaces and air conditioners, are in working order.

- Ensure your home inspector gives you an up close and personal look at your new home. It takes about 3 hours to go through all the systems, and if there are any problems, you will see them with your own eyes. They will also give you maintenance tips and easy fix-ups, if necessary.
- Ensure that in the end, you receive a detailed report that summarizes the condition of your home.

CONDOMINIUM STATUS CERTIFICATE

This condition only applies to the purchase of a condominium. It allows your lawyer to review the condominium's documents to ensure that the corporation is financially sound and meets all the requirements of the Condominium Act.

CHOOSING A LAWYER

Lawyers are an essential member of your team whose job is to ensure that you get what you are paying for and in accordance with the terms of your agreement of purchase.

Your lawyer will ensure:

- There is nothing on title that isn't supposed to be there.
- The property taxes, utilities and condo fees, if applicable, are up to date.
- You have all the information that you need about your new home.
- Your mortgage lender is satisfied and

that your mortgage is secured on property title as required by your mortgage agreement.

- You know exactly how much money you will need in order complete the transaction on closing day.

CLOSING COSTS EXPLAINED

LEGAL FEES

Lawyer's fees vary, but often have structured fees for the purchase and sale of homes they can tell you if you ask.

MORTGAGE FEES

Check with your mortgage lender to determine if any costs will occur when transferring or establishing your mortgage.

DISBURSEMENTS

These fees cover additional legal expenses such as travel, copies, couriers, registration fees and preparing document transfers. Disbursements can range upwards up \$500 but can sometimes be built into your legal fees.

ADJUSTMENTS

It's difficult for a home seller to calculate exactly how much money is owed to which utilities on closing day. Your lawyer will ensure that any overpayments or deficiencies on rents, mortgage interest, property tax, and utility charges will be corrected, and the buyer and seller will be credited or charged accordingly.

LAND TRANSFER TAXES

Ontario has a Land Transfer Tax payable by the buyer when purchasing a home and is payable at the time the transfer is registered. The land transfer tax is based on the amount paid for the property. First time home-buyers who meet the criteria are exempt from the first \$4000 of LTT. Your Lawyer will determine the LTT payable.



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Not intended to solicit anyone already under contract with another Brokerage.