



Home Buyer's Course



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Buying My Home

Veni ut discas, para te emere.

Come to learn, prepare to buy.

Written by Chris Musial, REALTOR®

Buying My Halifax Home

Are you thinking about buying a home but don't know where to start? You're not alone. I'm REALTOR® Chris Musial, and I'm here to help!

I've written this FREE course called [Buying My Home](#) to answer questions like

How do I buy a home?

How much can I afford?

How much do I need for a down payment?

Buying My Home is for you if...

I wrote [Buying My Home](#) for YOU if you meet one or more of the following criteria

- You are looking to buy a home but don't know where to start.
- You want to know how much you can afford.
- You need to finance your purchase but don't know how to apply for a mortgage.
- You want to stay within your budget.
- You want to increase your net worth and build equity by investing in real estate.
- You want to buy in your preferred neighbourhood, near good schools, and close to amenities that are important to you.
- You are actively searching for homes online but need advice from an experienced agent.
- You want access to exclusive "off-market" listings not found online.
- You are concerned about the cost of working with a REALTOR®.
- You are looking for a REALTOR® who will take the time to teach and prepare you about the home buying process step-by-step.

If your answer to any of these questions is "yes", then [Buying My Home](#) is for YOU!

How Buying My Home Works

I designed this flowchart that explains the home buying process step-by-step. We will break down each phase into manageable segments and learn about them one-by-one. By the end of the course you will understand the process of buying your first home and have a game plan to achieve your goal of home ownership. Come to learn, prepare to buy.

Buying My Home Flowchart

Pre-Offer Period

Prepare Before You Look!

- Choose your REALTOR®
- Understand how much you can afford
- Get Pre-Approved for Your Mortgage
- Set aside deposit, down payment, closing costs
- Choose your Lawyer
- Know what you are looking for - Needs vs Wants

2 - 4 Weeks or More

Look for Your Home

- Search online
- Review REALTOR'S® suggested listings
- View homes in person with your REALTOR®

Write & Submit Offer

Write Offer

Offer Price
Deposit Amount
Buyer's Conditions
Seller's Obligations
Firm Date
Closing Date

Offer Date

24 Hours or Less

Accepted Offer Date

Conditions Period

Perform Due Diligence

- Send Accepted Offer to lawyer & lender
- Request and confirm mortgage approval
- Arrange and attend inspections
- Investigate listing docs
- Confirm lawyer review
- Review inspection reports
- Write deficiencies amendment if required
- Pay Deposit in trust to listing agent's brokerage
- Satisfy all Buyer's Conditions
- Declare Offer Firm to Seller

Typically 10 Business Days

Sold Date

Firm Date

Pre-Closing Period

Prepare for Close and Move

- Sign mortgage documents
- Pay down payment & closing costs
- Arrange current utilities disconnections
- Arrange new utilities connections
- Pack possessions
- Arrange movers
- Forward mail
- Meet lawyer, review adjustments, sign docs
- Perform Pre-Close Inspection

Time Agreed to in Offer

Possession Date

Closing Date



Move In!



Case Studies

Let's find out why you should work with me.

Case Study #1

One afternoon I received a cold call from a very anxious potential Client regarding an active listing. His name was Nick and he was calling from Ottawa. Nick asked question after question about the property. He went on to tell me that he was being transferred to Halifax to take a new position as a Naval Commander and that he was coming to Halifax on a three-day visit to buy his very first home.

Buying your first home is a daunting task but doing it from 1,500 kilometres away with your wife and two young children while starting a brand new job in city you have never visited is overwhelming.

Nick and his wife Marie were on a tight deadline. I let them know that I could help them through the entire process from start to finish and even save them their house hunting trip to Halifax. I arranged real-time, live-stream video showings of homes on their shortlist. Instead of Nick making the house hunting trip alone, Nick and Marie sat in the comfort of their living room viewing homes together from 1,500 kilometres away.

We lost the first deal we offered on due to an active Spring Market and the close proximity of the home to the naval base, but it turned out to be a blessing in disguise. A few days later a comparable home came on the market and we had everything in place to write the agreement and turn it into an Accepted Offer!

Case Study #2

When Josh and Karley were looking to buy their first home, they hadn't even set foot in Halifax yet. They needed someone they could trust to truly understand their needs and guide them through the process from a distance — and that's where I came in. I took the time to get to know exactly what they were looking for and stayed closely connected with them as new opportunities came on the market.

They had lots of questions, and I made sure to be as responsive and thorough as possible. For Josh and Karley, it was important to work with someone who wasn't just professional and knowledgeable, but also genuinely cared about helping them find the right home — not just any home. That authenticity, combined with access to a strong network of legal professionals and mortgage brokers, helped make their move smooth and successful.

Today, Josh and Karley are happily settled into their first Halifax home, and they've told me they wouldn't think of working with anyone else when it's time for their next move. Helping Clients like them — and earning that level of trust — is exactly why I do what I do.

Case Study #3

Five years ago I helped Jake and Ashley buy their first home. Jake had just started his medical residency to specialize as an eye surgeon. I was able to find a home within walking distance of both the medical school and the city's largest park. An ideal setting for their growing family. I negotiated a great deal on their first home. So much so that their loans officer at the bank ordered an on-site appraisal of the home before approving their mortgage because he couldn't believe what a great price they were getting!

Fast forward five years. Jake is now a fully accredited eye surgeon with an offer to join a new medical practice an hour outside the city. After looking at several homes in the new town, one home stood out among the rest as the clear favourite.

During our viewing, I sized up the property and formulated the strategic elements of the Offer in my head. When it came time to putting pen to paper we were able to negotiate 10% off the asking price, inclusion of most of the like-new furniture, and a Closing Date five months from the Offer Date when it suited Jake and Ashley's timeline.

Now I turned my attention to getting their current home sold for top dollar. I gave Jake and Ashley a timeline and checklist for listing their home. My strategy was simple - declutter, make necessary repairs, and perform a deep clean. Once professional photography and videography was taken, I sent the whole family on a "staycation" for four days. This gave us the opportunity to open the home up for showings 12 hours a day from Thursday to Sunday. Interest is at its peak in the first few days of a listing and I was able to provide maximum exposure to potential Buyers using this strategy.

Jake and Ashley's home sold in only a matter of days on market and now they are planning for their family's future with their current home sold and their new closing in time to enjoy the summer.

Why Work with Chris?

When it's time to make critical decisions about your family's most valuable asset, trust my experience, maturity, and professional expertise.

Chris Musial, REALTOR® - About Me

European Immigration

Real estate chose me long before I chose it. My great-grandfather immigrated from central Europe in 1910 and founded a construction business. His five sons, including my grandfather, continued the family tradition. From a young age, I spent time with my grandfather on construction sites, and family dinners were filled with stories about building homes and apartment buildings.

Real Estate DNA

Although my father earned a Ph.D. and built a career in academia, he couldn't escape our family's construction roots — he built eight Musial-family homes, completing his last project at the age of 82.

From London to Cairo to Tokyo

After university, I earned a University of Cambridge teaching certificate in London, England and taught at British private schools in Egypt and Japan before returning to Halifax to work at my family's private language school.

Around the World

Back in Halifax, my duties shifted from teaching to international student recruitment. This role took me to 75 cities in 22 countries around the world. After decades of success, we sold our family business, leaving me well-traveled, skilled in marketing, and wondering what was next.

The Temptation

One Sunday at my sister's house, a renovation show sparked an idea. With no clear path ahead, I started flipping homes. I traded my suit and tie for work boots and gloves and did much of the labour myself, learning and subcontracting more over time. I was successful — but eventually, inventory dried up.

Turning Idle Time into a New Career

While waiting for the next opportunity, I took a real estate licensing course to better understand the "paperwork" of real estate transactions. I loved every minute of it. Before I even wrote my exam, a brokerage recruited me. Within six months, I was handling sales for one of the region's largest residential developers.

Going It Alone

Most homebuyers don't get the results they are looking for because there is just enough "Do-It-Yourself" information to go it alone.

But if you do what everyone else is doing...you are going to end up with the same results.

If you want to realize your dream of homeownership, you need to do something different than all the other "Do-It-Yourself" homebuyers.

The best way for you to get gain the upper hand in today's market is to learn about the home buying process from a licensed professional REALTOR®.

Real estate transactions have many moving parts.

Homebuyers who learn about the home buying process, have signed a Buyer's Agreement with a licensed REALTOR® to represent their interests, have all their personal documentation prepared in advance, and have a clear purchasing strategy in place, achieve the best results.

Purchasing a home is difficult. I am here to teach you about the process.

I am dedicated to helping you achieve your best results.

My goal is to help you as a homebuyer to understand the home-buying process, help you prepare your paperwork, and develop your Buyer's strategy realize your goal of an Accepted Offer on your dream home.

Pre-Offer Period

Prepare Before You Look!

Let's go back to our Buy My Home Flowchart. The preparation you do in the Pre-Offer Period is directly linked to the outcome of your search and whether or not you are successful in purchasing a home.

Choose Your REALTOR®

Buying a home is a team effort! No one purchases a home in isolation. The list people that provide a homebuyer with their expertise includes

- lender
- lawyer
- paralegal
- insurance broker
- home inspectors
- your REALTOR®!

This is just a partial list. Depending on the type of home you buy you could be dealing multiple inspectors, electricians, plumbers, contractors, heating systems technicians, water systems technicians, septic inspectors - the list goes on.

The only expert on this list that remains with you from start to finish is your REALTOR®. Your REALTOR® is like your own personal harbour pilot that guides you safely from the rough waters of the open ocean to the safety of the harbour. You will encounter rough seas and the occasional rogue wave during your purchase. Your REALTOR® and their team of experts is there to keep you on course to your destination of home ownership. You want a great REALTOR® with a capable team onboard!

REALTOR® Selection Criteria

Let's apply a systematic selection process to choose a REALTOR® best suited to represent you. You should look for the following characteristics when choosing your agent:

Professional Experience - How long has your REALTOR® been practicing?

Number of Transactions - How many transactions has your REALTOR® successfully closed?

Life Experience - Has your agent already been through the process you are about to go through?

Responsiveness - Successful REALTORS® have multiple Clients at any one time. What does your agent do to make you feel like you are their only Client?

Local Knowledge - Does your REALTOR® know the neighbourhood where you want to buy your home?

Economic Knowledge - Does your REALTOR® have an understanding of current economic factors and how they have a direct impact on the housing market?

Value Proposition - What's your REALTOR'S® value proposition? Are they offering the kind of service that meets your needs?

Client-REALTOR® Relationship

REALTORS® work with clients in a legal relationship called Agency. As the client, the agency relationship exists between you and the designated agent. The agency relationship means that the brokerage, through your agent, has the authority to represent you as a Client in real estate transactions.

Brokerages and/or designated agents are legally obligated to protect and promote your interests. Your real estate representative has the following duties:

Fiduciary Duty – (DCCOLA) Definition

Disclosure - disclose all relevant facts about a property

Confidentiality - maintain your confidence

Competence - exercise care in performing all assigned duties

Obedience - obey your lawful instructions

Loyalty - act in your best interest

Accountability - account for all documents, money, or property placed in their possession while acting on your behalf

REALTOR® Selection FAQs

1. Is it possible to buy your home without a real estate agent?

Yes, however for first time homebuyers, it isn't recommended. The home buying process is complicated and emotional. Having an agent by your side to navigate the housing market, submit a legally binding Offer, and remain with you until Closing, will help you achieve your best outcome.

2. What is the legal relationship called Agency?

Real estate representatives work with clients in a legal relationship called agency. As the Client, the agency relationship exists between you and the designated agent. The agency relationship means that the brokerage through your agent has the authority to represent you as a Client in real estate transactions. In agency, your REALTOR® has a fiduciary duty to work for your best interests.

3. Do I have to sign a contract with my REALTOR®?

Yes. Your REALTOR® will present and review two documents with you. The names of those documents are, Working with the Real Estate Industry (WREI) and the Buyer Designated Brokerage Agreement (BDBA).

Your REALTOR® is obligated to introduce and explain the terminology and concepts in these documents until you are satisfied that you understand them.

The BDBA is a legal contract binding the homebuyer to the agent and vice versa.

Your REALTOR® cannot write an Offer for you until the BDBA is signed first!

The homebuyer authorizes the agent to represent them by signing the BDBA.

4. What are your REALTOR'S® roles and responsibilities?

Once you have authorized your REALTOR® to act on your behalf, your agent will show you properties, write an Offer on your behalf, and advise you during negotiations.

5. How much do my REALTOR'S® services cost in my role as the homebuyer?

The Seller pays the fees for both the "Sell Side" and the "Buy Side" of the real estate transaction. The "Sell Side" of the transaction is represented by the Listing Agent who represents the Seller. The "Buy Side" of the transaction is represented by the Buyer's agent who represents the Buyer.

Therefore, the cost of the REALTOR'S services to you as the homebuyer is **FREE!**

Understand How Much You Can Afford

Income & Employment Status

Lenders will ask to see two-years worth of work history to ensure that you have a reliable income. The lender will ask you to provide pay stubs and your Notice of Assessment (NOI) from your tax returns. Lenders will ask self-employed homebuyers to produce additional documentation to demonstrate their income level.

Credit Score

Your Credit Score is a three-digit number between 300 and 900 based on your Credit Report that estimates how likely you are to pay your debts. Your Credit Report is made up of your

- personal details
- banking information
- credit account information
- account details
- payment history
- credit inquiries
- car loans
- collections (if any)
- public records (bankruptcies & judgements, if any)

Factors Determining Your Credit Score

The factors that determine your Credit Score are your

1. Payment History
2. Credit Utilization
3. Age of Credit History
4. Credit Inquiries
5. Total Number of Accounts

Your credit score dictates what loans and interest rates you qualify for. It shows how consistently you pay off your debts. Your credit score tells your lender how credit-worthy or credit-risky it is to lend you money. If you have a Credit Score of under 600 you probably won't qualify for a mortgage. But don't panic. If you learn about the factors that influence your Credit Score, you can take action to build it back up to the level where you **can** qualify for a mortgage.

Monitor Your Score

I monitor my credit score on a weekly basis through a free online Credit Score monitoring service. I recommend that you do the same. Taking steps to improve your credit score are easier than you think. Effectively managing your debt can pay big dividends as you prepare to apply for a mortgage. A better credit score means better loan options with lower interest rates.

Improve Your Credit Score

Online banking services provided by CIBC have a section where you can monitor your Credit Score. Services such as www.borrowell.com and www.creditkarma.ca monitor your Credit Score and provide tips on how you can improve your credit worthiness.

The 5 C's of Credit

The "Five Cs of Credit" are *Character*, *Capacity*, *Capital*, *Collateral*, and *Conditions*. Lenders use these criteria to assess a borrower's creditworthiness.

Character

This refers to a borrower's reputation and willingness to repay debts, often assessed through their credit history, including payment history, defaults, and bankruptcies.

Capacity

This evaluates a borrower's ability to repay the loan, considering their income, debts, and overall financial situation.

Capital

This assesses a borrower's financial resources and net worth, including savings, investments, and assets, which can act as a buffer against potential financial difficulties.

Collateral

This refers to assets pledged as security for the loan, such as a house or car, which the lender can seize if the borrower defaults.

Conditions

This refers to the economic environment and external factors that could affect a borrower's ability to repay the loan, such as job security, industry trends, and economic downturns.

Get Pre-Approved for Your Mortgage

Barrier-Free Spending and Record-High Debt

The advent of credit cards, bank cards, bank machines, cell phones, smart watches, and point-of-sale tap payment machines have made us lose sight of our personal finance fundamentals. Now we buy whatever we want without thinking of the financial consequences. We've traded barrier-free spending for record-high consumer debt.

In the days before electronic payment systems, we used cash. Paper money. Remember that? Before we went shopping, we put the amount of money that we were **able** to spend in our purse or wallet. That amount was pre-determined and finite. We made choices because we understood our spending limit.

Cart Before the Horse

Many first-time buyers jump into home shopping without knowing what they can afford. This leads to wasted time, stress, and disappointment. Worse yet, you might write an Accepted Offer, only to discover during the conditions period that you can't secure financing — forcing you to walk away from the deal.

Mortgage Pre-Approval - The Horse Before the Cart!

The best way to prepare yourself for writing an Accepted Offer on your dream home is to get pre-approved from a lender to determine your purchasing power.

When you are accepted, your lender will give you a pre-approval letter that states how much you're approved for based on your credit, assets, and income. You can show your pre-approval letter to your real estate agent so they can help you find homes within your budget. A pre-approved mortgage lets you know how much you can afford, what your interest rate will be, and what your monthly mortgage payments will look like.

Financing Your New Home

Preparation Is Key

The information that I am going to share with you about financing your new home is meant to prepare you for your meeting with a financial expert. Mortgage Advisors, Loans Officers, and Mortgage Brokers are some of the most common titles given to professionals who are specifically trained or licensed to provide you with advice in relation to financing your new home.

Visit Your Bank First

Contact your bank manager first. Let them know that you are preparing to look for a home and schedule a meeting with a Mortgage Advisor. The bank will not charge you for this meeting or for the advice. For better or worse, your bank has a lot of financial information on you regarding what you spend, what you save, whether you pay your debts on time, your credit-worthiness, and your net worth. This financial profile will allow your bank to tell you quickly what rate you qualify for and what you can afford in terms of a mortgage amount.

Don't Take Your First Offer! Shop Around

The bank's Mortgage Advisor works for the bank! Her job is to make sure that your mortgage is in the bank's best interest. So, to make sure that I provide you with the best strategies to achieve your best results, I recommend that you arrange a second meeting with a Mortgage Broker.

Visit Your Mortgage Broker Second

A Mortgage Broker is a licensed professional who acts as an intermediary between borrowers and lenders to help homebuyers secure mortgages through their knowledge of multiple mortgage products and lenders.

Mortgage Brokers work with as many as 35 different lenders to offer you a wide variety of mortgage options. A Mortgage Broker works for you, not the lender. Your Mortgage Broker will compare the offer you received from your bank with all the other lenders in the market. Based on this survey and comparison approach, you will now be in a position to determine what mortgage is best for your circumstances.

Just like the REALTOR® who acts on behalf of a homebuyer, the services of Mortgage Brokers are free to you. Mortgage Brokers are paid a commission by the lender after you have made your first mortgage payment. Your Mortgage Broker has a vested interest in making sure that you get approved for the best mortgage.

How to Talk with Loans Officers and Mortgage Brokers

Now that you know who to contact to secure the mortgage for your new home, let's learn how to talk to lenders so that you can have an informed conversation.

Fixed-Rate Mortgages

A fixed-rate mortgage is a loan where the interest rate remains the same for the entire term of the mortgage, ensuring predictable monthly payments and protecting you against interest rate fluctuations. A fixed rate-mortgage comes with higher interest rate *and* comes with predictability.

Variable-Rate Mortgages

A Variable-rate Mortgage is a loan where the interest rate fluctuates based on the Bank of Canada's interest rate policy decisions. Your monthly payment amount stays the same, however the portion allocated to interest and principal changes as rates go up or down.

A Variable-rate Mortgage comes with lower interest rates but it is susceptible to increases or decreases based on the Bank of Canada's interest rate policy decisions. The Bank of Canada reviews and announces its interest rate decisions on fixed dates eight times per year.

My Mortgage Application Was Denied - What's My Plan B

Let's suppose that one of the "A" Lenders like one of the "Big Five" Canadian banks turns down your mortgage application. You have other options for Alternative Lenders which are known as "B" Lenders and Private Lenders known as "C" Lenders.

There are also some other financing strategies that can put you over the approval threshold such as Co-Signer.

A Co-Signer

A Co-Signer is someone who agrees to share financial responsibility for the mortgage with the primary borrower, meaning they are equally responsible for repaying the mortgage if the primary borrower defaults. A co-signed debt will appear on the Co-Signer's credit reports and will influence their credit scores.

Co-Signers are often family or friends who are willing to put their own finances on the line for a loved one. While Co-Signers become equally liable for the debt, they do not gain access to any of the funds or property tied to the co-signed agreement.

Mortgage Approval FAQs

1. What criteria does a lender use to assess a mortgage application?

Your Income Assets Credit History

2. What options do you have if an "A" Lender doesn't pre-approve your mortgage application?

You can approach Alternative "B" Lenders or Private "C" Lenders. Rates are typically higher.

You can get a Co-signer.

Deposit

A Deposit is a sum of money the Buyer provides to the Seller as a demonstration of their commitment and good faith to purchase the property. The Deposit amount is determined in consultation with your REALTOR® and depends on such factors as the asking price, market conditions, whether you are competing with other Buyers in a "multiple Offer, blind bid" scenario.

Once the Deposit amount is determined, it is written in your Offer on the Agreement of Purchase and Sale contract with a deadline for its payment. The Deposit is typically paid to the listing REALTOR'S® brokerage and held in its trust account.

Deposit Credited Towards Purchase Price

If your Offer is accepted, your Deposit amount is credited towards the down payment of your home.

Refundable Deposit

Since you will most likely be writing your Offer with "Conditions" such as financing and home inspections, your Deposit will be refunded when you provide documentary evidence that you could not meet your conditions.

Non-Refundable Deposit

If, between the Firm Date and the Closing Date, the Buyer decides to back out of the deal, the Buyer forfeits the full Deposit amount and the listing brokerage will pay the Deposit to the Seller. The Seller may also seek to sue the Buyer for damages incurred due to the Buyer's contract default.

Down Payment

Homebuyers need to have a percentage of the Purchase Price in cash for a down payment. The amount of money you'll need for a down payment depends on your loan type and how much money you borrow.

You can buy a home with a down payment of as little as 5% of the Purchase Price. Down payments between 5% and 19% of the Purchase Price are considered High Ratio Mortgages and require mortgage insurance which is added to the loan amount and paid by your blended monthly mortgage payments. If you are able to make a down payment of 20% or more of the Purchase Price, the mortgage insurance requirement is waived, your mortgage principal is reduced, and your interest rate will be lower.

Closing Costs - The Hidden Costs Nobody Tells You About in Advance

Closing Costs are expenses incurred by the Buyer to finalize the purchase of a property. Closing Costs are in addition to your down payment and deposit.

Common Closing Costs include

Legal Fees For your lawyer's services in handling the property purchase. Should include the registration fees for filing legal documents.

Deed Transfer Tax A fee charged by the province and/or municipality on the transfer of property ownership.

Title Insurance Protects against potential issues with the property's title.

Home Inspection Fees Can include some or all of the following

Mortgage Default Insurance Required if your down payment is less than 20% of the purchase price.

Adjustments A statement of account prepared by your lawyer's office to ensure that the Buyer and Seller pay the exact amount of property taxes for the exact number of days that each party will live in the home in the calendar year of the sale of the property. Adjustment line items can also include items like the bill for the amount of oil the Seller paid to top up the oil or propane tank so that the Buyer takes possession of the home with a full fuel supply.

Moving Expenses The cost of hiring a moving company, truck, and movers to transport your belongings from your current residence to your new home.

Buyer's Agent's REALTOR'S ® Fees When a homebuyer signs a contract with a REALTOR® to represent them and act on their behalf with a fiduciary duty to act in their best interests in a legally-binding relationship called agency, the Buyer pays no fees to their REALTOR®.

Closing Costs Line Item Example - Assuming a Purchase Price of \$500,000

1.5% Deed Transfer Tax (City of Halifax)	\$7,500
\$500 - \$800 Home Inspection(s)	\$800
\$800 to \$1500 Oil / Propane Adjustment (if applicable)	\$1,200
\$1200 to \$1800 Legal Fees	\$1,800
Title Insurance	\$500
Tax Adjustment (Up to 1/2 year Property Taxes)	\$3,000
Moving Expenses	\$1,200
Buyer's Agent's REALTOR'S ® Fees (FREE to the Buyer!)	\$0,000
Total Closing Costs Due Upon the Closing Date	\$16,000

$$\text{\$16,000 Closing Costs} \div \text{\$500,000 Purchase Price} = 3.2\%$$

Closing Costs Advice

In this example on the purchase of a \$500,000 home you should plan on budgeting for approximately 3% of the Purchase Price.

Timing

When you choose to purchase your home is a decision involving, but not limited to your

household income	down payment %
household debt	interest rates
credit score	real estate market conditions

Are You Ready? FAQs

1. What score will you need to qualify for a home loan?

Most lenders require a credit score of at least 620 to qualify for the majority of loans. A score above 720 will generally get you the very best loan terms.

2. How much down payment will you need?

You can buy a home with as little as a 5% down payment all though you will qualify for better rates the more you put down.

3. What is your credit score based on?

Your payment history
The amount of money you owe
The length of your credit history
Types of credit you've used
Your pursuit of new credit
How many times lenders have checked your Credit Score known as "hard inquiries"

Choose Your Lawyer

Both Buyers and Sellers require legal representation for the purchase and sale of real estate. In addition to providing expert legal advice regarding the Clear Title of your property they perform tasks such as registering your name on the deed and filing that information with the deed registry.

If you already have a lawyer, make sure they are experienced in real estate law. If you don't have a lawyer, your REALTOR® can recommend a real estate specialist who can represent you in your purchase. It is a good idea to contact your lawyer in advance of your home search so that you have a clear idea of their fees and services. By lining up your lawyer in advance of your home search you are setting yourself up for success during the Conditions Period of your Offer.

Know What You are Looking For - Needs Versus Wants

Knowing what kind of home you are looking for goes hand in hand with understanding what you can afford. To help you do this I have designed a questionnaire to help you distinguish your needs and wants. Deciding these factors before your home search will help you match your budget with the kind of home your family needs to help you succeed with your goal of home ownership.

Here are a few things to think about from the questionnaire

Location

1. Do you want to live downtown, in the suburbs or in a more rural environment?
2. Do you want to live close to work, school, recreation facilities, parks, or public transit?
3. Is there a specific neighbourhood you prefer?

Size

1. How many bedrooms and bathrooms do you need?
2. Do you need space for a home office or for extra storage?
3. Do you need a garage?

Special Features

1. Do you require an air conditioner or swimming pool?
2. Is it important that your home be environmentally friendly?

Lifestyle

1. Are you planning to have children? Do you have teenage children?
2. Is it important you live close to family or friends?
3. Are you close to retirement?
4. Will you need one-level living due to mobility issues?

Look for Your Home

Preparation Determines Success

You have selected your REALTOR® and signed a Buyer's Agreement with them to represent you. You have a mortgage pre-approval letter from a lender and understand your budget. You have set aside your Deposit and Down Payment in cash, and have a specific idea of how much you will need for your Closing Costs. You have a lawyer chosen to represent just as soon you have an Accepted Offer. You have a clear idea of what kind of home you are looking for and how much you can afford to pay for it. Let the search begin!

Search Online

Now you are in a great position to set up searches online because you can fill out the most important search criteria information. I encourage you to monitor homes that come up in your searches to get feeling for their List Price, Days on Market, and List Price to Sale Price Ratio. This will begin to give an idea of the market conditions affecting your target homes.

Your REALTOR'S® Recommended Listings

Your REALTOR® has access to advanced search capabilities on the Multiple Listing Service and can set up a customized search service to feed you with new listings within hours of them coming on market. This will allow you to keep updated with the latest market conditions.

Your REALTOR® will also provide you with access to opportunities you might not be able to find on your own such as

- exclusive listings
- pocket listings
- expired listings
- unlisted properties
- off-market deals, and
- properties coming to market

Making an Offer on a House

Making an Offer to purchase your first home is likely one of the most important and consequential decisions you will make. Knowledge, representation, preparation, and planning will provide you with the tools to achieve your best outcome.

The best way to succeed in submitting an Offer is to use an experienced REALTOR® who represents you in a legal fiduciary relationship under the terms of a signed contract to help you write your Offer. An Offer must be submitted in writing and contains several key parts.

Let's focus the key components of the Agreement of Purchase and Sale and unpack them one-by-one.

Agreement of Purchase and Sale

The Agreement of Purchase and Sale is a legally binding contract initiated by the Buyer to make an Offer to purchase a Seller's property. The key items in this contract are the

- Offer Price
- Deposit Amount and Payment Deadline
- Buyer's Conditions
- Closing Date
- Seller's Obligations
- Buyer Waiver of Conditions Deadline
- Time for Seller's Response

Offer Price

The Offer Price is the amount that the Buyer offers to pay the Seller for the purchase of the Seller's property. The Offer Price can be lower than, equal to, or greater than the *Listing Price*.

The Listing Price is the amount that the Seller, in consultation with their REALTOR®, sets as the publicly advertised price.

How Much Should I Offer?

Offer too little and your Offer will be rejected outright. Offer too much and the Seller will gladly accept your Offer and privately thank you for over paying. How do you determine the right amount to Offer so that the Seller accepts your Offer without you paying too much? This is where you can rely on the experience and expertise of your REALTOR®.

Market Conditions

Your REALTOR® is constantly monitoring micro and macro market conditions such as

- year-to-date sales
- year-to-date sales compared to last year
- market supply expressed as the number of home currently for sale
- market supply expressed as the number of months of inventory
- the recent sale of similar homes in the same neighbourhood referred to as comparables
- the number of similar homes in the same neighbourhood actively on the market
- average list price
- average sale price
- sold-price to list-price ratio expressed as a percent
- average days on market
- the current interest rate
- the current interest rate
- the age and condition of the home
- your REALTOR'S® analysis of the home

Your REALTOR® should present you with current statistics on the list above to inform you and bring into focus the market conditions you are dealing with. This market data will determine whether you are facing a Buyer's Market, a Seller's Market, or a Balanced Market.

Seller's Market

A Seller's Market occurs when too many qualified Buyers are offering on too few homes for sale. Sellers have the clear advantage, prices are high, Buyers might face multiple-Offer bidding situations, and most homes will be sold for sale prices higher than their Listing Price.

If the home you are interested in just came on the market today and it is a Seller's Market, you will want to know if the Seller is holding Offers for the first week of the listing period in an attempt to create a Blind Bidding scenario by encouraging Multiple Offers.

Buyer's Market

A Buyer's Market occurs when more Sellers are listing their homes for sale than there are Buyers to buy them. Buyers have the clear advantage, prices are depressed, Sellers have to offer purchase incentives and be flexible with their Conditions, and most homes will be sold for sale prices lower than their Listing Price.

Perhaps you are facing a Buyer's Market and there are three similar homes for sale within a block of the one you are interested in and each one of the properties has been on the market for over 30 days.

Balanced Market

The technical definition of a Balanced Market is when there are six months of inventory of homes on the market. Another way to look at this is that if no more homes were listed for sale starting tomorrow, given the current number of sales per month, it would take six months for the entire inventory of homes for sale to be sold.

In a Balanced Market, the number of Buyers and Sellers is approximately the same. Prices have reached a state of equilibrium, and neither the Buyer nor the Seller has an advantage.

Perhaps you were interested in a home, wrote an Offer, but it didn't get accepted. In a Balanced Market chances are another similar home at a similar price will come to market tomorrow or next week and you will get another chance.

So, Tell Me Again! How Much Should I Offer?

Well, the simple answer is, it depends. It depends on the many facets of the market conditions at the time you make your Offer. Your REALTOR® will provide you with a comprehensive data set and experience from writing hundreds of Offers for previously successful Clients to make sure you put your best Offer forward.

You don't live in the Price. You live in the Payment. Brian Bufinni, Real Estate Coach

Deposit Amount and Payment Deadline

Most Offers contain a Deposit. The Deposit amount is usually 1-2% of the Purchase Price. The Deposit actually has to be paid in that you can't just write a cheque and hope that no one cashes it! The Deposit is paid to the listing brokerage, i.e. the Seller's REALTOR'S® real estate company where it is held "in trust". The Seller's REALTOR® will provide your REALTOR® with the payment instructions and options for making the Deposit payment. Upon payment, the listing brokerage will issue you a receipt to demonstrate the amount you paid and the date it was paid.

If your Offer goes through to its intended goal of a final sale, your Deposit will be credited to your Down Payment amount on the day that your lawyer reviews your "Adjustments". We will talk about Adjustments in a moment.

Can I Get My Deposit Back?

Yes. There are several ways that the Buyer can retrieve their Deposit once it has been paid. In the Conditions section of the Offer, the Buyer will stipulate that a variety of "Conditions" be met before the sale can proceed. Three of the most common Conditions are, Financing, Inspections, and the provision of a Property Disclosure Statement. A Buyer will typically ask for additional Conditions to be met such as the disclosure of Municipal Taxes invoices and payments, and the disclosure of any leased equipment that goes with the property through a standard document called an Equipment Schedule.

Financing Denied

Let's suppose that you were pre-approved to purchase a home at the price you offered but from the time you were pre-approved to the time you made your Offer, the Bank of Canada increased interest rates several times and now you don't qualify to buy the home. In this case, you were not able to meet the *Financing* Condition, your bank will provide you with a letter rejecting your mortgage application, your REALTOR® will write a Termination Notice for you to sign, and you will be eligible to have your Deposit amount returned to you in full without penalty and without interest.

Inspection Uncovers Defect

Let's suppose that your mortgage is approved and you proceed to your Home Inspection where your inspector discovers and documents in his report black mould and rotting roof trusses in the attic due to the long-term effects of a bathroom exhaust fan vented into the attic instead to the outdoors. Given the prospect of a lengthy and costly abatement and reconstruction, you wisely terminate the Offer and recover your Deposit in full.

Can I Lose My Deposit?

Yes! Let's suppose that you submit your Offer. The Seller accepts your Offer. Your lender approves your mortgage. Your home inspection report finds no problems with condition of the home. One-by-one, the Seller meets all their Offer Obligations. One-by-one, you meet all the Buyer's Conditions. You declare in writing that all your Conditions have been met and your Offer is declared Firm. Now, all you have to do is wait for the Closing Date which is about one month away.

Just after your Offer is declared firm, your mother-in-law visits from out of town. Your partner takes her for a drive to see the house and they return from their trip mortified. According to your mother-in-law, the home is facing the wrong direction and this will bring bad luck and misfortune to the entire family. Your partner has not slept for days. The tension at home is palpable.

To alleviate the tension and restore harmony, you decide to terminate the Offer just two weeks before the Closing. In this case, not only will you lose the full amount of your Deposit, you open yourself up to a potential law suit for damages suffered by the Seller due to your withdrawal, without cause, from a legally binding contract.

Buyer's Conditions

Let's review the most common Buyer's Conditions.

- Closing Date
- Financing
- Seller's Obligations
- Property Disclosure Statement
- Equipment Schedule
- Property Tax Statements
- Electricity and Fuel Consumption Statements (previous 12 months)
- Inspections
- Lawyer Review and Title Search

Closing Date

Closing Date can also be referred to just as "the Closing" or "Conveyance". The Closing Date is the day upon which the Buyer's money is paid to the Seller in exchange for Clear Title to the property and then possession of the property. The administration of this exchange is handled by the Parties' lawyers. Many Sellers will indicate their desired Closing Date in their MLS® listing in the section labelled, Possession. Often times Sellers will simply indicate that their preferred Closing Date is negotiable leaving the selection of this date up to what works well for your timeline. The Seller might indicate a specific date. A Seller might indicate that a "Quick Close" is possible giving you a clue that they want to proceed sooner rather than later.

Seller's preferred Closing? - When a Seller simply indicates that possession is negotiable, instruct your REALTOR® to reach out to the Seller's REALTOR® to ask what Closing Date works best for the Seller to see if there is common ground. If the timing of the Closing is flexible for you and you are able to offer the Seller their preferred Closing Date, your Offer will be looked upon as being more favourable by the Seller.

Close on Tuesdays, Wednesdays, or Thursdays

Ask any lawyer. Mondays are chaotic days at law firms. Phone calls from Clients informing lawyers of car accidents, marriage break-ups, and broken commercial contracts usually come on Monday mornings with Clients seeking immediate help.

Executing the closing of the purchase of your new home requires many hours of administrative preparation on the part of your legal team so that when you meet your lawyer in person to review the adjustments and sign documents everything goes flawlessly. Lawyers and their administrative teams are very well organized but I like to afford lawyers for both Parties one full business day prior to Closing to review your file one last time to make sure that everything is ready to go the moment the law office opens on your Closing Date.

Don't Close on Mondays!

Fridays. Another Closing Day to avoid. Law firms are not open on Saturdays, Sundays, and statutory holidays. If there is any glitch in the closing process from either Party's lawyer, the lawyers will have a more difficult time fixing the problem because their offices won't open again until Monday.

Don't Close on Fridays!

The first and last days of the month. Banks process billions of transactions each year. A large portion of those transactions are for automatic payments on the first and last days of the month. The movement of your money is just another one of those transactions. Don't add to the bank's already high volume of transactions when you can avoid it.

Don't Close on the first or last calendar day of the month!

Financing

Before you started looking for your home, you met with your bank and then a mortgage broker to determine if you could qualify for a mortgage. The lender responded with an amount that they would be willing to lend you based on your financial means.

Now that you have an Accepted Offer on a specific property, your lender will do a thorough financial investigation to determine if they will approve your mortgage! The first item on your lender's assessment list will be to perform a Hard Credit Check to determine the history behind your Credit Score.

Once your lender is satisfied that you are creditworthy and have demonstrated a prior history of repaying your debts, they will shift their focus to the value of the target property.

This will involve an assessment to determine if your Offer Amount, the amount you wrote as the Purchase Price, is the similar to or lower than the market value of the home.

Some lenders have access to such good residential home sales data that can extrapolate value for a large percentage of the loans they underwrite. In properties where there are few Comparables, the lender will require an Appraisal.

An Appraisal is a professional evaluation of a property's market value. An Appraiser uses Comparables and the Direct Comparison Method to determine the Appraised Value.

Most lenders will require you to pay for the Appraisal but won't release the document to the borrower. If your creditworthiness is sound and the Appraiser's figure for the Market Value is within a few percentage points of the Purchase Price you wrote in your Offer, you will most likely be approved for your mortgage.

Seller's Obligations - Disclosures

In your Offer, you should require the Seller to provide a series of disclosures about the property. Well prepared Listing Agents will have all these disclosure documents prepared as part of the listing information they compile to advertise the listing or will make it available upon receipt of an Accepted Offer. If the agent has not provided these disclosure documents in either one of these ways, you should give the Seller a deadline of no more than two business days to produce the full set of disclosure documents. Let's look at the most common disclosure documents in detail.

Property Disclosure Statement (PDS)

The Property Disclosure Statement is a standardized, fill-in-the-blank form that is provided by most real estate boards and associations. It is provided for Sellers to include as part of the listing documentation. The PDS provides the Seller with the opportunity to describe the former and current condition of the property from the time of their purchase until the time of listing. The form is divided into sections to cover every major structural system of a home both on the interior and the exterior. The Seller agrees to disclose all know defects of the home as they know them and signs the PDS to that effect. The Buyer is required to sign the PDS to acknowledge that they have received the disclosure.

What it is. The PDS is a roadmap for the Buyer to begin their inspections of the home. The PDS protects the Seller when they transparently disclosed all know defects of the home.

What it is not. The PDS does not protect the Buyer from potential or unknown defects of the home. The PDS should never be a replacement or substitute for thorough professional inspections.

PDS Exceptions

Sellers can choose not to provide a PDS but it quite rightly raises suspicion. An exception to this practice is the sale of a home that is in a state of disrepair and being sold as is, where is. In this case, the Seller is letting the Buyer know that the property is being sold with no guarantees or warranties about its quality of functionality. This is one of the best examples of the principle of Caveat Emptor where the

PDS Exemptions

Estate Sales and Income Properties are considered to be exempt from the Buyer's expectation for the Seller to provide a PDS because, in both of these cases, the Seller did not live in the property and is therefore deemed not to be familiar enough with its condition.

Property Tax Statements

These are invoices and receipts provided by the municipal government to the home owner to show the cost of the property taxes levied against the home you are buying and whether or not those taxes have been paid. Your lender will most likely ask you for a copy of the Tax Statement as part of your mortgage approval process to calculate your Debt Service Ratio that owning this home will place on your ability to repay your mortgage.

Electricity and Energy Statements

The disclosures of overall energy costs are required to help you budget the operational costs of owning this home. Make sure that the disclosures cover a minimum of 12 months. 24 months is better if the home has been renovated or a new heating system was recently installed such as a heat pump. These statements can include bills for electricity, furnace oil, natural gas, and propane.

Equipment Schedule

The Equipment Schedule is a disclosure by the Seller of all rented and leased equipment that is to remain with home when ownership is transferred. This equipment is most often connected with home heating systems and can include rental or leasing contracts for furnaces, propane tanks, or water treatment systems.

Inspections

Home Inspections represent the most important form of Due Diligence that a homebuyer *must* do during the Conditions Phase of the Offer.

There is no substitute for independent professional inspections of each system of the home, both inside and out, followed up by a written report documenting the inspection results.

Home Inspection Reports come in two parts, the complete Inspection Report, and the Deficiencies Report that itemizes the items that are substandard and require repair.

You should make yourself available to be at the home when the inspection takes place. It's a great way to see the property again with a more critical eye. The inspector will begin their systematic investigation. This will give you the opportunity to look more closely at rooms you might have rushed through on the first showing. An inspection can take two to three hours depending on the size and condition of the home.

The inspector will let you know as they are nearing the end of their inspection. This is a great time to ask them for an overview of their findings and ask if they have any concerns.

Municipal Water and Sewage

If your home is serviced by municipal water and sewage services, the list of inspections you need to perform will be significantly reduced.

If your home has a well and a septic system you will have to add a water test, a flow test to determine if the well produces enough volume of water for the number of occupants in the home, and a septic system inspection. Under ideal circumstances, it's best if you can schedule all of these inspections and tests on the same day.

Your REALTOR'S® Network of Inspectors

Another one of the many advantages for Buyers who work with REALTORS® is that they tap into the experience of their agent having arranged numerous inspections with a variety of different kinds of inspectors.

Your REALTOR® has a network of inspectors they can call on to deliver inspections based on the specific needs of the home you are investigating.

Your REALTOR® will introduce you to their team of inspectors, schedule the inspections with the Seller's agent, and help you put a strategy in place for negotiating the remediation of any required repairs.

Choosing Inspectors

There is very little government regulation when it comes to the work performed by members of the home inspection industry. Therefore, past experience is one of the best indicators of future outcome when selecting inspectors.

Single Service Inspectors

My first preference is to work with inspectors who, only offer inspection services. I refer to these types providers as Single Service Inspectors.

Inspectors Who Offer Remediation

There is another category of inspectors that offers both inspection and a full range of remediation solutions for each one of the inspection and testing services they provide. I refer to these types providers as Remediation Inspectors. The risk in using Remediation Inspectors is that they have a vested interest in finding as many things wrong with the systems being tested so that subsequent quotations for remedial solutions follow.

On the other hand, if a Buyer is working with tight timelines and the Seller will likely be paying for the repairs, Remediation Inspectors offer a one-stop-solution to fix a septic system or install a new water treatment system.

Fixing the Deficiencies

If defects from any of the inspections are significant, your REALTOR® will write an Amendment to your Offer to propose that the Seller be responsible for making and paying for any repairs before Closing or negotiate an equivalent amount off of the Purchase Price. In order to substantiate the amount that is to be deducted, you will need to provide documentary proof of the deficiencies such as the Deficiencies Report or results of a water test and quotations from companies qualified to make the necessary repairs.

Given the tight timeline of the Conditions Period of most Offers, your REALTOR® will introduce you to companies who can provide quotations for the repairs and help plan the negotiating strategy for the presentation of the deficiencies Amendment.

Deficiencies Reports Only

Your REALTOR® should never release the entire Inspection Report to the Seller's agent, just the Deficiencies Report and any other reports that demonstrate deficiencies. If the entire report is released and your Offer does not become a sale, there is nothing preventing the Seller from using the report that you paid for to demonstrate to subsequent potential Buyers that the house is in good condition.

Need-to-Know Basis Only

Never release any portion of any Inspection Report, good or bad, to an insurance company, even if they ask for it. You are under no obligation to do so and the insurance company could use any part of the report to either increase your premiums or deny you insurance altogether.

Lawyer Review and Title Search

These are automatic Conditions that go into every Offer. Lawyer Review is usually done in a matter of minutes. The only time that you will hear from your lawyer regarding the Title Search is if there are Liens registered against the property or if there are any unusual Encumbrances. If there are no Liens and no onerous Encumbrances the property is considered to have a Clear Title.

Time for Seller's Response

How much time you give a Seller as a deadline for them to respond to your Offer in writing depends on such factors as how long the property has been on the market, how much perceived competition there is for the property, and whether or not the Listing Agent provides Instructions from the Listing Agent to the Buyer's Agent on how long the Offer is to be left open due to such factors as how easy or difficult it is to communicate with the Seller.

Two hours is probably too little time for the Sellers to be contacted and you run the risk of your Offer falling. A full 24 hours might allow another Buyer to submit an Offer with a shorter Time for Response on a property that was just listed in a desirable neighbourhood at a great price.

Your REALTOR® will take the above factors into consideration when advising you on the amount of time you offer for the Seller's Response.

Offer Written! Submit Your Offer to the Seller

You have planned your Offer strategy with your REALTOR®. Your agent has written your Offer and reviewed it with you. You have signed your Offer. Now it's time for your REALTOR® to submit your Offer to the Seller's agent. Now we wait for the Seller's response!

The Seller's Response

It can be nerve-wracking waiting for a telephone call or an email with the decision from the Seller regarding your Offer to purchase their home – especially if it is your very first one! Let's look at four possible Seller Responses to your Offer.

Offer Rejected

A Rejected Offer is typically caused by a Purchase Price that is lower than the Listing Price. This may be the first Offer that the Seller has received on their 'just listed' home and they are more than willing to reject your Offer confident that other higher Offers are in the offing. A Rejected Offer means that the Offer is dead, however there is nothing preventing you from sharpening your pencil and writing another Offer if you want to continue to pursue this home.

Counter Offer

The Seller has rejected one or more aspects of your Offer but they want you to know that they are willing to negotiate. The Seller does this by instructing their REALTOR® to write a Counter Offer stating an alternative Purchase Price or Closing Date as typical examples.

Highest and Best Offer?

This can be a dreaded call from the Seller's agent informing your agent that the Seller has received multiple Offers. The Seller's agent then calls the Buyer's agents from each Offer received to ask if they would like to sweeten their Offer by increasing their Purchase Price.

Accepted Offer!

Relief. Just the answer you were hoping for. Now begins two weeks of time-sensitive tasks that you have to perform to meet the Buyer's Conditions and cross over from the Pre-Offer Period to the Conditions Period.

The Conditions Period

You have crossed the threshold of becoming "a" potential Buyer to "the" potential Buyer. Your level of preparation in the Pre-Offer Period will determine whether you have a stressful Conditions Period or not. Failure to meet even one of your Conditions could mean that the deal falls and you lose the opportunity to purchase the home.

Let's look at the checklist of a typical Offer to see what you need to get done in ten business days or less

- Send Accepted Offer to lawyer & lender
- Request and confirm mortgage approval
- Arrange and attend inspections
- Investigate listing docs, due diligence
- Confirm lawyer review
- Review inspection reports
- Write deficiencies amendment if required
- Pay Deposit in trust to listing agent's brokerage
- Satisfy all Buyer's Conditions
- Declares Offer Firm to Seller

Buyer Waiver of Conditions - The Firm Date (Hint: No Backsies!)

The Firm Date is a deadline specified in an Agreement of Purchase and Sale by which the Buyer is deemed to have met all the Buyer's Conditions and is also satisfied that the Seller has met all of the Seller's Obligations as written in the Agreement.

In some provinces and states Buyers are required to submit a special form called a Buyer Waiver of Conditions to confirm that all Conditions have been met and declare that the Offer is Firm.

At this point the Offer is irrevocable and the Parties enter the Pre-Closing Period. Upon the Buyer's declaration that the Offer is Firm, neither Party can back out of the deal without the risk of legal action.

If the Buyer backs out of the Agreement after the Firm Date, they will most likely lose their Deposit in addition to facing a law suit for damages suffered by the Seller.

Now that the Agreement has been declared Firm, the Offer enters the Pre-Closing Period.

The Pre-Closing Period

The Pre-Closing Period is the time when the Seller makes preparations to move out and the Buyer makes preparations to move in. Let's look at the checklist of a typical Offer to see what tasks you need to get done during the Pre-Closing Period

- Sign mortgage documents
- Pay down payment & closing costs
- Arrange utilities disconnections at current residence
- Arrange new utilities connections
- Pack possessions
- Arrange movers
- Forward mail
- Meet lawyer, review adjustments, sign docs
- Pre-Close Inspection

Sign Mortgage Documents

If you met your lender in person during the mortgage pre-approval stage, chances are you can sign your mortgage approval documents electronically.

Pay Down Payment

Your lender will provide you with an exact amount, a deadline, and payment instructions for your Down Payment.

Pay Closing Costs

Your lawyer will provide you with an itemization of what your Closing Costs are, down to the penny, when you meet to review a Closing document called Adjustments.

Utilities

Contact all the utility providers for your current residence to cancel your utility services. Then contact all the utility providers to connect services in your new home. If you are moving from an apartment or from the rental of home where the landlord all the utilities in the cost of the rent, you may be contacting providers with whom you have never done business. Some of these providers may require you to fill out a new account application form and perform a credit check.

Packing and Moving

You can never start decluttering and packing too early! Thrift stores can be a quick and convenient one-stop solution for finding a new home for items you will not take to your new home.

Moving plans are another item that you want to take care of as far in advance as possible. Moving trucks and moving companies are fully booked on Fridays, weekends, holidays, the first day of the month, and the last day of the month. The bulk of these bookings are made by renters moving in and out of apartments. Now that you are a savvy Buyer and know not to schedule your Closing on these high-volume days of month, you should be able to avoid peak moving demand.

Forward Mail

Canada Post has a service for forwarding mail from your current address to your new address. While our reliance on physical mail grows less and less, it's a service worth considering to make sure you minimize any interruption to the delivery of important documents to give you the opportunity to notify all your contacts that you have moved.

Review Adjustments with Your Lawyer

Your lawyer will arrange an in-person meeting with you at their office

Pre-Close Inspection

Your REALTOR® will schedule a Pre-Close Inspection with the Seller's agent on the day before or the morning of the Closing. The purpose of this event is to make sure that the home is, in every way, presented to the Buyer as was agreed to in the Offer.

There can be a long list of items to check such as the

- repair of deficiencies
- items that were agreed to be included are present
- unwanted items are not left behind
- electrical and heating systems remain operable

If there are parts of the Offer that the Seller has not honoured, you can let your REALTOR® know that you are not prepared to Close unless a last-minute remedy is performed or the lawyers can negotiate a Holdback of an appropriate amount of funds to remedy the deficiencies.

"Release the Funds"

The instructions given by the Buyer to the Buyer's agent at the end of the Pre-Close Inspection when the Buyer is satisfied that the Seller has presented the home as agreed to in the Offer. The Buyer's instructions to release the funds are given to the Buyer's lawyer which lets them know to initiate payment to the Seller's lawyer in exchange for Clear Title and possession of the property. Depending on the lawyers involved, it can take the majority of the business day on the Closing Date for the Seller's lawyer to receive the Buyer's funds and declare the transaction "Closed". The Buyer must wait to take possession of the property until the Seller's lawyer has confirmed receipt of funds.

Caveat Emptor - Let the Buyer Beware!

Caveat Emptor is Latin for the legal principle 'Let the Buyer Beware'. In the context of real estate, it means that the Buyer is responsible for inspecting a property and discovering any potential issues before purchasing the property.

Seller's Responsibilities

The Seller has no legal obligation to perform any investigations in preparation for the sale of their home but they must not misrepresented the property or conceal any known material defects.

While Caveat Emptor is the legal principle, the term that describes the Buyer's responsibility for a thorough investigation of a property before they buy it is called Due Diligence.

Due Diligence

Your REALTOR® will help you put together a plan for your Due Diligence investigation based on the type of home you are buying. The most common Buyer's Due Diligence investigations include

- home inspection
- asbestos test
- septic system inspection
- water tests
- well test
- radon test
- online searches by address
- social media searches

Make an Offer on a House FAQs

1 Can you cancel after agreeing for the home sale?

You can but will typically lose your deposit.

2. Who writes the offer letter?

Your agent will write the offer letter on your behalf.

3. How long can negotiations go on for?

This depends and varies. These can be very quick and can also go on for some time. Let your real estate agent help you manage negotiations – don't be afraid to walk away if you can't reach an agreement.

Government Assistance Programs for Homebuyers

First Home Savings Account (FHSA)

The First Home Savings Account (FHSA) is a way to receive partial tax credits while saving to buy your first home. A description of the FHSA program can be found at the following link <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/first-home-savings-account.html>

Down Payment Assistant Program (DPAP)

As a First Time Home Buyer, you can borrow your down payment interest free and repay it over 10 years through the province of Nova Scotia.

A description of the DPAP can be found at the following link <https://beta.novascotia.ca/apply-loan-help-down-payment-your-first-home-down-payment-assistance-program>

The Home Buyers' Plan (Use Your RRSP)

The Home Buyers' Plan (HBP) is a program that allows you to withdraw from your registered retirement savings plans (RRSPs) to buy or build a qualifying home.

You can withdraw amounts from your RRSP under the Home Buyers' Plan and make a qualifying withdrawal from your First Home Savings Account (FHSA) for the same qualifying home, as long as you meet all of the conditions at the time of each withdrawal.

A description of the HBP can be found at the following link

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/what-home-buyers-plan.html>

Buying My Home Flowchart

Pre-Offer Period

Prepare Before You Look!

- Choose your REALTOR®
- Understand how much you can afford
- Get Pre-Approved for Your Mortgage
- Set aside deposit, down payment, closing costs
- Choose your Lawyer
- Know what you are looking for - Needs vs Wants

2 - 4 Weeks or More

Look for Your Home

- Search online
- Review REALTOR'S® suggested listings
- View homes in person with your REALTOR®

Write & Submit Offer

Write Offer

Offer Price
Deposit Amount
Buyer's Conditions
Seller's Obligations
Firm Date
Closing Date

Offer Date

24 Hours or Less

Accepted Offer Date

Conditions Period

Perform Due Diligence

- Send Accepted Offer to lawyer & lender
- Request and confirm mortgage approval
- Arrange and attend inspections
- Investigate listing docs
- Confirm lawyer review
- Review inspection reports
- Write deficiencies amendment if required
- Pay Deposit in trust to listing agent's brokerage
- Satisfy all Buyer's Conditions
- Declare Offer Firm to Seller

Typically 10 Business Days

Sold Date

Firm Date

Pre-Closing Period

Prepare for Close and Move

- Sign mortgage documents
- Pay down payment & closing costs
- Arrange current utilities disconnections
- Arrange new utilities connections
- Pack possessions
- Arrange movers
- Forward mail
- Meet lawyer, review adjustments, sign docs
- Perform Pre-Close Inspection

Time Agreed to in Offer

Possession Date

Closing Date



Move In!

