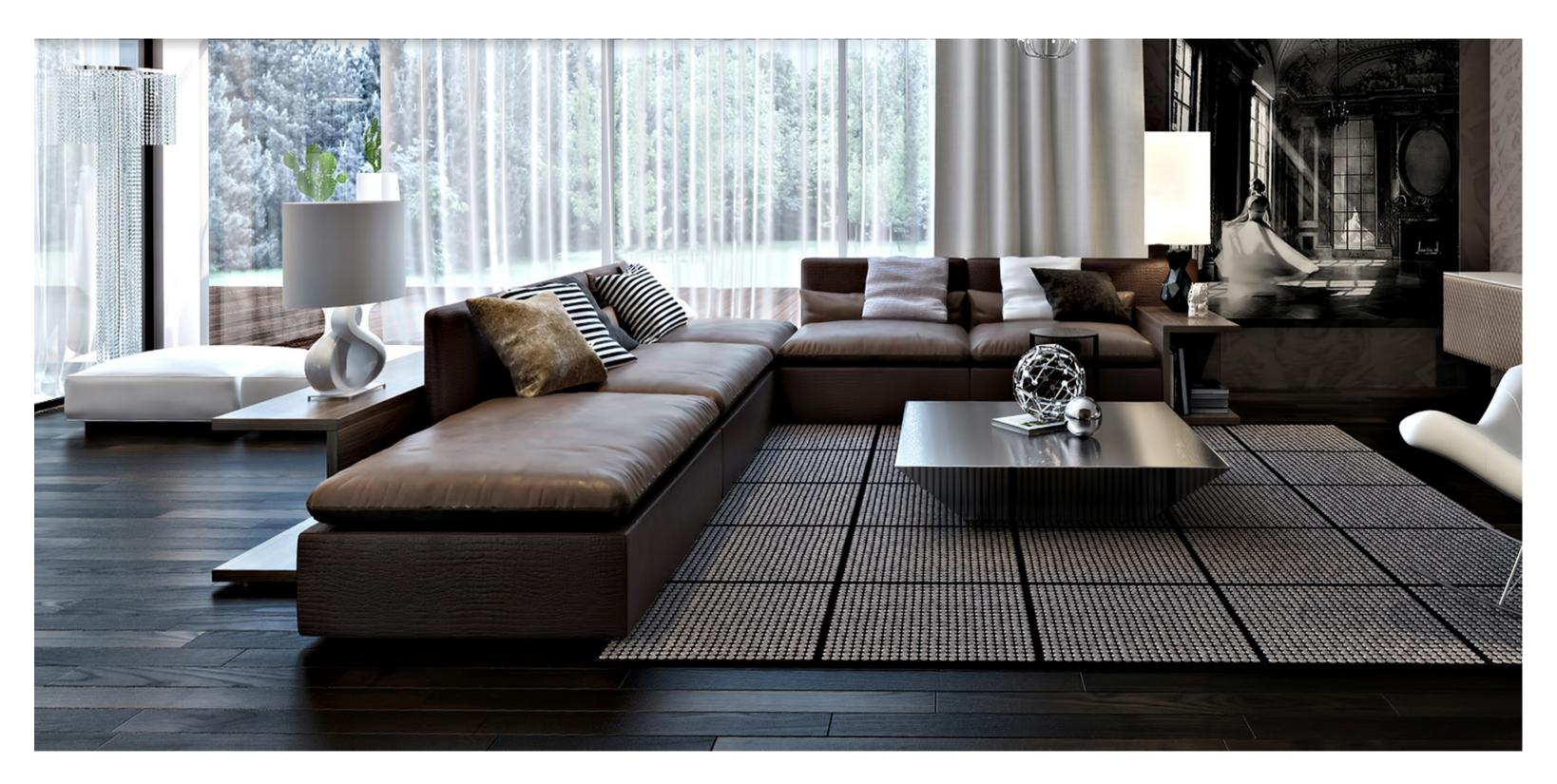
ONTARIO FIRST TIME HOME BUYERS



APRIL 15, 2023



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- MY FIRST HOME BUYING EXPERIENCE
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TODAY'S SPEAKER



RAMAN DUA

CEO/FOUNDER

SAVE MAX REAL ESTATE INC. BROKERAGE



FIRST TIME HOME BUYERS JOURNEY

- MY NEW IMMIGRANT EXPERIENCE
- FIRST HOME BUYING CHALLENGES AND HURDLES
- MORTGAGE AND HOME BUYING
 COMPLEXITIES
- THE REWARDS OF HOME OWNERSHIP

KEY REQUIREMENTS



DOWNPAYMENT



CREDIT SCORE



INCOME

MORTGAGE QUALIFICATION









HOME BUYING PROCESS

3 Review and resolve Start saving for Find a trusted any issues with your credit score Get pre-approved your downpayment. real estate agent Find a home with Make an offer with Close the sale Have a home inspection the help of your agent the help of your agent and move in! and appraisal

MORTGAGE LOAN INSURANCE

The minimum amount you need for your down payment depends on the purchase price of the home. If your down payment is less than 20% of the price of your home, you must buy mortgage loan insurance.

Table 1: The minimum down payment based on the purchase price of your home

Purchase price of your home	Minimum amount of down payment
\$500,000 or less	• 5% of the purchase price
\$500,000 to \$999,999	 5% of the first \$500,000 of the purchase price 10% for the portion of the purchase price above \$500,000
\$1 million or more	• 20% of the purchase price

Mortgage loan insurance isn't available if:

the purchase price of the home is \$1 million or more the loan doesn't meet the mortgage insurance company's standards



COST OF MORTGAGE LOAN INSURANCE

The fee you pay for mortgage loan insurance is called a premium. Mortgage loan insurance premiums range from 0.6% to 4.50% of the amount of your mortgage. Your premium depends on the amount of your down payment. The bigger your down payment, the less you pay in mortgage loan insurance premiums.

Table 2: Effect of the size of a down payment on the total cost of a mortgage

home (includes all columns)	Mortgage (includes insurance premium)	Mortgage loan insurance premium	Mortgage	Down payment amount	Down payment
\$643,649	\$395,200	\$15,200	\$380,000	\$20,000	5%
\$625,712	\$371,160	\$11,160	\$360,000	\$40,000	10%
\$584,979	\$320,000	Not required	\$320,000	\$80,000	20%

Total cost of your

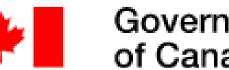
THE FIRST-TIME HOMEBUYER INCENTIVES

- Land Transfer Tax Refunds for First-Time Homebuyers
 - the maximum for Toronto \$4,475, Ontario \$4,000
- City of Toronto Municipal Rebate
 - On top of provincial tax refund, first-time home buyers in Toronto can receive a municipal rebate of up to \$4, 475.
- Local Homeownership Programs
 - select municipalities in Ontario.



FIRST-TIME HOMEBUYER INCENTIVES

- The First-Time Home Buyer Incentive
 - Shared equity mortgage with the Government of Canada.
 - o 5% or 10% for a first-time buyer's purchase of a newly constructed home
 - o 5% off a first-time buyer's purchase of a resale home
 - o Maximum total qualifying income for Toronto, Vancouver and Victoria is \$150,000 per year, other regions \$120,000 per year.
- The Home Buyers' Plan allows you to withdraw up to \$35,000 (pp) tax-free from RRSP.
- First Home Savings Account- Canadians who are at least 18 to save up to \$40,000 for their first home.
- First-Time Home Buyers' Tax Credit Get a rebate of \$1,500
- **GST/HST New Housing Rebate** Some provinces may have their rebate incentives.



Question and Answer

Thank You