

ULTIMATE
**Home Buyer's
Guide**

FOR FIRST-TIMERS



minto
Communities

Think you're ready to start climbing the property ladder? Buying a home is an exciting — if daunting — prospect for any first-timer. That's why we've created this guide. It will help answer the many questions you already have, as well as all of the ones you haven't thought to ask yet.

Our Ultimate **Home Buyer's Guide** for First-Timers is just that — a complete look at what you need to know if you're thinking of **buying a house for the first time**.

So, let's dive right in!





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Research
and planning

Money talk

When **buying a house**, it starts with the money.

The question on the lips of virtually every first-time home buyer is, “**Does it fit within my budget?**” The answer depends on your personal circumstances, but a home may be a lot more affordable than you imagine.

And keep in mind that while you may not be able to buy everything you

want in a home right now, real estate can be excellent investment — first-time buyers often take advantage of the growing equity in their first property when moving up to their next home.

But before going house shopping for your first home, you’ll need to understand your financial situation.

What can you afford?

Deciding on your new home budget is your first step in the **process of buying a house**.

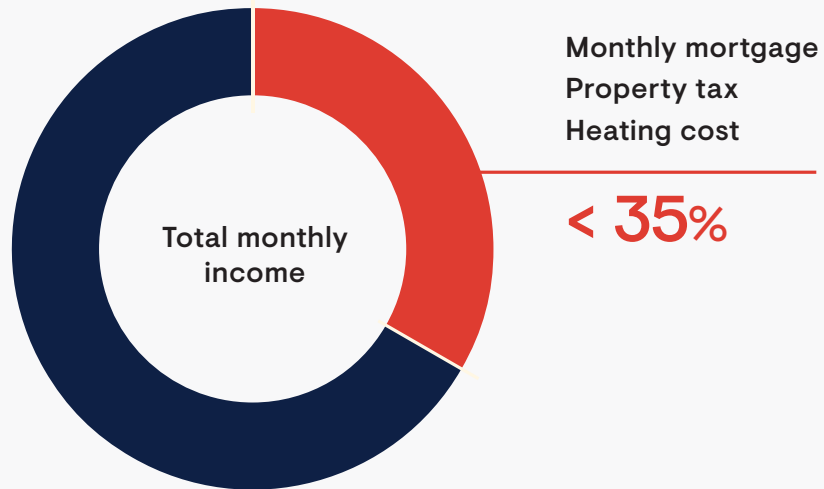
Two things to remember:

1. The old one-third rule about affordability still applies: in most cases, your monthly mortgage, property tax and heating costs shouldn’t exceed about one-third of your taxable income or 35%. If you’re considering a condo, include 50% of your monthly condo fees along with your mortgage, property tax and heating costs. (Figure 1)
2. Another way of calculating affordability is the [total debt service ratio](#). It sounds intimidating, but all it means is adding up the total of your monthly debt payments including mortgage, property taxes, heating and all other debts, including student loans and credit card payments. As long as that total doesn’t exceed about 42% of your taxable monthly income, you are in good shape. (Figure 2) Stay updated with current GDS and TDS ratios with the [Canadian Mortgage and Housing Corporation’s debt calculator](#).

But there’s more to know.

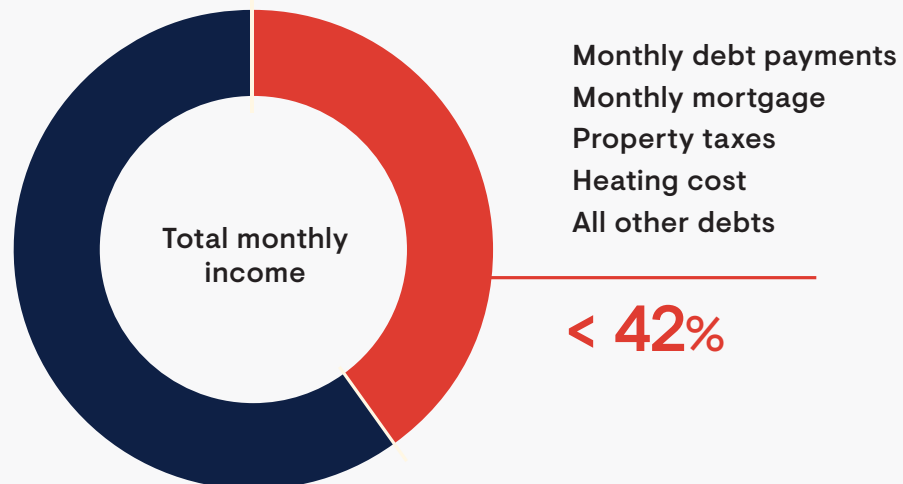
One-third rule

Figure 1



Debt ratio

Figure 2



Making a budget

It's true that with a new construction home, you won't be spending money on renovations or repairs as you would with a resale home, and energy costs are typically lower because a new home is designed and constructed to current building code requirements or even beyond.

However, even with a new-build home you still need to factor in realities like:

- Paying for household operating costs, from heating and cooling to property, water and other taxes.
- Covering routine maintenance, whether that's servicing your furnace or hiring someone to clean your gutters. Maintenance costs run about one per cent of your home's value annually, although the amount is usually less for new homes and more for resale properties.

- Buying food and clothing, paying for transportation, and enjoying the occasional night out or vacation (even homeowners need to keep a healthy work-life balance!).
- Setting aside money for a rainy day fund and for retirement, even if retirement feels impossibly far off.
- Raising children, if they are in your plans, including saving for their education.

Creating a preliminary budget that includes your income and current savings as well as your projected housing and non-housing expenses will give you a sense of what you can afford. [An affordability calculator](#) and specialized tools like the [Real Life Ratio calculator](#) help you determine how much mortgage you can actually afford.

HELPFUL LINKS

Money
Matters



Minto
Mortgage Payment
Calculator



Debt Service
Calculator



Determining your down payment

What is the minimum down payment on a house?

In Canada, it is 5% of the purchase price. But for any down payment of less than 20%, you'll have to pay mortgage insurance premiums to an organization like [Canada Mortgage and Housing Corporation \(CMHC\)](#).

If your down payment is 20% or more, there is no need to pay mortgage insurance.

Builders often require deposits upon signing that can be more than the down payment you want to make. That means you may have to save or borrow the money for the deposits, which can be put towards your down payment on closing.

If you have enough for the down payment, skip to [More Money](#)

[Matters](#). If you don't, don't despair.

There are great [benefits to home ownership](#), and a bit of creative thinking and patience can help you come up with that down payment:

1. Do you have a family member willing to help you with your purchase by gifting you enough money to make up the shortfall on your down payment?
2. Are you willing to look at a slightly smaller, more affordable home that requires a smaller down payment?
3. Can you put off purchasing until you've saved a bit more? It's amazing how fast your savings account grows if you reduce some discretionary spending like restaurant meals and driving to work.

If you don't have quite enough for your down payment, don't despair. Patience, creative thinking and our Sales Representatives' experience with money matters will get you there.

Keep in mind: In Canada, there's no such thing as buying a house without a down payment. A down payment is a key part of the process of buying

a house, and the bigger your down payment, the smaller your mortgage premiums.

HELPFUL LINKS

How long it will take to save for your down payment?



Down payment gift

Lenders will generally accept a gift from family as an acceptable part of a down payment. However, they usually want a letter from your benefactor stating that the money is a gift, not a loan that requires repayment.

More money matters

The **cost of buying a home** involves more than just a down payment, deposit and mortgage premiums. Fortunately, **buying a house for the first time** also means you could qualify for government incentives and rebates.

Additional up-front costs when buying a home

Deposits

When buying your first home, a deposit is typically required, which can be paid over several scheduled interim payments before taking possession. Minto Communities buyers, for example, make a minimum deposit of \$5,000 at signing followed by interim payments of at least \$5,000 each depending on the type of home purchased.

Additional investments

While most finishes included in a new home offer lots of variety, there is often the option to choose alternate layouts and upgrade finishes, including cabinetry, countertops and flooring. These can be a great way to add a

designer's touch to your new home, personalize your space and even potentially enhance resale value. They are an additional investment in your new home and are best decided on at the pre-construction stage to avoid costly — or even impossible — changes later on.

The cost of these investments varies widely depending on what you are doing. Your Sales Representative and your builder's [in-house design team](#) can help you create a package that's within your budget.

If available funds are tight, you could include the cost of additional investments in your mortgage: one more reason to know exactly how much home you can realistically afford.

Optional selections, sometimes called upgrades, are a great way to add a designer's touch and personalize the space you are going to call home.

Closing costs

These are costs that have to be paid at the time of closing. They generally run between 1.5 to 2% of the purchase price, but that can

vary. First-time buyers are sometimes unaware of these expenses, which need to be budgeted for. Your lawyer or financial advisor are the best resources for specific figures, but here are a few factors to consider.

Typical closing costs

Land transfer tax: This is calculated as a percentage of your purchase price. [Calculate it here](#). See below for rebates on land transfer tax for first-time buyers.

Legal fees and disbursements: A good real estate lawyer is an indispensable part of home buying. **Legal fees for buying a house** vary, but you should expect to pay around \$1,500.

GST/HST: If your home is your primary residence, the HST is part of the selling price for your home. You will only pay HST as a closing cost if the home you are buying is for investment purposes.

New Home Enrolment Fee: There are two regulatory bodies included in the enrolment process – (1) [Tarion](#), a not-for-profit consumer protection organization who provides homeowners with warranty coverage, and (2) Home Construction Regulatory Authority ([HCRA](#)) who licenses the people and companies who build and sell new homes in Ontario. Both fees are collected by Tarion and rates depend on the value of your home, check their websites for current fees.

Other costs:

There may be other fees. For instance:

- There could be bank fees associated with your mortgage.
- If your down payment is less than 20% of the purchase price, you'll need to buy [mortgage loan insurance](#). The insurance is provided by [Canada Mortgage and Housing Corporation \(CMHC\)](#) and other approved institutions. The cost is dependent on the price of your home, and you can pay the premiums up front as a lump sum or blend them into your mortgage payments.
- Home and property insurance is another necessity. The value of your home and other factors will determine the cost.
- If you are buying a resale home, you should have it inspected, at a cost of around \$400.
- You should set aside a few hundred dollars to pay for electrical, internet and other hook-up fees.
- Depending on what kind of home you buy and what you already own, you may need to spend money on a lawn mower, eavestrough, appliances, air conditioning, blinds and curtains, fencing, landscaping, and other necessities.

Slash moving costs

Moving costs vary depending on how much you have and how far you are going. Because they often don't have a lot of possessions, first-time buyers frequently rent a cube van, recruit friends and family, invest in some beer, soft drinks and pizza, and do it themselves. Here are some ideas on [moving yourself safely and economically](#).

Incentives & rebates

There are various assistance programs for first-time new home buyers. While the amounts and terms below are correct at the time of publishing, they can change. Confirm them as part of your home purchase process:

Federal government

1. The [Home Buyers' Plan](#) outlines the amount you're eligible to withdraw from your RRSP to put toward your home purchase. The first two years exclude repayment and then the 15-year amortization payback period begins.
2. The [First-Time Home Buyers' tax credit](#), a \$5,000 non-refundable income tax credit. Also see [First-Time Home Buyer Incentive](#).

3. Homes certified under specific energy programs are eligible for a [partial premium refund](#) on CMHC mortgage loan insurance. [Genworth Canada](#) offers a similar program.

Ontario government assistance

1. Ontario offers a [land transfer tax rebate](#) to first-time buyers, on up to \$368,333 of the full purchase price. The land transfer tax is paid at closing (see below).
2. The [Ontario energy and property tax credit](#) assists all low- to moderate-income Ontario residents with the sales tax on energy and with property taxes.

Tip: Do a Google search when you are buying in case other programs have been introduced or benefit amounts and regulations have changed.

Finalize the budget

Remember the rough budget you started with? Now it's time to go back and fine-tune it with all the extra costs and financial assistance you know will be coming your way.

A [worksheet from the Financial](#)

[Consumer Agency of Canada](#)

can help you identify the costs involved in buying and maintaining a home. Once you've done all the math, you're in a good position to start making informed decisions on home buying.



Understanding your lifestyle and needs

We all know that buying a home is a major commitment, possibly the largest financial commitment of your life. That's why you need to take a step back and ask yourself why you want to buy a home.

There's no right answer to the question — some people buy a house as an investment, some buy to be close to family and friends, some buy because they want the independence and pride of ownership that comes with a place of one's own.

All other things being equal (you can afford a home, you're prepared to put in the time and effort to maintain it, you've found a builder and neighbourhood you're comfortable with), the reason or reasons for buying a home are as individual as each of us.

Even so, before getting caught up in the excitement of shopping for a home, take the time to think about your reasons and discuss them with those you trust. Think about the long-term nature of the commitment you're making. Investigate the differences — both pro and con — between [owning versus renting](#).

Finally, ask yourself, “is this **the best time to buy a house** for me?” Is there a good selection of the type of home you want in the community you're interested in?

Assess your housing needs and lifestyle

Buying a home can, and should, have an emotional component. Being a buyer and an owner is something that's fun, rewarding and gives you a reason to strive for ever-better things

Before plunging into the housing market, think carefully about your reasons for wanting to be a homeowner and talk it over with those you trust.

in your career, your family life and your community. But your buying decision also has to be a rational one based on principles of smart investment like real-life needs, wants, limitations and potential.

To ensure your choices are rooted in reality, not fantasy, ask yourself these questions:

1. When do you want to move into your new house and are you comfortable staying where you are in the interim? It's not unusual for 12 to 18 months to elapse between signing an **Agreement of Purchase and Sale** and moving into a new home.
2. What is your lifestyle now, and how do you picture it in five or ten years? Two bedrooms and two bathrooms may be ample at the moment, but that could get overly cosy if children come along or if you have a lot of long-term guests.
3. Do you want a condo or a freehold home? Each has its own advantages, from the low-maintenance aspects of a condo to the greater elbow room of most freehold homes. Learn more about purchasing a [freehold home](#) and a [condominium](#).
4. Do you want to buy new or resale?
There are many [advantages to buying a new home](#), from the quality of construction and reassurance of warranties to the chance to be part of a fresh, growing community.
5. What sort of neighbourhood best suits you? A bustling downtown one with a vital nightlife and everything close at hand or a suburban community that entails some commuting but offers quiet, privacy, green space, new schools and the like?
6. Have you thoroughly explored the new-home market to discover the range of homes and communities available when you're **buying a house in Ottawa**? [Websites like this one](#) can save you hours of research by pooling information on housing developments, model homes and more in one spot.
7. What other lifestyle choices matter to you? Do you want to stay within a strict budget when purchasing your home so that you have money left to travel? Do you have expensive hobbies like collecting art that could affect how much you want to spend on a home?

Creating your team

While you are the one who makes the final decision on which house to buy and where, you still need to work with professional services during the home buying journey.

Bank mortgage specialists or mortgage brokers

A mortgage specialist at a bank represents just that institution and its lending options. Interest rates and conditions for the same product can vary from lender to lender, so make sure you talk to several to get the mortgage that best suits your needs.

A mortgage broker approval and rate are usually valid within the time frame

of 120 days to closing, so if you are purchasing a home and the closing date is more than 120 days away, you may have to re-qualify through this process (more than once) and your rate may be subject to change.

Whether you go with a bank or a mortgage broker, make sure you are comfortable with them and their products from the outset and that you take the time to fully understand your mortgage contract. Don't hesitate to ask a lot of questions: it's your money and your future wrapped up in that mortgage contract. Remember also to compare mortgage rates among institutions; [Minto's mortgage calculator](#) can help with that.

Please note, the broker does not work directly for the lender, so the approval and rate are only valid for 120 days in most cases. If the closing date is longer than 120 days, you will have to re-qualify for approval.

On the other hand, for most traditional banks, it's a one-time application process for pre-approval or firm approval. This means the rate is guaranteed without the need to re-qualify.

Mortgage pre-approval

A golden rule of home buying is to make sure you are pre-approved for a mortgage before you start shopping. It's the only way you'll know exactly how much money you have to spend. When you are arranging pre-approval, remember that it is not actually a guarantee that you will get the money. Make sure as well that all the terms and conditions you've negotiated are in your pre-approval agreement. [Learn about mortgage pre-approval.](#)

Legal counsel

Look for a real estate lawyer early in the buying process so you have someone available to review the Agreement of Purchase and Sale. Many buyers go with a personal recommendation from a friend or family member when choosing a lawyer.

Question the prospective lawyer on his or her expertise with this kind of transaction.

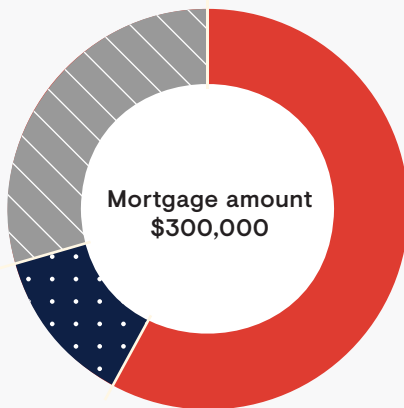
Four things to know about mortgages

- Use the internet to search for mortgage promotions and ads.
- Compare mortgage rates across multiple lenders and ask your lender if they will use a lower rate at the time of closing if it is available.
- Discuss amortization periods (the length of time it will take to pay off your mortgage) with your mortgage professional. A shorter amortization means higher premiums but can save tens of thousands of dollars in interest payments.
- Many money professionals recommend not using the full amount of money a lender is willing to give you when buying a home. That way, you have a bit of wiggle room if unexpected expenses come along.

What it will cost you

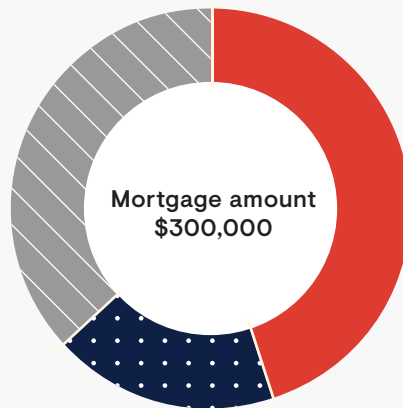
25 years

\$1,578/month



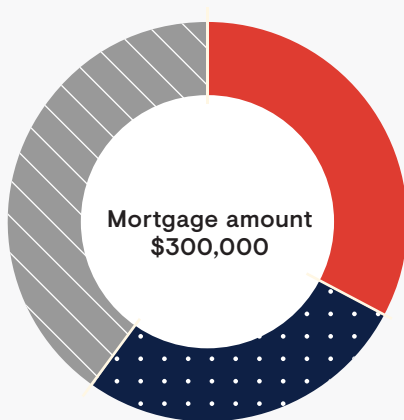
20 years

\$1,813/month



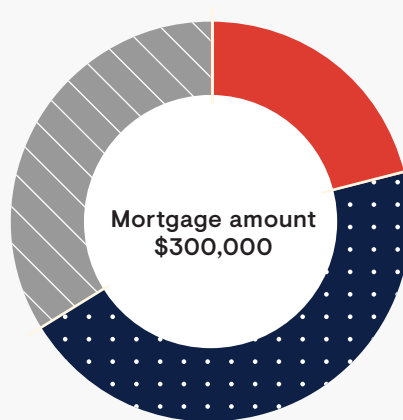
15 years

\$2,214/month



10 years

\$3,033/month



Total interest paid



Principal paid after five years



Principal left to pay

A lawyer who is familiar with the community and builder may also be helpful in alerting you to potential pitfalls, from plans for a noisy roadway in the area to a builder with a poor reputation.

Other legal tips:

- Discuss the importance of having a will with your lawyer and, if needed, a power of attorney. The more you own, the more important these protections become.
- If you are buying a home as an investment property, check our [Ultimate Home Buyer's Guide for Investors](#).
- Learn more about [hiring a lawyer](#) when **buying a house**.

Real estate agent

Buyers often ask, “**Do I need a Realtor when buying a house?**”

If you are considering the purchase of a resale home, a real estate agent is the way to go. A good Realtor will get to know your needs and wants, save you hours of research, make sound recommendations on money issues, and guide you through the purchase process.

However, if you are buying a new-construction home, there is no real need to have a Realtor. The builder's Sales Representatives know their products and communities inside out, and their job is to help you find the right home at the right price. Yes, they represent the builder, but they are trained to be objective and to put your needs and expectations first.

HELPFUL LINKS

Choosing the right mortgage





Where to buy
a house

You've made the decision to buy a new construction home. That's great! Now you have to find that dream home. So, where do you start?

Most Ottawa **new home buyers** choose primarily by location, size and price, but some will choose first based on the builder. If you already have a preferred builder in mind, you'll then

need to research the communities where they are building.

If, like most, you know the general area you want to live in — likely for its proximity to work, transit or amenities — and you know how much you can afford, then the next step is to research the builders in that area, as well as their communities.

Researching new home builders in Ottawa

There are more than 50 new home builders in the Ottawa area. Choosing the right one for you is key to a positive home buying experience. That's why researching your prospective builder is important.

Six things to consider when researching builders

1. Visit websites: Most builders will have at least basic information about themselves, their communities, floorplans, elevations, pricing and site plans, so their website is a good place to start.
2. Assess them: Use online searches and reputable sources for feedback such as Tarion, the

HELPFUL LINKS

Finding a Home



Why Choose Minto Communities



Minto Homeowner Journey Guide



Ottawa homes: Who are the builders & their communities



Better Business Bureau and, to a degree, social media to determine a builder's:

- Reputation
- Reliability
- Ratings
- Customer experience
- Post-purchase experience
- Warranties

3. Tour the models: One of the reasons for visiting builder model homes and developments is to evaluate the quality of the construction. While the average home buyer may not have an eye for technical aspects of home building, everyone can tell when a paint job is sloppy or the trim around a door is not lined up. Simple details like these say something about a home's quality. (More on touring models below.)

4. Compare: It can be a bit like comparing apples to oranges, since one builder's criteria for its homes won't be the same as another's, but as you're researching, note things like:

- Features and finishes that are included with the price

- Price per square foot
- How energy efficient they are
- Construction specifications (things like how much and type of insulation used)
- Experience (how long they have been building and how many homes they have built)

5. Check past projects: Visit other communities the builder has done, both recent and older. Do you find them appealing? Do they still look relevant and well kept? Have they maintained a level of quality in design and materials? Do they promote a community connection? Have they matured well?

6. Ask around: Ask family and friends if they've recently bought new or know anyone who has. What was their experience with that builder like?

Your builder: questions to ask when buying a house

- What makes your homes stand out, better, different from other builders’?
- What are your included features, finishes and specifications?
(Note: This can often change with a builder’s various models.)
- How long has your company been building homes?
- How much personalization can I do, and how much would that add to my investment?
- What kind of after-sales service do you provide?
- Do you build just to the building code or beyond? If beyond, how and what?
- What kind of communication and updates will I receive and how?

Explore communities

A key buying consideration is location. If you have not yet finalized your list of those things required to fit your lifestyle and needs, exploring communities in the area you think you want to live in will help.

If there's nothing to see: If you're capitalizing on a newly launched community where no construction has begun, it's a little difficult to explore the community. That's where site plans come in handy.

All projects have a site plan (usually available on the builder's website) that indicates things like where streets will be, how the lots are divided, and amenities such as parks, schools and stormwater ponds. Sometimes the level of detail in the site plan may be limited — for instance, future phases may not show how the lots are allocated — but you'll be able to get a sense of how the community will develop.

Sometimes a builder will have aerial renderings or streetscape renderings

as well. And sometimes there will be a scale model of the community at the sales centre. Combining the site plan with streetscape renderings, scale models and renderings of the housing elevations will help to create a picture of the community.

It's also a good idea to drive through other similar communities the builder has done to get a sense of things like street widths and layout, how the homes integrate or are set back from the street, how the neighbourhood amenities complement the community's design, etc.

If construction is underway: Carefully drive through the community — remember, it is a construction site, plus there are likely already residents who have moved in — to assess how well the streetscapes are coming together, whether any of the amenities have been developed yet, the attention to detail, and whether or not the area resonates with you.

Checking floorplans

Understanding floorplans is difficult for some and especially for first-time buyers. That's why many builders construct model homes to help buyers visualize the space. But it's important to look through the floorplans and not just at the models. After all, models represent only a fraction of the types and layouts of homes available.

Three tips for reading floorplans

1. Tour the model with the floorplan in hand. It will help you develop a sense of the two-dimensional vs. three-dimensional spaces.
2. Use where you live now as a comparison, by sketching out your floorplan and listing the measurements for each room. Have this with you when you look at models and study plans.

3. Show your friends and family the floorplans you're considering. Others can often see things differently.

What if there are too many floorplans to look through?

Start narrowing down the choices based on what you can afford (that is, what you're pre-approved for) and for your lifestyle. If you're single with a hectic schedule, do you really want a three-bedroom, two-storey townhome or would a one- or two-bedroom terrace home work better for you?

Look at what the standard specifications, features and finishes are. Consider what kinds of personalization and upgrades are available, keeping in mind there are costs for these additional investments.

It's important to spend time with floorplans even if there is a model home because the plans tell you exactly what the layout will be.

Visiting model homes

It's always a good idea to visit a builder's models – tours are most often booked by appointment. These homes can help you:

- Visualize the space
- Get a sense of the builder's workmanship
- See many of the feature and finish options
- Determine if a layout will work for you

A furnished model will give you a better sense of the rooms than an unfinished one, but keep in mind that you need to be able to look past the furniture and the finishes to see what the rooms themselves offer.

Also keep in mind that the furnishings chosen are meant to show off the home, not necessarily how real people with real furniture live. Don't assume your furniture will work.

Also remember that model homes can have many upgrades that are not part of the included features and finishes. Ask what's included in the home and what is an additional investment.

Take photos of the models you visit and find a way to organize sales brochures to help remember models and features you like.

Finally, don't be afraid to talk to the Sales Representative. They are your best information resource, whether in person, by phone or via email.

HELPFUL LINKS

Where are Minto's model homes?



Making your short list

After all this research and exploration, you're ready to narrow down the choices. You should have a good idea of the community and builder you want and a handful of floorplans that will fit your budget and lifestyle.

When it comes to making your decision, also keep in mind how long the home will meet your needs and its potential resale value.

The five-year plan

It's not unusual for buyers to stay in their home for five-ten years, and your lifestyle could change significantly in that time. Think ahead to where you might be in five or ten years to try to anticipate whether the homes you are considering will meet your needs that long, or be able to grow and change with you.

The resale factor

While you should choose a home for you, not for resale, it's still good to keep resale possibilities in mind, particularly if you don't expect this

to be your forever home. Resale value can be determined as much by the neighbourhood as it is by the home itself, but the home is still an important factor. If you're buying with resale in mind down the road, consider choices that offer the most flexibility and choose features that have broad appeal.

Other considerations

- Are there any builder incentives you can take advantage of?
- Utility plans may not be finalized at the time of purchase on a new construction home. It's common for a builder to be unaware of the final location of utility structures at the time of sale. Make sure you're educated on the potential locations of things like mailboxes, streetlights, bus stops, catch basins, telecommunication structures, fire hydrants, hydro transformers as well as the direction your lot faces, which can impact where sunlight will come in at certain times of day.

A man in a dark blue shirt is pouring tea from a white teapot into two white mugs on a wooden coffee table. A woman is sitting on a light-colored sofa, reading a magazine. The room has large windows with white frames and a modern ceiling with recessed lighting. A large teal circle is overlaid on the image, containing the text "Signing the deal".

Signing the deal

Once you've chosen the home you want, it's time to sign the deal, known as an **Agreement of Purchase and Sale**. This is the first step in the process of building the home of your dreams!

Most builder contracts are fairly standard, but it's important to know exactly what is in your agreement because it is a binding contract. The purchase agreement puts in writing everything that is included, from incentives to included features.

What you will need

Each builder has different requirements, but most will need:

- Photo ID of everyone who will be present at the time of sale and added to title.
- A refundable deposit to secure your lot or condo unit. The deposit can also be used towards your down payment. Amounts vary by builder.
- Most builders will require mortgage pre-approval.
- Your lot and floorplan choice or condo unit choice.
- Any changes you want to make to certain structural components that will become part of the house plans to be filed with the city.
- Your lawyer's contact information.

*Your Sales Representative should go through your **Agreement of Purchase and Sale** with you carefully so you understand everything you are signing.*

Minto deposit structure



What to bring



Government Issued
Photo-ID



Personal Deposit
Cheque(s)



Mortgage
pre-approval

What to expect

- After you've reserved your lot/unit and put down your deposit, it **could take a week or so for your sales agreement to be ready.** Your Sales Representative should go through the agreement with you, pointing out key elements such as the expected closing date, consequences of delays in choosing design finishes and costs for additional investments not included in the base price of your home.
- Minto also offers a five-day conditional period for legal review and financing before the contract. Ask our Sales Representatives for details.
- The **process for a condo is different**, though. The Condominium Act requires a cooling-off period of 10 days to go over legal information that is provided upon signing (known as the disclosure statement), and a buyer can back out within that time period.
- Depending on the type of home you have purchased, the layout of your finished home could be a **reverse mirror image of the floorplans** shown in the marketing materials or Agreement of Purchase and Sale. This is something to keep in mind when purchasing appliances such as fridges and dryers, as you have to select which way the door swings.

- Once you've signed your agreement, your builder will **require a deposit** and post-dated cheques for further deposit installments. Amounts will vary (see [Minto's deposit structure](#)).
- **Tarion protects deposits** on freehold homes up to 10% of the purchase price (to a maximum of \$100,000), and condo deposits are covered up to \$20,000, with condo deposits over that amount protected by provisions of the Condominium Act.
- Most builders will also give you an information package that explains next steps, often referred to as a [homeowner's manual or guide](#). There's valuable information in there so be sure to read it.
- Your builder will likely require a pre-approval letter from your lender saying you qualify for a mortgage.
- Keep copies of everything for tax purposes.

Tarion Protection

In addition to deposit protection, Tarion provides new home warranty protection to home buyers in Ontario by administering Ontario's new home warranty act. With very few exceptions, builders are required to be registered with Tarion and the corporation maintains information on builders including the number of homes they've built and their customer service record. Tarion also offers general advice to buyers through its [website](#).

What comes next

Once your agreement is firm, detailed and specific plans will be drawn up for your home and permits requested so that construction can begin.

Ask when you will be contacted to make selections for interior and exterior finishes (if applicable). Each builder has a different policy for finalizing selections, which can be done at one or more appointments.

Continue your budgeting and savings plan. If you have not yet established a budget that's based on what your expenses will be when you move in,

do this now. It will help you adjust to what your commitments will be and, as a bonus, will help you add to your savings while you're waiting for that budget to actually kick in.

New homes in Ottawa are taking an average of 12 to 18 months to build these days, giving you time to plan and adjust. Condo apartment buildings typically take longer as most builders will wait until a majority of the units are sold before beginning construction.

HELPFUL LINKS

Minto Homeowner
Journey



A modern bathroom with a woman on the phone. The room features a large, round mirror with a dark wood frame, a double vanity with dark wood cabinets and a white countertop, and a wall with a geometric tile pattern. Two long, dark wood light fixtures with multiple bulbs are mounted on the wall. A woman with long brown hair, wearing a black and white striped shirt and black pants, is standing on the right side of the vanity, talking on a phone. A large orange circle is overlaid on the center of the image, containing the text "Preparing for closing day".

Preparing for
closing day

Once you've signed your agreement, you've taken a big step on your home buying journey, but there's still lots to do, including choosing your finishes,

finalizing money matters, preparing for your move and watching your home being built.

Design centre decisions

Many **new home buyers** — and especially first-time ones — find the selection of features and finishes the most exciting part but also daunting, particularly since decisions are usually needed quickly within the appointment time frame to meet construction timetables.

But don't worry, the design centre specialists most builders employ are experienced at guiding you through the process in a measured, meaningful way to minimize your stress. You can also look for [online design centre resources](#) from the builder to prepare ahead.

Budget your time, along with your finances. Research, tour model homes and create your design wish list to prepare.

Buying a new construction home is exciting because you get to choose many of the features and finishes in your home. But that choice comes with a commitment: you'll need to make yourself available for the appointments required to make those decisions, which typically have to be scheduled during the work day. That means taking time off work for appointments. They vary depending on the builder, but the total time investment can take anywhere from about four to 20 hours.

Design tips

- If possible, visit the design centre before you sign your sales agreement. This will give you more time, without the pressure of a deadline, to familiarize yourself with what selections are available.
- Save images of inspiration, finishes you like, styles and colours you're drawn to. They don't have to be all home decor; often a design centre specialist can get a sense of styles and colours you're attracted to by looking for common elements in inspiration photos.
- Be up front with your design centre consultant about your budget. That's the best way for them to help you get the most bang for your buck and prioritize where to spend.
- If you have a limited budget for additional investments, focus on the ones that are not easy to do once your home is built. A laminate counter is simple to swap out for a quartz one later on, but upgrading a basement window to a larger egress one for an extra bedroom should be done when your home is being built.
- Explore the builder's models when making your wish list for design choices. That can help you visualize things like a style of trim, cabinet height and where outlets are located.

Did you know?

Most builders use architectural control guidelines to maximize your streetscape and avoid repetition. That means if you are one of the latter buyers in your block, your exterior selections may not be as extensive as your neighbours' to ensure diverse colours and textures between the homes. For townhomes and condominiums, exterior elevations and colour packages are pre-selected by the builder.

While your home is being built

Once decisions are made, it's time for construction to begin! Your role at this stage becomes less intensive, but there are still things to do and milestones to reach.

Stay in touch with your builder

Often you will have a dedicated customer service representative, who can keep you updated on the status of your home. You also want to ensure you're kept in the loop early if there is the possibility of construction delays.

Make a list of what you'll need

If this is your first home, chances are you may need furniture, kitchen items, etc., to fill it. Now is the time to start gathering those items, keeping in mind that you should measure for furniture – something that you may not be able to do until much closer to your move-in date.

Declutter if needed

If this is to be your first home, you may not have accumulated a lot of clutter yet, but even still, this is the perfect time to donate, give away or recycle anything you won't need rather than hauling it along with you.

Research movers

And find out how far in advance you'll need to book. While you won't have a firm moving date yet, you'll have a good idea.

Do your homework

Read over any information your builder has given you about next steps.

Prep for utilities

Start planning for utility hook-ups, change of address, etc. Many of these won't need doing until a month or two before your move, but planning for them now will make the job easier when the time comes.

[Check it out: CMHC's change of address checklist.](#)

Framing walk-through

Many builders (Minto Communities included) will offer buyers the opportunity to check out their new home at a certain point during construction. This is commonly referred to as the framing walk-through. It's not offered by all, and not for all housing types, but if your builder offers it, take advantage!

The framing walk-through happens when the exterior of the home is

enclosed, interior walls are framed, and the mechanical, electrical and plumbing are in place — but before the drywall goes up. This is the first opportunity you will have to see your home and a chance to make sure things are where they are supposed to be, particularly if you've made structural changes.

Meet and greet

Take advantage of any information sessions or meet-the-neighbours events your builder offers. They are a great way to start making a connection with your new community and getting to know your home.

Keeping in the know

At Minto Communities, you will get updates on the progress of your home under construction and a chance to connect with the people building your home. Don't be shy to ask questions.

Money talk

It's important to keep an eye on financial matters while you're waiting to take possession of your home.

1. Before your occupancy/closing date approaches, keep saving up and follow your budget.
2. If you can, keep mortgage shopping for better rates.
3. Confirm all fees that you can expect on closing and costs for maintenance.
4. Research property insurance.
5. Stay in touch with your builder, your lawyer, your mortgage specialist, and/or real estate agent to be prepared for closing day.



Pre-Delivery Orientation

When your home is almost ready, usually a week or two before your closing or occupancy date, your builder will schedule a Pre-Delivery Orientation (PDO). This very important step is usually the first time you will see your home near its completion. Your builder will guide you through your home's features and systems, typically showing you how everything works and introducing you to your new home.

It's also when, together, you will identify anything that needs attention as part of your new home warranty.

Your builder will usually fix any deficiencies that have been identified before you take possession, but some items may have to wait until after you've moved in.

A PDO will generally take about one hour per 1,000 square feet.

Your lawyer plays a big role on closing day, including transferring your money to the builder's lawyer and handing you the keys to your new home.

HELPFUL LINKS

Tarion's PDI checklist



What to expect on closing day

You likely will not get the keys to your new home until later in the day, so most builders recommend you do not schedule your movers or any service calls until the next day.

Your lawyer plays a big role. In the days leading up to closing and on closing day, they will have been busy getting everything ready for the transfer of ownership from the builder to you: checking the title, registering the home in your name, reviewing documents from the builder, determining down payment and closing costs, explaining everything to you and getting you to sign a stack of papers.

The mortgage company then sends money to your lawyer. When your

lawyer has the keys and the builder's lawyer has the money, they register the documents with the province, which is when the ownership changes and the keys can be released to you.

Note that the process is a bit different if you're buying a condo. Because some unit owners can move in while other units are still being finished, ownership does not yet change hands. Typically, you will be granted "interim occupancy" and will pay monthly fees to your builder, who retains ownership until the building is complete. Final closing occurs when the condominium is registered after completion.

HELPFUL LINKS

Moving Day Checklist





Maintaining your
new home

Most builders in Ottawa provide their new home buyers with some form of new home care guide, whether a printout, pdf or special homeowners section on their website. Your new home features many systems and new technology, so it's important to take the time to read over your homeowner's guide and follow the recommended maintenance tips.

While homes today are built to minimize maintenance, no home is truly maintenance-free and most expensive home repairs can be avoided through inexpensive routine maintenance.

When you move in

Unless your home is one of the last in a community to be built, remember that there will likely be ongoing construction activity and you should expect some temporary disruption, dust, dirt and traffic as your builder works to complete the community.

It also means that some things may not yet be done, like the final layer of asphalt on roads, paving of your driveway, planting of trees and laying of sod.

Tip: Most builders ask you to refrain from landscaping, adding fences or putting up sheds for the first year. This is to let the ground properly settle and to ensure your warranty isn't compromised in the first year.

HELPFUL LINKS

Minto's Homeowner
Move-In and Home
Care Guide



Find your new home

Embarking on the new home buying journey is an exciting prospect. It's also one that involves a lot of planning, analysis and consultation with other people who understand the process well and are there to support you. Take your time, go through all the steps carefully, and at the end you'll have the home of your dreams.

[Now you can get started on finding your new home today.](#)



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