

ULTIMATE
**Home Buyer's
Guide**

FOR INVESTORS



Owning a rental property can be a great way of diversifying your investment and acquiring an asset that's sure to appreciate in value over time. What's more, your rental income may be used to pay down your mortgage owing, so you wind up owning a valuable property at the end of the amortization period

while your tenants have had a good place to call home.

But like anything, **buying an investment property** requires some careful planning and management. Our Ultimate **Home Buyer's Guide** for Investors is your path to **buying a house** as a rental property. So, let's get started!



An introduction to investment properties



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Planning &
research

Financial considerations

Getting your finances in order is crucial if you're thinking of **buying a new house** and renting it out. But you also need to be comfortable

with both the financial benefits and potential risks of investing in real estate.

Benefits

- Real estate generally increases in value over time, so it's considered an excellent way to diversify your portfolio and build long-term capital.
- Because the monthly rent payments can pay for your mortgage, real estate investment means acquiring a valuable asset using someone else's money.
- Depending on the rental market, your expenses and other factors, those rent payments could also give you a little extra income each year.

Risks

- Return on investment is not guaranteed, especially in the short term when market conditions and other factors could affect the value of your property. You should consider whether you'd be more comfortable with other forms of investment that offer an assured rate of return.
- Your property could sit empty for some time if vacancy rates in Ottawa start to rise significantly. Do you have the financial resources to carry your mortgage and other outlays if that happens?
- You could incur unexpected expenses and delays in rental income if you need to evict a bad tenant or undertake major repairs because of that tenant.
- Real estate is not a liquid asset. That means it could take some time to get your money if you needed to sell your investment property.

Does your budget allow for you to be an investor?

Buying a new house as a rental investment means asking the basic question: “Does it fit my budget?”

Your individual circumstances ultimately dictate the answer, and that means first adding up your expenses (more on that in a minute) and savings. Those savings include equity in an existing home. If you don't know how much equity you have, contact your banking representative for a bank appraisal.

You also need to answer some basic questions about your own finances:

- Can you make a sizeable purchase like this while still meeting your existing personal and/or business financial obligations? Those

obligations could range from buying groceries to paying off debts and saving for retirement.

- Is your credit in good standing? Learn more about [credit score reporting](#).
- Do you already have a mortgage on another property? If you do, it means financial obligations, but you may also be able to use that property (or at least your equity in it) as a financing source for a new home.

Once you have pulled together all the information above, you can work out a rough budget for your proposed new home purchase.

Tip: Our [affordability calculator](#) will help you estimate how much you can afford.

HELPFUL LINKS

Money Matters 	Minto Communities mortgage payment calculator 	Debt Service Calculator 
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Your down payment

The down payment on a rental investment property can vary depending on the number of units, and whether or not the owner lives there and rents out other space in the building. For instance, if you purchase a one- or two-unit building and live there, your down payment can be as little as 5%. However, if you are thinking of buying a one-unit property like a single-family home or townhome where you will not live, your down payment will need to be at least 20% of the purchase price.

Amortization periods for an investment property can range up to 30 years with a 20% down payment. The cost of mortgage default insurance from Canada Mortgage and Housing Corporation also varies depending on the length of amortization and the amount of the down payment.

Learn more about [mortgages on investment properties](#).



Up-front costs, rebates & more

There is more than just a down payment and mortgage payments involved when you calculate the **cost of buying a home** as an investment. Fortunately, you could also qualify for some government rebates and incentives.

Additional up-front costs when buying a home

Deposits: Builders will require you to make a deposit when you purchase a new home. Before you take possession, you'll also need to follow a schedule of interim payments. Minto Communities, for example, requires a minimum deposit of \$5,000 at signing followed by additional interim payments. The amount depends on the type of home you buy.

Additional investments: Finishes in a new home generally offer plenty of variety, but there is often the opportunity to choose alternate layouts or to upgrade finishes like cabinetry and flooring. These can be a great way to add an enticing designer's touch to your rental and even potentially enhance resale value.

Speak to your Sales Representative and your builder's design team about creating a package that's within your budget.

Closing costs: These usually run between 1.5 to 2% of the selling price of the home. You pay them on closing of the property via your lawyer.

While adding designer upgrades are an additional investment in the home, consider when and where they might be worth it to make the home even more appealing to renters.

Standard closing costs

Land transfer tax: A percentage of your purchase price, you can [calculate it here](#). There are rebates on land transfer tax for first-time buyers (see below).

Legal fees and disbursements: Legal fees for buying a house vary. You can expect to pay in the neighbourhood of \$1,500.

GST/HST: This is the full responsibility of the homeowner when a home is purchased for investment purposes. It is paid as a separate value on closing and could be up to 13% of the purchase price.

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.

Tip: If your financing is stretched, think about including the cost of additional investments in your mortgage – another reason it's important to know how much you can afford when buying a home for rental purposes

Other costs: There may be other fees. For instance:

- Bank fees connected with your mortgage.
- You will have to buy [mortgage loan insurance](#) if you are making a down payment of less than 20%. [Canada Mortgage and Housing Corporation](#) (CMHC) and other approved institutions provide the insurance, and the cost is related to the price of your home. Premiums can be paid as a lump sum upfront or you can make them part of your mortgage payments.
- You'll need home and property insurance. The cost will be geared to factors like the value of your home.
- It's a good idea to have a resale home inspected before concluding your purchase. That costs around \$400.
- You should have a few hundred dollars set aside to pay for electrical, Internet and other hook-ups.
- You may also need to pay for eavestrough, appliances, landscaping, and the like.

Financial assistance for new home buyers

If this investment home is also your first new home purchase (whether for investment or to live in yourself), you may qualify for some of the government incentives created for first-time home buyers. Some incentives apply even if you already own a home. The following assistance programs are in force at the time of publishing, but you should confirm them.

Federal government

1. The [Home Buyers' Plan](#): You can withdraw up to \$35,000 from your RRSP to put toward your purchase if you are a first-time buyer. You have 15 years to repay it.
2. The [First-Time Home Buyers' tax credit](#): A \$5,000 non-refundable income tax credit. You are eligible once you've secured a tenant for a one-year term within 2 years of your closing date.
3. Homes certified under certain energy programs could qualify for a [partial premium refund](#) of up to 25% on CMHC mortgage loan insurance. This program applies to rental and non-rental properties as long as you meet the requirements. There's a similar program with [Sagen](#).

Ontario government assistance

1. [Land transfer tax rebate](#): First-time buyers can qualify for a rebate of up to \$4,000.
2. The [Ontario energy and property tax credit](#): Assistance with the sales tax on energy and with property taxes for low- to moderate-income Ontario residents.

Finalize your budget

Now you can go back to that rough budget you worked out earlier and fine-tune it using the additional costs and financial assistance that you have calculated. A [worksheet from the Financial Consumer Agency of Canada](#) can help determine all

the costs involved in buying and maintaining a home. Once you've got the total results, you're ready to begin making informed decisions on home buying.

What kind of house do you want to buy?

1. Are you thinking of a more spacious freehold home or a low-maintenance condo? Learn more about [freehold homes](#) and [condos](#).
2. How big a home do you want to buy? Bigger homes mean more space to maintain and higher taxes, and the higher rent you can charge may not cover the extra expense of operating the home.
3. Do you want to [buy new](#) or resale?

Note: Government programs are introduced, changed and eliminated all the time. A Google search and a conversation with your Sales Representative will alert you to changes.

Your lifestyle: does it fit with being a landlord?

Having your finances in order is critical in **the process of buying a house** as an investment. But you need more than just money to make that investment pay off – you also need to know why and what you are buying, and to ensure your personality and lifestyle fit the role of landlord.

Ask yourself:

1. Why are you buying a house as an investment property? As a long-term investment? Is it part of a longer-range plan to own multiple rental properties? If you're considering a condo, maybe you are planning to rent it out for several years and then move into it yourself. Clear, long-term objectives will help you make the right buying decision.
2. Is now a good time to buy? Are interest rates and the availability of properties favourable? What is the rental market like in Ottawa and what are professionals like [Canada Mortgage and Housing Corporation](#) saying about its future?
3. What is your personality like? Do you enjoy dealing with people, including young professionals, families and retirees? Any or all of these folks could be your tenants, and tenants can be very demanding.
4. Does your lifestyle allow you the freedom you need to be an accessible landlord? If you plan to be the main contact point, can you respond to a panicky call from a tenant late at night?
5. Who will maintain your property? You or a rental management service? A new-build home may require less maintenance than a resale home, but repairs and upkeep still have to be done.
6. Are you able to visit your property regularly to ensure your tenants are treating it well?

Your team of professionals

From a lender to a lawyer, you'll want to work with the best when you are a real estate investor.

Banks and Mortgage Brokers

If you have an existing mortgage, start by talking to that lender or mortgage broker about your rental

investment plans. But don't leave it there; research other lenders and brokers to see if they can offer a better deal. That includes comparing interest rates; [our calculators](#) can help with that.

The importance of mortgage pre-approval

Having mortgage pre-approval before you start shopping is considered a golden rule because it's the only way you'll know exactly how much money you have to spend. Just remember that a pre-approval doesn't guarantee that the money

will actually be available to you. Check your pre-approval agreement carefully to ensure you understand all the terms and conditions you've negotiated. Learn about [mortgage pre-approval](#).

A mortgage pre-approval is the golden rule of home buying.

3 things to know about mortgages

- Mortgage products for investment properties can be different from residential property mortgages depending on the lender.
- Sites like ratehub.ca are a reliable source of current mortgage rates and other information.
- Money professionals often suggest not using the full amount of money a lender offers when buying a home. Having a little extra available is handy if you encounter unanticipated expenses.

Legal Assistance

Line up your real estate lawyer early in the buying journeying so you can have the **Agreement of Purchase and Sale**. Home buyers often ask friends and family for recommendations on a lawyer.

Don't hesitate to quiz your prospective lawyer on their experience in rental real estate investments. A lawyer who knows the community and builder may know about potential pros and cons you should consider as an investor in an area.

Other legal tips:

- Get legal advice on creating rental contracts and leases.
- Ask your lawyer about tenant/landlord laws and regulations in Ottawa and Ontario.
- Inquire about liability and liability insurance as a landlord.
- Do you have a will and a power of attorney? If not, discuss them with a lawyer. You need to protect yourself and your estate as you grow your investment portfolio.
- More on [hiring a lawyer](#) when you are **buying a house**.

Realtors

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

If you are thinking about a resale home as an investment property, the Realtor route is the one to take. A good real estate agent will save you time and help shepherd you through the purchase process.

But as the buyer of a new-build home, you have no real need of a Realtor. Builders’ Sales Representatives know their homes and communities from top to bottom, and will help you find the house you want at a price you can afford. It’s true that they represent the builder, but their training means they are skilled in being objective and putting your needs and expectations first.

Real Estate Property Manager

These folks take care of your property for you, from renting and maintaining it to handling tenant relations and problem solving.

Yes, they charge for their work, but do you want to be answering tenant emergencies at all hours of the day and night, cutting grass and shovelling snow, and repairing that faulty faucet?

To find a reliable property management firm, ask your lawyer, your builder’s Sales Representative and any real estate investors you know.

Learn more about [property managers](#).

HELPFUL LINKS

Borrowing against
your home equity



Mortgage shopping
for a rental property



A modern living room with a white brick fireplace, a large TV mounted on the wall, a marble coffee table with a wooden base, a light-colored armchair with a dark blanket, and a large window with grey curtains. A red circle is overlaid on the center of the image.

Where to buy
a house

Once you've decided **buying an investment property** is for you, next comes where to buy.

Most Ottawa **new home buyers** choose primarily by location, size and price, factors that are no different for an investor. After all, you want your property to be in an area that will be attractive to the rental market.

What is the ideal location?

Answering that question could depend on a few factors. If you are going to act as the landlord, rather than using a property manager, is it important for your investment property to be close to where you live?

Other questions to consider:

1. Will the neighbourhood attract high-quality tenants? Think about safety and properties that are close to schools, hospitals, public transit, businesses, retail and
2. What future major improvement projects are planned for the neighbourhood – such as transportation like LRT, schools, commerce, amenities – that will make the location more attractive to renters?
3. Is the area pre-dominantly rental properties or owner-occupied?
4. Have property values increased, stayed the same or decreased in the last few years. (A real estate agent can tell you this.)

other services. [Look for master-planned communities.](#)

A master-planned community is one that has been carefully planned from its inception, determining where streets and amenities will go and what type of housing it will include. Minto communities such as Mahogany and Avalon are good examples of planned neighbourhoods.

HELPFUL LINKS

6 things to know when buying a house



Why choose Minto Communities



Ottawa homes: who are the builders & their communities



5. How is the local rental market?
Check online to see what competition is like for rental properties in terms of number of listings, types of listings, location, rent prices, etc.

6. How is the local job market and will it give rental properties special appeal?

7. Does a rental property purchase in this market make financial sense to you? Talk to an accountant to figure out projected expenses and profits beforehand, as well as income potential.

8. Have you figured out expected expenses? Research what kinds of unexpected expenses might come up. For instance, the interest rate on the mortgage may be higher for a non-owner-occupied property and insurance rates are often higher for a rental property.

If you know the general area you want to buy in and how much you can afford, then the next step is to research the builders in that area, as well as their communities.



Learn about new home builders in Ottawa

The Ottawa area has more than 50 **new home builders** offering communities of varying sizes, locations, styles and home types. Choosing the right one for you is a key piece in a rewarding rental investment.

6 things for researching builders

1. **Visit their websites:** This is a good place to start. Most builders will have at least basic information about themselves, their communities, floorplans, elevations, pricing and site plans.
2. **Assess them:** Use online searches and feedback from reputable sources such as Tarion, the Better Business Bureau and, to a degree, social media to help you figure out if a builder is reputable, reliable and has good ratings. Also check their customer service, both before and after the sale, and how they handle warranty claims.
3. **Tour models & sales sites:** Visiting builder model homes and developments is a good way to evaluate the quality of

construction. You may not have an eye for the technical aspects of home building, but you can easily tell when a door trim or a paint job is sloppy. Simple details like these say something about a home's quality. And an organized and tidy work site speaks to the attention to safety and is often a reflection of the quality of construction. Builders also now have virtual tours you can take online anytime.

4. **Comparisons:** It can be a bit difficult, since one builder's criteria for its homes won't be the same as another's, but as you're researching, note things like:

- Standard finishes and features (that means things included in the price)
- When deposits are required and how much and whether they have a rescission period (meaning you can back out if you change your mind)
- What is their price per square foot?
- What is the energy efficiency level of their homes?

- What are the specifications for their homes (meaning things like the type of insulation used and how much)
- How experienced are they at building?

5. Check past projects: Visit other developments by the builder, both recent and older. Are they maturing well? Are they appealing?

Do they still look relevant and well kept? Do the design and materials stand up? Do they promote a community connection?

6. Ask around: Canvas people you know to see if they've bought a new home recently. If they have, ask what their experience with the builder was like. Referrals can tell you a lot.

Your builder: questions to ask when buying a house

- What makes your homes better or different from other builders'?
- What are your included features, finishes and specifications? (Note: This can often change with a builder's various models.)
- If I want to personalize the home, how much would that add to my investment?
- What do you provide in after-sales service?
- What level do you build to: just to code or beyond?
- How will you communicate with me and how often?

Visit communities

A key buying consideration is location. If you have not yet finalized your list of requirements, exploring communities in the area where you think you want to buy will help.

When there's nothing to see: If you're capitalizing on a development that has just launched and where no construction has begun, exploring the community is not feasible. In that case, turn to the site plan.

You can expect a project to have a site plan (it's often available on the builder's website) that indicates where streets will be, how lots are laid out, and amenities such as parks and schools. The level of detail in the site plan may be limited in some areas — 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.

There might also be aerial renderings or streetscape renderings. Looking at all of these things together will help create a picture of the community.

It's also a good idea to drive through other similar communities the builder has done. This can help give you 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 has begun: Carefully drive through the community — remember, it is a construction site — to assess how well the streetscapes are coming together, whether any amenities have been developed yet, the attention to detail, and whether or not the area resonates with you and/or your future tenants.

Site plans and renderings can help you visualize what a just-launched community will look like when it's built.

Understanding floorplans

Many buyers have trouble understanding floorplans. That's why builders often construct model homes or have virtual tours online to help buyers visualize the space. But don't limit yourself to floorplans that have models. The models represent just a sample of the builder's portfolio of homes. Be sure to look through other floorplans as well. You can narrow down the choices based on what you can afford (that is, what

you're pre-approved for) and the expected lifestyle of the tenant you hope to attract.

Look at what the standard specifications, features and finishes are. Granite or quartz kitchen counters might be included, for instance, or might not. Consider what kinds of personalization are available, keeping in mind there are costs for these additional investments.



Exploring builders' model homes

Take the time to visit model homes or take virtual tours online. This is a good way to:

- See what the spaces on paper actually look like
- Assess the quality of the construction
- See what kinds of features and finishes are available
- Evaluate whether a layout looks like it will meet the needs of your targeted tenant

Note: A furnished model helps you see how the space “works” but remember that you need to be able to look past the furniture and the finishes to see what the rooms themselves offer.

Also, remember that model homes often show many upgrades that are not part of the included features and finishes. Ask what’s included and what is an additional investment.

And take advantage of the knowledge of the Sales Representative; they’re a great resource.

HELPFUL LINKS

Where are Minto Communities' Model Homes?



The resale factor

After researching and exploring, 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 the needs of your target tenant.

When it comes to making your decision, also keep in mind how long the home will meet your needs and its potential resale value. Resale value can be determined both by the home and the neighbourhood, so keep that in mind. And if you think you'll sell, choose layouts and finishes that are more likely to have mass appeal.

Other considerations

- Is the builder offering any incentives?
- Will appliances be included?
- Is the community close to being completed (which will likely be more enticing to a tenant)?
- Are there inventory (or quick occupancy) homes you can consider to cut down on the time you have to wait until a tenant can move in?



It's time to
sign the deal

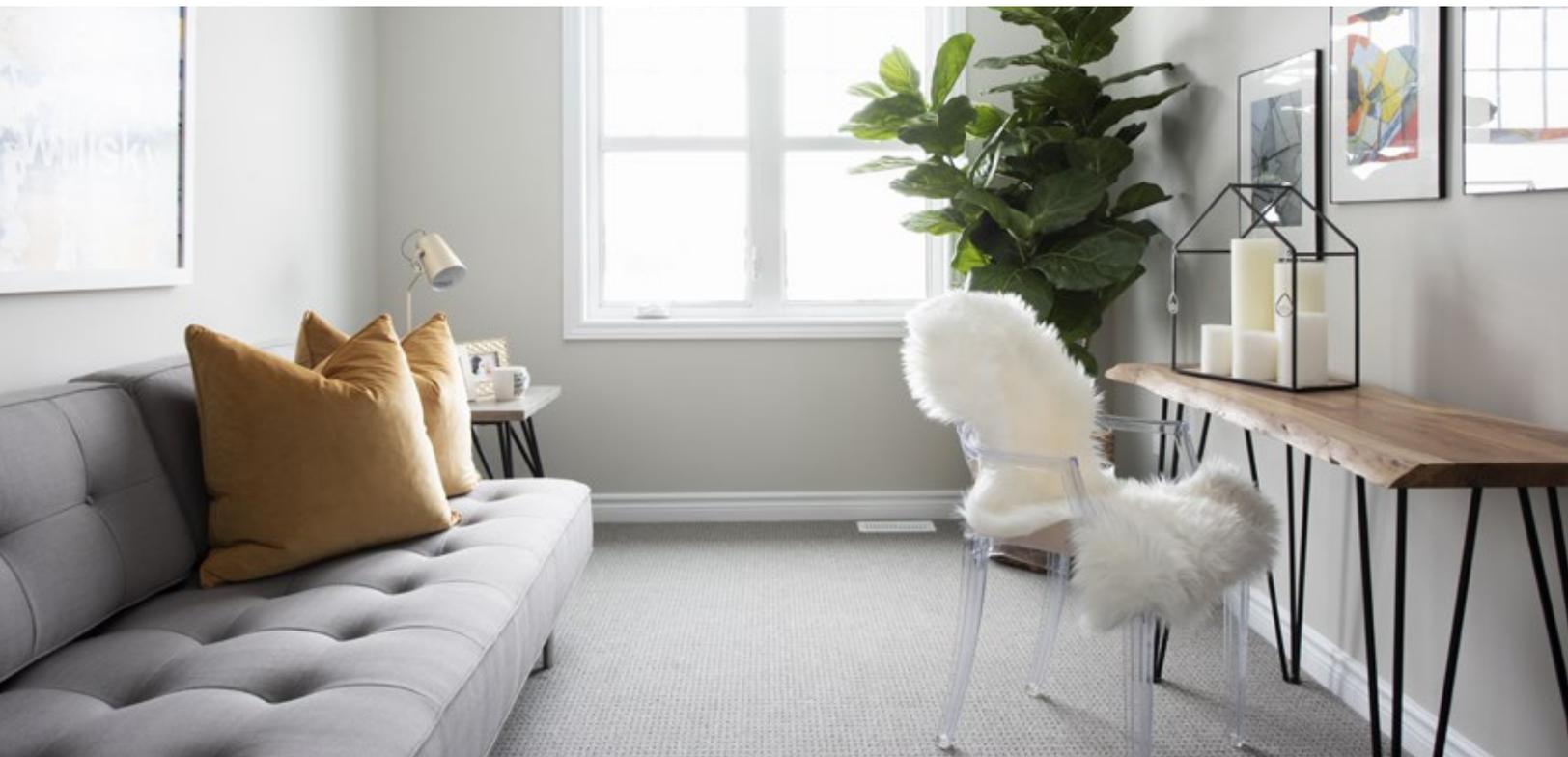
You've chosen your investment home; now it's time to sign the deal, known as an **Agreement of Purchase and Sale**. Most builder contracts are fairly standard, but it's

important to know exactly what's in it. This is, after all, a binding contract. The purchase agreement spells out everything that is included, from incentives to included features.

Documentation you will need

Requirements vary by builder, but most will need:

- Photo ID of everyone who will be present at the time of sale and added to title.
- A deposit to secure your lot/unit. This can be used towards your down payment.
- Mortgage pre-approval (most builders will require this).
- Which floorplan and lot (or condo unit) you're interested in.
- How to contact your lawyer.



Minto deposit structure



What to bring



Government Issued Photo-ID



Personal Deposit Cheque(s)



Mortgage pre-approval

What will happen now?

Once the contract is prepared and ready to sign, your Sales Representative should go through it with you, pointing out key elements like your expected closing date, what happens if you delay choosing design finishes and costs for additional investments that are not included in the base price of your home.

Minto offers a five-day conditional period for legal review and financing before the contract becomes binding. As our Sales Representative for details.

The process is a bit different for buying a condo. Once you sign your agreement there is other legal information provided known as the disclosure statement. Because

you don't get this information until you sign, there's a 10-day cooling off period mandated by the Condominium Act to give your lawyer time to review the disclosure statement (and the purchase agreement). You can back out at any time within that 10-day period.

Once you've signed your agreement, your builder will need a deposit, a copy of your mortgage pre-approval, and post-dated cheques for further deposit instalments. These amounts vary (see Minto Communities' deposit structure on each community's 'Buying Your Home' section).

Keep copies of everything for tax purposes.

Reversing a floorplan

Something to keep in mind: The layout of your finished home could be a reverse mirror image of the floorplans shown in marketing materials or your **Agreement of Purchase and Sale**. This is something to keep in mind if you are purchasing appliances for your tenants, as you'll need to make sure doors swing open the proper way.

Confirm your deadline for choosing interior and exterior finishes, and ask your builder what their selection policies are.



What will happen next

Once your agreement is firm, construction plans are created 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. Each builder has a different policy for finalizing selections, which can be done at one or more appointments.

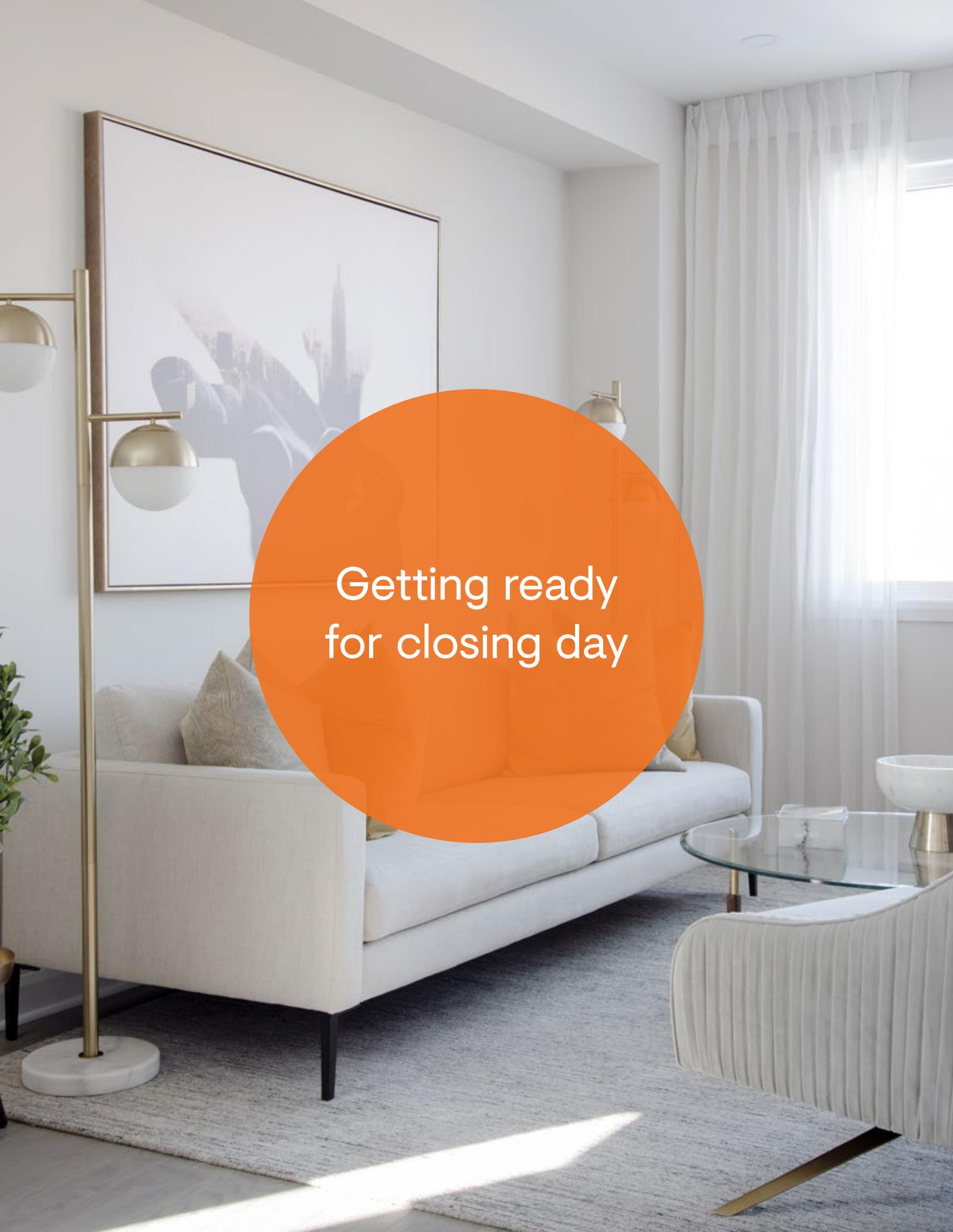
New homes in Ottawa can take up to 18 months (and it could be potentially more) to build these days, giving you ample time to plan and budget. And if you're buying a condo apartment, the wait could be longer. It's common practice for a builder to wait until a majority of the units have sold before starting construction.

New homes in Ottawa take an average of 12 to 18 months to build, giving you time to plan and budget.

HELPFUL LINKS

Minto Homeowner
Journey





Getting ready
for closing day

At this stage, your level of involvement will increase as you make more decisions on potential additional investments for the home, do more research on preparing the

home for the rental market, and work with professionals to start your property investment business well ahead of receiving the keys to the house.

Design choices

Many **new home buyers** – even those who have done it before – find the process of choosing their features and finishes challenging. And these decisions are often needed quickly to keep to the construction timeline. However,

the design centre specialists are experienced at guiding you easily through the process ensuring the home appeals to your prospective tenants while meeting your budget. Look for [online design centre resources](#) from builders too.

Budgeting time and finances

One of the exciting parts of buying a new construction home is being able to choose your features and finishes. But that means you need to be available for the appointments required to make those decisions, which typically have to be scheduled during the work day.

Design tips

- Make a visit to the design centre in person if possible, or by browsing design centre resources online before signing your deal. This will give you time, without feeling pressured by a deadline, to consider the available selections.
- Not sure what style you want your home to have? Your design centre Design Centre Consultant can help you determine a look and feel that is most likely to appeal to the type of tenant you are seeking.
- Share your budget with the design centre consultant so they can better advise you on design options. That's the best way for them to help you get the most out of your budget and determine where it's best to spend.
- If you're on a tight budget when it comes to additional investment, choose ones that are better done while the home is being built, like structural adjustments such as an optional ensuite layout.
- Re-visit or take online virtual tours of the builder's models to get ideas on design choices you might like to include in your home. Watch for things like where outlets are located, cabinet heights and styles of trim.

Did you know?

Most builders will look to avoid repetition between homes on a street by using architectural control guidelines. So, if you are one of the latter buyers in your block, in order to ensure diverse colours and textures between the homes, your exterior selections may not be as extensive as your neighbours'. For townhomes and condominiums, exterior elevations and colour packages are pre-selected by the builder.

During construction

Once you've made all the decisions, construction can begin. At this stage you'll adopt a more passive role, but while you watch the progress, take care of the following:

1. **Keeping in touch:** Check in regularly with your builder, usually through a dedicated customer service representative. They can keep you up to date on what's happening with your home and can make sure you're notified early if there might be delays in your home's construction.
2. **Accessories checklist:** What will the home will need? You may be leaving it to your tenant to furnish the home, but some things will fall to you, like appliances, possibly window coverings, etc.
3. **Your reading:** Read over any information your builder has given you about next steps.
4. **Mortgages:** If you can, keep mortgage shopping for better rates.
5. **Calculate costs:** Confirm all fees that you can expect on closing and costs for maintenance.
6. **Research property insurance:** If you already have home insurance then it will likely be easy to add on rental property insurance with your current insurance provider. However, if you currently do not have home insurance then you may find standalone commercial insurance can be expensive unless you really do your research to find insurance providers that meet your needs.

HELPFUL LINKS

Home insurance in Canada



Renting in Ontario



13 principles for being an incredible landlord



7. **Communicate:** Stay in touch with your lawyer, your mortgage specialist, and/or real estate agent to be prepared for closing day.
8. **Landlord prep:** Learn more about tenant/landlord responsibilities, laws, regulations, insurance, how to find high-quality tenants, and how to screen prospective tenants thoroughly. Create a clear written lease on tenant expectations and prepare to list/advertise your rental property.
9. **Monitor:** Continue monitoring the rental market.

Construction tour

Many builders (Minto Communities included) will allow buyers the opportunity to check out their new home once it has been framed. It's not offered by all, and not for all housing types, but if your builder offers it, take advantage!

The framing walk-through is scheduled — appropriately — once the home is framed. The mechanical, plumbing and electrical will have been installed, but the drywall will not yet be up. This is your first opportunity to see inside the home and it's your chance to make sure things are located where they are supposed to be.

Explaining the pre-delivery orientation

The pre-delivery orientation (PDO) happens about a week or two before your closing date, when your home is almost ready. This step is part of your [new home warranty](#) and is usually the first time you will see your finished home. You and your builder will go through your home's features

and you'll be shown how everything works. You'll also identify anything in your home that needs addressing, which will usually be dealt with before you close on the home. This PDO process takes about one hour per 1,000 square feet.

HELPFUL LINKS

[Tarion's PDI checklist](#)



Steps on closing day

Don't expect to get the keys until later in the day, so if you are scheduling any service calls or have tenants ready to move in, save that for the following day.

Your lawyer will have been busy getting everything ready to transfer ownership to you from the builder: checking the title, registering the home in your name, reviewing documents from the builder, figuring out down payment and closing costs, explaining everything to you and getting you to sign documents.

Funds will then be released by the mortgage company to your lawyer, who then gives the funds

to the builder's lawyer. When the builder's lawyer receives these funds, documents are registered with the province, triggering the ownership change that means you can be given your keys.

The process is a bit different if you're buying a condo, particularly if other units are still being finished. In that case, the builder retains ownership until construction is complete and you are granted "interim occupancy", paying monthly fees to your builder. Final closing will happen when the condominium is registered after completion.

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.

A modern kitchen with dark wood cabinetry, a white countertop, and a central island with a white marble top. The island is surrounded by blue upholstered bar stools. A stainless steel refrigerator and a gold faucet are visible. A large dark grey circle is overlaid on the center of the image, containing the text "Maintenance you'll need to do".

Maintenance
you'll need to do

Most Ottawa builders give their **new home buyers** some kind of new home care guide either as a booklet or through [online resources](#). Take the time to read it and follow the maintenance tips that are recommended. Your new home will feature new technology and many systems that are important to understand and know how to operate.

Homes today are built to minimize maintenance, but no home is truly maintenance-free. The best way to avoid expensive repairs is by working with your tenant to follow a recommended routine maintenance schedule.

When you take possession

Unless your home is one of the last in a community to be built, there will likely be ongoing construction that may cause some temporary disruption, dust and traffic. Your

tenants may also need to be alerted to the fact that sod and tree planting may have not yet taken place, as well as paving your driveway or adding the top layer of asphalt to roads.

Tip: For the first year, hold off on landscaping or adding fences. This is to let the ground settle and to make sure the builder has access to repair grading, etc.

Start investing in real estate

Buying a new investment home is an exciting and challenging journey. It requires planning, careful assessment of options, and working with others who understand the purchase process well to provide support and advice. Approach the process one step at a time and you'll wind

up with a home that will meet your investment goals and ensure happy tenants. Good luck with the journey!

[Get started on finding your investment property today.](#)



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