

THE HOME BUYER'S GUIDE

 **HARVEY KALLES**
REAL ESTATE LTD., BROKERAGE

WELCOME
TO
HARVEY KALLES
REAL ESTATE



LUXURY IS NOT ABOUT THE PRICE. IT'S ABOUT THE EXPERIENCE.

Thank you for considering Harvey Kalles Real Estate Ltd., Brokerage and one of our expert Sales Representatives to support you in the purchase of your next home. The pride that comes with home ownership is one of life's great joys.

This can be an exciting and stressful time and you're certain to have many questions. We hope that our Home Buyer's Guide will bring clarity and peace of mind during this process. Of course, should you have any additional questions, our team is always available to assist you.

We wish you all the best throughout your home buying journey and look forward to helping you invest in your dreams.

Michael Kalles, MBA, RPD
President

HARVEY KALLES
Chairman & CEO



MICHAEL KALLES
President



ABOUT US

Harvey Kalles Real Estate Ltd., Brokerage is known for offering luxury service across the GTA for homes in **every** price range. In the face of larger franchises, this independent brokerage has thrived, boasting over 300 sales representatives in 7 offices throughout the GTA including Muskoka, Huntsville and Picton. We love being part of this vibrant and cultured region.

Our continuing support of 225 charitable organizations every year has allowed us to maintain a solid reputation as a successful and socially responsible corporation.

Today, Harvey Kalles Real Estate agents, upon association, align themselves with an iconic Toronto brand. Harvey Kalles Real Estate Ltd., Brokerage is synonymous with integrity, honesty, and success. No other real estate brand has more impact.

When working with a Harvey Kalles Real Estate professional, you will have access to:

- A trusted team of professional sales representatives dedicated to serving your personal real estate needs
- A wealth of knowledge and expertise in the GTA real estate market
- The current, fair market value of the home you want to purchase so you don't overpay
- Everything currently available on the market within your criteria, as well as insight into what is coming to the market soon
- The most relevant and up to date market information available
- Highly skilled negotiators working on your behalf



LET'S
GET
STARTED



KEY HOME BUYING CONSIDERATIONS

To get you started on finding your ideal home and neighbourhood, it's important to consider several factors. Remember, every buyer is different, and by identifying your unique goals and requirements at the outset, you're bound to have a more focused and positive buying experience. Though certainly not an exhaustive list, we recommend answering the following questions to help stay focused on what matters most to you.

- ***What type of home are you looking for?*** Single family, semi-detached, townhome or condominium?
- ***What style of home is best suited for you?*** Bungalow, split level, two-storey?
- ***How many bedrooms and bathrooms do you need?***
- ***What are your high priority features?*** Parking, backyard, appliances, en suite bathroom, fireplace?
- ***How much storage space do you require?*** Basements, lockers, garage?
- ***How long will your daily commute be?*** How easy is it to get to the places you need to go?
- ***How close do you need to be to transit, shopping, schools?***
- ***How much extra do you want to invest beyond the purchase price of the home?*** What if you can't find all the features you want?
- ***How long do you plan to live in your next home?***
- ***Monthly maintenance fees*** may apply, depending on the type of home you purchase (freehold, condominium), and should be considered.

The following pages will help guide you throughout the home buying process.





STEP 1

KNOW WHAT & WHERE YOU WANT TO OWN

The first step is deciding what type of home you are looking for and what features are “must haves” or “would be nice to haves” and where you want to live. Invariably, there will be trade-offs but we will help sort through the options to find you the best home, at the best price, with as many of your wants and needs as possible.

WHAT

DETACHED HOMES | A home that does not share an exterior wall with any other house or dwelling.

SEMI-DETACHED HOMES & TOWNHOMES | A home that shares one or more walls, and usually in such a way that each house’s layout is a mirror image of its attached neighbour.

FREEHOLD | Any property that is ‘free from hold’ of any entity besides the owner. The owner of such property enjoys free ownership and can use the land for any purposes in accordance with the local regulations. There are no restrictions on the right of the property owner to transfer the property.

CONDOMINIUM | Real estate divided into several separately owned properties, surrounded by jointly owned common areas. As a result of the common areas, a monthly maintenance fee (determined by the condo corporation, and adjusted over time) will be applicable. This type of property is also governed by a set of condominium regulations.

WHERE

AFFORDABILITY | What can you afford? You must consider transit costs, household obligations, as well as other costs of living.

LOCATION | Do you know where you want to live? Near a specific school? Closer to work? Downtown or suburbs?

FAMILY & FRIENDS | How important is it for you to live near your family and friends?

RECREATION AND CULTURE | Do you need to be close to schools, sports facilities, libraries, hiking trails, parks or other amenities?





STEP 2

REAL ESTATE REPRESENTATION

When contracting a real estate agent to represent you in the purchase of a home, it is important to understand whose interests the sales representatives are legally bound to serve in a real estate transaction.

THE LISTING AGENT | The Listing Agent is under contract with the seller to market and sell their property for the best possible price, and to act in their best interests.

THE BUYER'S AGENT | When you engage the services of your own personal agent, it is a legal and ethical duty for them to discuss 'Agency' with you. It is their obligation to explain Buyer Agency so that you can choose the best agency for your needs. When you first meet with your agent, you will be given a brochure entitled, *RECO Information Guide*. It is a concise overview of agency relationships, alternatives and their benefits. This will precede the signing of a Buyer Agency Agreement which must be entered into before an offer is signed. The Buyer Agency Agreement will explain the services that Harvey Kalles Real Estate Ltd., Brokerage and your agent will provide, as well as our obligations to you. Written representation agreements are mandatory for all real estate agents who represent a buyer.

When Harvey Kalles Real Estate Ltd., Brokerage is acting as a buyer's agent, we must do what is best for you (the buyer), and confidential information that a buyer shares with us must be kept confidential.

On occasion, the brokerage will be acting as a dual agent for both the buyer and the seller. Both parties will have to consent to this arrangement in the Buyer Agency Agreement. In this case, we must be impartial and equally protect the interests of both the buyer and the seller.



FINDING THE *RIGHT* REAL ESTATE AGENT FOR YOU

The Toronto Real Estate Board has more than 50,000 licensed real estate professionals. That's a lot of choice. Each agent and their support team will bring their own unique strengths and styles. With that in mind, it's important to select a knowledgeable, experienced agent, whose personality and approach are most compatible with your personality and objectives.

HERE ARE A FEW THINGS TO CONSIDER:

- **Knowledge** of the neighbourhood.
- **Understanding** of the kind of home you are looking for.
- **Personal fit.** This agent will be working with you closely and acting on your behalf. It is imperative that you trust your agent.

Remember, the real estate agent is your front-line to success. Take your time in selecting the right person or team.

THE ROLE OF YOUR REAL ESTATE AGENT

Your agent is someone who is under contract to work solely in your best interest. They will ensure you are an educated buyer in all aspects of the home buying process. Here is a list of services your Harvey Kalles Real Estate agent will provide:

- **Arrange** a showing of the property.
- **Provide details** about the property.
- **Explain** all the forms and agreements related to buying the property.
- **Assist** with arranging financing for the property.
- **Confidential** assistance that addresses your needs first.
- **Honest, loyal and diligent** attention without any conflict of interest.
- **Access** to all listings including MLS, bank owned properties, even homes that were previously on the market where the seller may still be interested in selling.
- **Expert advice** on useful clauses such as home inspections and financing to help mitigate risk and ensure that you are fully protected.
- **Expert negotiation** of the offer to purchase, to achieve the best possible price and terms.
- **Expert advice** on market value and location, as well as advice to help you decide when you should walk away from a particular property.



STEP 3

FINANCING YOUR NEW HOME

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

TALK WITH A MORTGAGE SPECIALIST | There are many options to choose from when it comes to lenders. Independent mortgage brokers tend to offer the most options because they don't work with just one bank. However, if you have a good relationship with your bank or financial institution, contact them as your first step towards finding the right mortgage for you. Be sure to compare rates. Should you need an introduction to a mortgage specialist, your Harvey Kalles Real Estate sales representative will be pleased to make a referral.

COMPLETE AND SUBMIT YOUR APPLICATION WITH THE MORTGAGE BROKER OR A BANK | They will collect your financial and personal information to find out how much mortgage debt you can afford to carry.

GATHER ALL THE NECESSARY DOCUMENTS | The mortgage broker will give you a list of documents that the banks/lenders require to finalize the mortgage.

VERIFICATION OF YOUR DETAILS | They will do their checks and balances to ensure that you are not accepting a loan beyond what you can afford to repay.

OBTAIN A COPY OF YOUR PRE-APPROVAL LETTER | This is a powerful negotiating tool. The seller of your dream home will feel more confident that you are the right purchaser to enter a transaction with, after they see proof of financing.

SECURE YOUR DOWN PAYMENT | A down payment is the initial, upfront portion paid against the total price of a home. Though the size of the mortgage loan can influence the lending rate received, the size of the down payment will impact the total mortgage debt accumulated.



FEDERAL PROGRAMS & TAX CREDITS

Please consult a real estate lawyer and refer to the Canada Revenue Agency for up to date information about the programs they offer. *The following programs are subject to change.*

RRSP HOME BUYERS' PLAN | If you are considered a first-time home buyer, you may withdraw up to \$60,000 in a calendar year from your RRSP for yourself or for a related person with a disability to buy or build a qualifying home (obtaining a pre-approved mortgage does not satisfy this condition). Visit www.cra-arc.gc.ca/hbp for all conditions and rules.

FIRST-TIME HOME BUYERS' TAX CREDIT | This tax credit assists first-time home buyers with the costs associated with the purchase of a home, such as legal fees, disbursements and land transfer taxes. Be sure to consult a real estate lawyer for the latest information as programs can evolve over time.

GST/HST NEW HOUSING REBATE | The GST/HST New Housing Rebate can be used by those who have purchased a new or substantially renovated house, reducing the taxes owed. Often, when purchasing through a builder, this rebate is incorporated into the purchase price of the home. In the event, the home is to be used as an investment property, other rules may apply. Be sure to consult a real estate lawyer for full details.

MORTGAGE LOAN "STRESS TESTS" | As a result of changes to the regulatory environment, federally regulated financial institutions must set the qualifying rate for insured and non-insured mortgages at the greater of a) the contractual mortgage rate plus two (2) percentage points or b) the 5-year posted rate, as published by the Bank of Canada.





STEP 4

MAKING AN EDUCATED OFFER

Now that you have found the home you want to purchase, it is time to make an offer. The ongoing communication and education you will receive from our team will empower you to get the best possible price on the home you desire.

THE AGREEMENT OF PURCHASE AND SALE | This is the standard form used when making an offer. Once accepted by both parties, it becomes the contract between the buyer and seller. It contains the date of your offer, the description of the property you are making the offer on, the amount of your deposit, the amount you are offering, as well as your name and the name of the owner of the property, clauses, closing dates and any special requirements you want to impose on sellers (i.e. including kitchen appliances).

WHAT HAPPENS NEXT? | The different scenarios are as follows:

- **The seller may accept your offer**, and after it is signed by both parties, it becomes a legally binding agreement.
- **The seller may reject your offer** and at this point you are not legally bound to any of the terms of the offer.
- **The seller may counter sign**, changing the terms of the offer and present the offer back to you. At this time, you are free to accept, reject, or send a counteroffer. Changes to the Agreement may include modified sales price or conditions.
- **Negotiations continue** in order to reach agreeable terms between the seller and yourself, or until your agent feels an agreement cannot be reached and recommends that it is time to walk away.





STEP 5

YOUR OFFER HAS BEEN ACCEPTED

Congratulations! Now is the time to satisfy any outstanding conditions, when applicable. Usually, this involves performing a home inspection, getting property information to your mortgage broker or bank, and arranging for other necessary information such as surveys or condominium documents. Our team will help you make the arrangements to ensure that the entire process runs smoothly.

CLOSING COSTS | There are often additional costs that are incurred around the time of closing. Here are a few examples of closing costs:

- **Home Inspection** Although it is not mandatory, it is important to check that your new home will not require any major and expensive repairs in the future. Having a home inspection will protect you against those potential problems.
- **Legal Fees** You will need to hire a lawyer to search the title of the property and to transfer the money on closing day. These fees vary and you should ensure that the quote you receive includes all related expenses and disbursements.
- **Land Transfer Tax** The Land Transfer Tax is charged when a property changes hands. The amount is based on the purchase price. In some cases, first-time home buyers may be exempt from a portion of this fee.



STEP 6

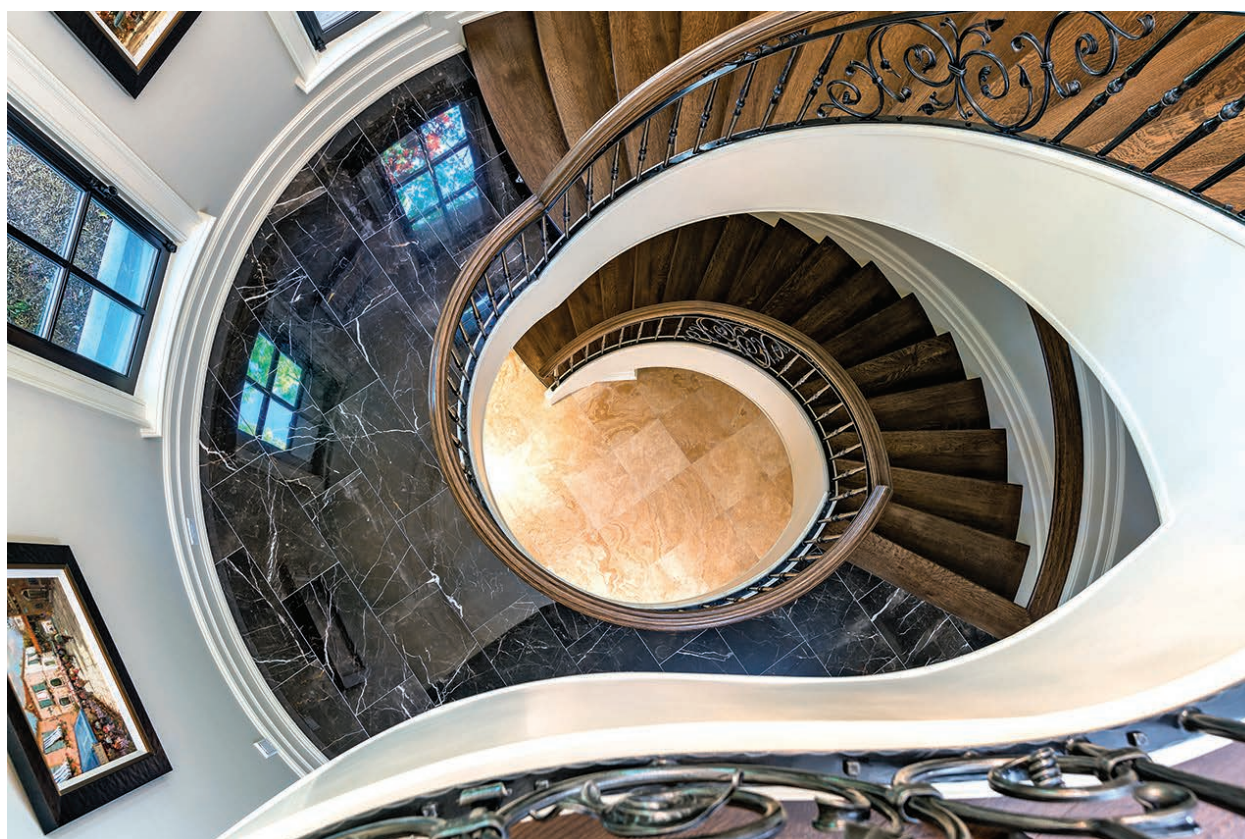
PREPARING TO MOVE

It is a good idea to be organized well in advance of the closing date to reduce the stress of the move. Typically, you will have anywhere from 30 to 90 days to get ready for your home.

MOVING | Whether you are using professional movers, renting a truck or getting a bunch of friends together, plan and organize it early.

HERE ARE SOME TIPS FOR PACKING LIKE A PRO:

- **Develop a master "To-Do-List"** so you won't forget something critical.
- **Purge!** Get rid of things you no longer want or need. Have a garage sale, donate to charity, or recycle.
- **Pack 'like' items together.** Put toys with toys, kitchen utensils with kitchen utensils.
- **Decide what you plan to move yourself,** if anything. Precious items such as family photos and valuable breakables should probably stay with you.
- **Use the right box for the item.** Loose items encourage breakage. Put heavy items in small boxes so they're easier to lift. Don't over-pack boxes.
- **Wrap every fragile item separately** and pad the bottom and sides of boxes.
- **Label every box** on all sides. Use colour-coded labels to indicate which room each item should go in.
- **Colour-code a floor plan** for your new house to help movers.
- **Keep your moving documents together** including phone numbers.
- **Back up your computer files** before moving your computer.
- **Inspect each box and all furniture for damage** as soon as it arrives.
- **Prepare an overnight bag.** Pack an overnight bag for each member of your household with toothbrush, clothes, phone charger, medication and anything else you'll need.





PREPARING TO MOVE

By taking care of these items early on, you'll have more time once moving day arrives to take care of any of those little things that might crop up. Starting earlier also helps to keep you from getting overwhelmed.

SERVICE CONNECTION | It is important to call the local utilities to get services such as phone, cable TV, internet, gas, electricity, water, etc. connected or changed to your name. At Harvey Kalles Real Estate, we offer a free concierge service to help organize and streamline this process.

INSURANCE | The lawyers will need a copy of your home insurance before closing so that the financial institution will release the money to them. Contact your insurance broker with the listing information. They may want to know the age of the house, the condition of the roof, furnace and electrical system.

CHANGE OF ADDRESS | Start giving out your new address to your bank, doctors, schools, subscriptions and your friends and family. Contact Canada Post and arrange for your mail to be forwarded to your new address.



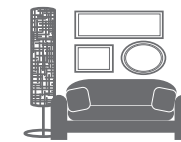


HARVEY KALLES SELECT

At Harvey Kalles, we understand that your experience doesn't end with the purchase or sale of a home. To ensure you receive the same care, attention, and service you expect from Harvey Kalles Real Estate, we have curated a team of trusted retail and service professionals. Each one is committed to enhancing your real estate journey, and making sure you are taken care of every step of the way... some even offer exclusive discounts and promotions. So, whether you're looking for the right insurance coverage, the best mortgage provider, moving services, cleaning services, a dream kitchen, or even a beautiful carpet, we can help. Your Harvey Kalles sales representative can provide you with the complete list of participating companies.



DESIGN
&
DECOR



HOME
STAGING



HOME
RENOVATION



MOVING
&
MAINTENANCE



LEGAL
&
FINANCIAL



INVEST IN YOUR DREAMS

2145 AVENUE ROAD, TORONTO, ON M5M 4B2
HARVEYKALLES.COM | 416.441.2888