2026 EDITION

Home Buyer's Guide

Everything you need to know before buying your first home.

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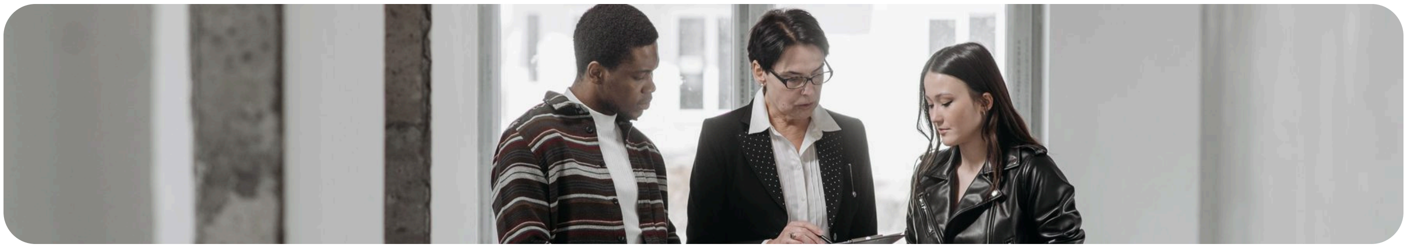
Why Use a Mortgage Broker?

The case for working with an independent mortgage professional instead of a single bank.



Let an expert take care of getting you a better deal!

Mortgage Brokers are professionals whose primary knowledge and expertise is mortgages. Rather than working for one financial institution, we are independent and deal with many different financial institutions, including major banks, credit unions, trust companies and private lenders.

This allows us to offer you more choices and more competitive rates. It also means our advice is impartial and based on your best interests! While you may not enjoy negotiating with financial institutions, that's our specialty. We'll make sure you get the most attractive offer to suit your individual circumstances.

- We provide independent advice for you.
- We are not tied to one lender exclusively.
- You save time with one-stop shopping — we deal with over 25 different lenders but work for you.
- We negotiate on your behalf.
- More choice means more competitive rates.
- We ensure you are getting the best rates and terms.
- Our Brokers/Agents are licensed professionals who deal exclusively with home financing.
- We provide access to special deals and add-ons.
- We have access to traditional, "B" lending or private financing where required.
- No additional cost to you.
- We provide ongoing support and consultation.

Our Lenders

Access to more than 30 national lenders means more competition working in your favour.

30+

National lenders. Hundreds of mortgage options. One conversation.

Working with a Mortgage Brokers Ottawa professional gives you access to over 30 national lenders and hundreds of mortgage options — major banks, credit unions, trust companies and private lenders, all competing for your business instead of the other way around.

- **Major Banks**
- **Credit Unions**
- **Trust Companies**
- **Private Lenders**

What Is the Right Mortgage for You?

Five common mortgage types, and how they differ from one another.

Conventional Mortgage

The down payment is equal to 20% or more of the property's value/purchase price. A low-ratio mortgage does not normally require mortgage loan insurance.

High Ratio Mortgage

The borrower is contributing less than 20% of the purchase price as down payment. Must be insured through CMHC, Sagen or Canada Guaranty.

Open Mortgage

Allows the mortgagor to prepay all or part of the principal at any time without penalty. Usually shorter terms and typically higher rates than closed mortgages.

Fixed Rate Mortgage

The interest rate is determined and locked in for the term of the mortgage. Lenders often offer prepayment options for quicker or partial repayment.

Variable Rate / Adjustable Rate Mortgages

The interest rate can increase or decrease during the term, varying with changes in prime lending rates. How rate changes affect your payments depends on whether your payments are fixed or adjustable.

TIP

Not Sure Which Type Fits?

Your Mortgage Broker can walk you through which of these mortgage types best matches your down payment and goals.

Fixed Rate vs. Variable Rate Mortgages

What actually separates the two, and how to think about which is right for you.

An easy way to look at the difference between the two terms is that you pay a premium on a fixed rate mortgage for the peace of mind of knowing your rate and payment amount are not going to change for the duration of your term.

The difference between the fixed and variable rate mortgage is that the variable rate can fluctuate, directly affecting how much you pay. The cost of having a predictable payment (fixed) has varied widely over recent years even though rates have remained historically moderate.

The variable rate you receive is based on a variance of plus or minus the lender's prime rate. Since 2009, that variance has ranged from as low as prime minus 1.20% to as high as prime plus 0.80% — meaning even without prime itself changing, your effective rate can shift based on lender competition, risk appetite, government policy and the supply/demand of investment capital.

Remember

If and when the prime rate changes, the variance to that prime rate is locked in for the term of your variable rate mortgage — the rate will change, but your variance to prime will not.

IS FIXED OR VARIABLE BETTER FOR ME?

This largely depends on:

- Your current financial situation
- The stage you're at in your life cycle
- Possible or probable changes you may expect in your future (children, job stability, retirement, etc.)
- Your risk tolerance

TIP

Talk It Through With Your Broker

Fixed vs. variable isn't one-size-fits-all — walk through your risk tolerance and timeline with your Mortgage Broker before you decide.

Fixed Rate vs. Variable Rate Mortgages

A look back at how variable rates have moved since 2020.

(CONT) — a look back at how variable rates have moved over the last cycle.

MARCH 2020

The Bank of Canada dropped the overnight lending rate by 0.50% — the first decrease since 2015, in response to the onset of the pandemic.

MARCH 2022 – JULY 2023

The Bank of Canada added a total of 4.75% in increases to fight inflationary pressures, the fastest tightening cycle in decades.

JUNE 2024

The first rate decrease since the pandemic tightening cycle began, signalling that the economy was stabilizing and a strict monetary policy was no longer mandatory. Several further cuts followed through late 2024 and into 2025.

2026 (CURRENT)

The Bank of Canada's overnight rate sits at 2.25% as of its most recent announcement, held steady as the Bank continues to monitor inflation and economic growth.

We track proprietary fixed-term and variable-rate interest rate data dating back to January 2009, based on the rates offered by the 30+ lenders we work with regularly on behalf of our clients — so when you ask us "fixed or variable," the answer is grounded in real historical patterns, not a guess.

Prepayment Privileges

The penalty-free ways most lenders let you pay down your mortgage faster.

Prepayment privileges are important features of a mortgage — the particular circumstances under which you can make additional payments penalty free. Typically, most lenders offer the following types:

Lump Sum Payments

Usually a percentage of the original principal that can be paid each year — typically 10–20%. Some lenders calculate this calendar year to calendar year, others anniversary date to anniversary date.

Increase in Regular Payments

Usually a percentage increase of the contracted monthly payment — from 10–20%, or in some cases up to 100% of the original payment.

Other Special Programs

Most lenders also let you increase payments by switching frequency, and offer options like skip-a-payment or double-up-payment features alongside your prepayment privileges.

TIP

Check Your Privileges Before You Sign

Prepayment terms vary widely by lender — confirm exactly what's allowed on your mortgage before counting on extra payments.

Prepayment Penalties

What it actually costs to break a closed mortgage before its maturity date.

The penalty you'll pay to break (payoff/transfer/refinance) a closed term mortgage before maturity. Some limited-feature products don't allow breaking at all unless the property is sold — always confirm this before signing. Most lenders state their penalty as the *greater* of two calculations:

1 — Three Months' Interest

An amount equal to three months' interest on your outstanding mortgage balance. Most lenders use this method for variable rate mortgages.

2 — Interest Rate Differential (IRD)

Based on the difference between your existing mortgage rate and today's rate for a term similar in length to the time remaining on your term.

1. Some lenders use the posted rate at signing compared to the current posted rate for the term remaining.
2. Others use your actual discounted rate but apply the same discount to the current comparison rate — results are similar to option 1.
3. Some use your discounted rate but do *not* apply the discount to the posted comparison rate — this usually results in a lower charge.

If all else is equal, a lender using the 3rd calculation method is usually the better choice on prepayment cost alone. Many factors go into choosing a lender — this is a good discussion to have with your Mortgage Brokers Ottawa Agent.

TIP

Get It In Writing

Always ask your lender for a written penalty quote before deciding to break your mortgage — the calculation method can change the cost significantly.

Standard Charges & Collateral Charges

The legal instrument behind your mortgage, and why the type matters later.

A standard or collateral charge is the legal instrument used to register your mortgage terms with the Provincial Government, recording the encumbrance on your property — usually completed through your lawyer. The mortgage terms themselves (rate, amortization) can be the same with either.

Standard Charge

The specific loan details — amount, term, interest rate — are included in the charge registered on title. It only secures the loan detailed in the document, not any other loans with your lender (like a line of credit). All other terms, like payment and prepayment privileges, are set out in a separate credit agreement.

Collateral Charge

The specific loan details might not be included in the charge registered on title. A collateral charge can secure multiple loans with your lender — a mortgage and a line of credit together — with a separate credit agreement containing the specific mortgage terms.

WHAT YOU SHOULD KNOW ABOUT STANDARD CHARGES

A standard charge registers the actual amount of the mortgage specifically, so it can accommodate an additional or second mortgage if required — and can almost always be assigned or switched to another lender without new legal work. If you want to switch lenders at the end of your term without changing the loan amount, this is called an assignment (a subrogation in Quebec): the existing charge is assigned to the new lender rather than discharged and replaced.

TIP

Ask Which Charge You're Signing

Not every lender defaults to the same charge type — ask your Broker which one your mortgage will use before you commit.

Standard Charges & Collateral Charges

A side-by-side look at what changes when you switch lenders or borrow more.

	STANDARD CHARGE	COLLATERAL CHARGE
Registration Amount	Registered for the actual amount of your mortgage loan.	May be registered higher than the actual amount of your mortgage loan.
Switching Lenders (no additional funds)	Other lenders will typically accept an assignment at little or no cost.	Other lenders may not accept an assignment — likely requires discharging and registering a new charge, and repaying/transferring all secured loans. Legal, admin, discharge and registration costs may apply.
Borrowing Additional Funds	You'll need to register a new charge, with possible legal, admin, discharge and registration costs.	No new charge needed if total loans stay within the registered amount — often no legal, discharge or registration costs.

Registration amount: the charge is registered for the actual mortgage amount. For a $240,000 mortgage on a $300,000 home, the standard charge is registered at $240,000 — you only pay interest on what you actually borrow, not the registered amount.

Borrowing additional funds: if your charge was registered above your original loan (or you've paid it down), you may be able to borrow more without discharging and re-registering. Access isn't automatic — you'll need to apply and re-qualify based on current criteria, property value and ability to repay.

TIP

Switching Lenders Later?

If keeping your options open at renewal matters to you, a standard charge is generally easier to assign to a new lender than a collateral charge.

RRSP Home Buyer's Plan

How to put up to $60,000 of your RRSP toward your first home.

The RRSP Home Buyer's Plan is a federally instituted government program that allows you to withdraw up to **$60,000** from your RRSP to buy or build a qualifying home. To participate, you must meet both the HBP eligibility conditions and RRSP withdrawal conditions.

Do I Meet the HBP Eligibility Conditions?

- You must be considered a first-time home buyer.
- You must have a written agreement to buy or build a qualifying home for yourself, or a related person with a disability (a pre-approved mortgage alone does not satisfy this condition).
- You must intend to live in the qualifying home as your principal place of residence within one year of buying or building it.

DIVORCE & SEPARATION

You may still qualify for the HBP after a marriage or common-law breakdown if:

- You've been living separate and apart for at least 90 days due to the breakdown.
- You're living separate and apart at the time of withdrawal, beginning in the withdrawal year or any of the four preceding years.
- You dispose of your previous principal residence within two years of the withdrawal (waived if buying out your spouse's share).

TIP

Confirm Eligibility First

A pre-approved mortgage alone doesn't satisfy the HBP's written-agreement condition — make sure your paperwork lines up before you withdraw.

RRSP Home Buyer's Plan

Eligibility, withdrawal conditions, and when repayment begins.

Am I a First-Time Home Buyer?

You've never purchased a home before, or in the last 4 years haven't occupied a home as a principal residence that you or your current spouse/common-law partner owned.

Do I Meet the RRSP Withdrawal Conditions?

You must be a Canadian resident at the time of withdrawal, receive all withdrawals in the same calendar year, and cannot withdraw more than $60,000. Funds can't come from a locked-in RRSP, and contributions must sit for at least 90 days to be deductible.

When Do I Start Making Repayments?

Your first repayment starts the second year after the year you withdrew funds. Generally you have up to 15 years to repay the full amount, though you can repay it faster at any time. Each year, the CRA sends you an HBP Statement of Account with your notice of assessment. Form T1036 must be completed for each eligible withdrawal, and neither you nor a related person can own the qualifying home more than 30 days prior to withdrawal.

For more detailed information, visit the CRA's site on the RRSP Home Buyer's Plan.

TIP

Don't Own the Home Too Early

Neither you nor a related person can own the qualifying home more than 30 days before your withdrawal — worth confirming the timing with your Broker before you close.

First Home Savings Account (FHSA)

A tax-deductible way to save for your first home — with no repayment required.

The FHSA is a type of account that offers tax benefits and helps first-time homebuyers save toward their first qualifying home purchase. Contributions are tax-deductible, similar to an RRSP, and qualifying withdrawals for a first home are non-taxable, similar to a TFSA. Unlike the Home Buyers' Plan, the funds do not need to be paid back.

Eligibility: individuals who are 18 years or older, Canadian residents and first-time homebuyers are eligible to open an FHSA. The account can stay open for 15 years, until the end of the year you turn 71, or the end of the year following your first qualifying withdrawal — whichever comes first.

$8,000
annual contribution limit

$40,000
maximum lifetime contribution

CONTRIBUTIONS & DEDUCTIONS

Unused contribution room can carry forward to the following year, up to a maximum of $8,000. You can claim an income tax deduction for contributions made in a particular taxation year. If the savings aren't used for a qualifying home purchase, they can be transferred to an RRSP or RRIF on a non-taxable basis (taxed upon eventual withdrawal) — or, if withdrawn outright instead, FHSA funds would be subject to tax.

TIP

Deduct Now, Withdraw Tax-Free Later

You can claim the tax deduction the year you contribute, even if you don't make your qualifying withdrawal until years later — ask your Broker how to time it with your other savings.

First Home Savings Account

What counts as a qualifying withdrawal, and how it compares to the RRSP Home Buyer's Plan.

What Is a Qualifying Withdrawal?

1. Must be a first-time homebuyer and a Canadian resident at the time of withdrawal.
2. Must have a written agreement to buy or build a qualifying home in Canada before October 1 of the year following the withdrawal.
3. Must intend to occupy the qualifying home as your principal residence within one year of buying or building it.

How Is the FHSA Different From the HBP?

With the Home Buyers' Plan, Canadians can withdraw up to $60,000 from their RRSP, then pay the funds back over 15 years. Unlike the HBP, FHSA funds do not need to be paid back at all.

Our brokers are here to guide you on which option — or combination of options — will help you reach your home ownership goals.

Have Questions?

Contact your Mortgage Broker today!

TIP

FHSA or HBP — Or Both?

Many buyers combine the FHSA and the RRSP Home Buyer's Plan on the same purchase — your Broker can help you sequence both correctly.

Land Transfer Tax

What you'll owe the province when you buy property in Ontario.

When you buy land or an interest in land in Ontario, you pay land transfer tax. First time home buyers of an eligible home may be eligible for a refund of all or part of the tax.

PORTION OF VALUE	RATE
Up to and including $55,000	0.5%
Exceeding $55,000, up to $250,000	1.0%
Exceeding $250,000, up to $400,000	1.5%
Exceeding $400,000	2.0%
Exceeding $2,000,000 (one/two single-family residences)	2.5%

Eligibility for the first-time home buyers refund program is restricted to Canadian citizens and permanent residents. For more information, visit **fin.gov.on.ca**.

Download Our Mobile App
Calculate your mortgage payments on the go with our free mobile app.

First Time Home Buyer's Refunds

Up to $4,000 back on the land transfer tax you just paid.

To help Ontarians buy their first home, the Province provides a maximum refund for first time home buyers of **$4,000**. With this maximum, no land transfer tax is payable by qualifying purchasers on the first $368,000 of the value of consideration for eligible homes.

How Much Money Could I Receive?

COST OF HOME	TAX PAYABLE	TAX REFUND	NET TAX PAYABLE
$200,000	$1,725	$1,725	$0
$300,000	$2,975	$2,975	$0
$400,000	$4,475	$4,000	$475

Do I Qualify?

- Must be at least 18 years old.
- Must occupy the home as your principal residence within nine months of the transfer.
- Cannot have ever owned an eligible home, or an interest in one, anywhere in the world (nor can your spouse, while your spouse).
- Must apply for a refund within 18 months after the date of transfer.

Claiming Your Refund

If claimed at registration, it may offset the land transfer tax ordinarily payable. If not claimed at registration, it may be claimed directly from the Ministry of Finance within 18 months after the transfer — no interest is paid on this refund.

TIP

Remember the $368,000 Threshold

With the full refund applied, no land transfer tax is payable on the first $368,000 of an eligible home's value — worth mentioning to your Broker if you're shopping near that price.

First Time Home Buyer's Tax Credit

A $10,000 non-refundable credit for buyers purchasing their first qualifying home.

$10K

non-refundable tax credit

The Home Buyer's Tax Credit is a non-refundable tax credit, based on an amount of $10,000, for certain home buyers who acquire a qualifying home after January 27, 2009.

Am I Eligible?

You (or your spouse/common-law partner) acquired a qualifying home, and did not live in another home owned by either of you in the year of acquisition or any of the four preceding years. If you or a related person has a disability, you don't have to be a first-time buyer — but the home must enable a more accessible living environment.

What Is a Qualifying Home?

A housing unit located in Canada — existing or under construction. Single-family, semi-detached, townhouse, mobile home, condo, or a share in a co-op that gives you an equity interest. You must intend to occupy it as a principal residence within one year of acquisition.

30 Year Amortizations

How the federal government expanded access to longer, lower-payment mortgages.

Extending a mortgage's amortization to 30 years lowers the required monthly payment by spreading it over a longer repayment period — a meaningful affordability tool the federal government has expanded over the past two years.

AUGUST 1, 2024

30-year amortizations became available on insured mortgages for first-time home buyers on any property, and for non-first-time buyers purchasing newly constructed homes only — part of the Canadian Mortgage Charter.

DECEMBER 15, 2024

Eligibility expanded further: 30-year amortizations became available to all first-time home buyers and all buyers of newly built homes, alongside a rise in the insured mortgage price cap to $1.5 million.

2026 (CURRENT)

These expanded rules remain in effect. All other eligibility criteria for government-guaranteed mortgage insurance still apply, and this measure only applies to high-ratio mortgages on owner-occupied properties.

First-Time Home Buyer

You've never purchased a home before; haven't occupied a home as a principal residence (owned by you or your current spouse/common-law partner) in the last 4 years; or recently experienced the breakdown of a marriage or common-law partnership.

Non-First-Time Buyer

Still eligible for a 30-year amortization when purchasing a newly constructed home — one that has not been previously occupied for residential purposes (interim occupancy periods on new condos are not excluded).

Notes

Down Payment & Mortgage Default Insurance

How mortgage loan insurance lets you buy a home with as little as 5% down.

For most people, the hardest part of buying a home is saving for the down payment. With mortgage loan insurance, you can put as little as 5% down. It protects the lender if the borrower defaults, and the premium is usually added to the mortgage or paid as a lump sum at closing. CMHC, Sagen and Canada Guaranty are the three major providers in Canada.

<table>
<tr><th>LOAN-TO-VALUE RATIO</th><th>STANDARD PREMIUM</th><th>30-YEAR AMORTIZATION</th></tr>
<tr><td>Up to and including 65%</td><td>0.60%</td><td rowspan="6">Add 0.20% to Standard Premium</td></tr>
<tr><td>Up to and including 75%</td><td>1.70%</td></tr>
<tr><td>Up to and including 80%</td><td>2.40%</td></tr>
<tr><td>Up to and including 85%</td><td>2.80%</td></tr>
<tr><td>Up to and including 90%</td><td>3.10%</td></tr>
<tr><td>Up to and including 95%</td><td>4.00%</td></tr>
<tr><td>90.01–95% (Non-Traditional Down Payment)</td><td>4.50%</td><td>—</td></tr>
</table>

Minimum Down Payment: Homes Over $500,000

For a down payment under 20%, the minimum is 5% on the first $500,000 of the price, and 10% on any portion above that. For a $600,000 home: 5% of $500,000 ($25,000) + 10% of the remaining $100,000 ($10,000) = $35,000 — a blended down payment of 5.8%.

TIP

Rolling the Premium In?

Most buyers add the insurance premium directly onto their mortgage rather than paying it as a lump sum at closing — ask your Broker which makes more sense for your budget.

Understanding the Mortgage Rate Environment

Why two buyers on the exact same house can be offered very different rates.

Not every mortgage is priced the same way. Lenders insure their mortgage portfolios for securitization purposes (bulk insurance, paid at a reduced rate compared to what borrowers pay for individual default insurance) — and when that insurance is already covered, some non-bank lenders pass the savings on to homeowners with less than 20% down as a reduced interest rate.

Lowest Rate Category

80% LTV or lower, lender-paid default insurance. Purchases/previously insured transfers, max 25-year amortization, property under $1MM, 2–4 unit owner-occupied rentals.

Higher Rate Category

80% LTV or higher, customer-paid default insurance. Purchases/previously insured transfers, max 25-year amortization, property under $1MM, 2–4 unit owner-occupied rentals.

Highest Rate Category

80% LTV or lower with no default insurance: refinances/purchases/transfers, max 30-year amortization, property over $1MM, or single-unit rentals.

Consider two couples buying the same $400,000 house. Bob and Barbara put 5% down (95% LTV, a high ratio mortgage). Shawn and Steve put 20% down (80% LTV, a conventional mortgage). Counterintuitively, Bob and Barbara — with less down and a high-ratio insured mortgage — get the *lower* rate of the two.

TIP

Ask Which Category You're In

Your down payment, property price and amortization all decide which rate category you land in — ask your Broker to map yours out early.

Understanding the Mortgage Rate Environment

More real-world scenarios, and why a larger down payment doesn't always mean a better rate.

Here are a few more scenarios with couples who have larger down payments and equity, yet land in the *highest* rate category — because they fall outside standard insured lending criteria.

CLIENTS	HOME VALUE	DOWN PAYMENT	LTV	RATE CATEGORY
Bob & Barbara	$400,000	$20,000	95%	**Lowest**
Shawn & Steve	$400,000	$80,000	80%	Higher
Peter & Patricia (refinance)	$400,000	$200,000	50%	**Highest**
Mary & Martin (1-unit rental)	$400,000	$100,000	75%	**Highest**
Tom & Tracey	$1,200,000	$1,000,000	17%	**Highest**

As you can see, the same house, with customers of the same profile — excellent credit, good income, great job stability — can carry very different rates depending on the type of mortgage and the amount of down payment. This is exactly the kind of structuring a Mortgage Brokers Ottawa Agent can walk you through before you commit to an offer.

TIP

More Down Isn't Always Cheaper

As these scenarios show, a bigger down payment can sometimes land you in a higher rate category — worth confirming before you decide how much to put down.

Purchase Plus Improvements

How to roll the cost of renovations into your mortgage financing.

The Purchase Plus Improvement program lets you roll the cost of renovations — kitchens, bathrooms, hardwood floors, a new roof, windows, painting and more — into your mortgage financing. Generally, anything that improves the value or function of the home qualifies.

Why Buyers Use It

- Eligible with as little as 5% down, or on conventional mortgages with 20%+ down.
- Skips separate post-purchase financing, often at a higher rate.
- Opens up homes you might otherwise pass on — older homes in established neighbourhoods that need updating.

How It Works

You'll obtain contractor quotes for lender approval, based on the improved value of the home. The maximum increase is typically 10–20% of the purchase price. No funds advance until the work is complete — the lawyer holds them back — and lenders typically require completion within 120 days, confirmed by an appraiser (~$200).

Example

Purchase price $300,000 + improvement estimate $30,000 = mortgage numbers based on $330,000. At 95% financing, the 5% down payment is $16,500 (5% of $330,000) — not $15,000 (5% of the original $300,000 price).

Repayment Options

How switching your payment frequency can shave years off your mortgage.

Most lenders offer monthly, semi-monthly, biweekly, biweekly accelerated, weekly and weekly accelerated payment options. Increasing your frequency to biweekly accelerated can save significant interest over your term and help pay off your mortgage faster.

Example: A $1,000/Month Payment

FREQUENCY	PAYMENT	TOTAL ANNUAL PAYMENTS
Monthly	12 × $1,000	$12,000
Biweekly	26 × $461.59	$12,000
Biweekly Accelerated	26 × $500.00	$13,000

HOW DOES THIS SAVE YOU INTEREST?

A biweekly accelerated schedule pays the equivalent of 13 monthly payments a year instead of 12. Over the life of your mortgage, that alone can reduce a 25-year amortization down to roughly 22 years and 3 months.

Download Our Mobile App

Calculate your mortgage payments on the go with our free mobile app.

Questions About Credit?

What a credit score actually measures, and how to improve yours.

400–850

the credit score range

A credit score is a statistical formula that translates personal information from your credit report and other sources into a three-digit score. In general, the higher your score, the more creditworthy you are to a lender, and the less likely you are to become delinquent on credit extended to you — one of the primary tools lenders use to decide whether to grant you a mortgage, how much, and at what rate.

What Can I Do to Improve My Credit Score?

Pay On Time, Every Time

Pay all of your bills on time. Late payments, or an account sent to collections, have a negative impact on your credit score.

Keep Balances Low

Try not to run your balances up to your credit limit — keeping balances below 50% of your available credit may also help your score.

Apply With Purpose

Avoid applying for credit unless you have a genuine need. Most scoring formulas won't penalize you for shopping around for one car loan or mortgage rate, though.

Watch the Inquiries

Too many inquiries in a short window can look like financial difficulty or overextension, and will prompt most lenders to ask why.

Which Professionals Should You Call On?

The team you'll want alongside your Mortgage Broker throughout the purchase.

Buying a home is probably the biggest investment you'll ever make — you'll want a team of professionals working with you throughout the process, led by your trusted Mortgage Brokers Ottawa Broker.

Real Estate Agent

Helps you find the ideal home, writes your Offer of Purchase, negotiates on your behalf, and coordinates the home inspection — saving you time, trouble and money.

Lawyer / Notary

Protects your legal interests and processes the legal work necessary to transfer title into your name.

Home Inspector

Informs you of the property's condition — whether something isn't functioning properly, needs replacing, or is unsafe.

Insurance Agent / Broker

Helps with your insurance needs — lenders require property insurance since your home is their security for the loan.

Appraiser

An independent appraisal tells you what the property is worth and helps ensure you're not paying too much — your lender may also require one to complete your mortgage loan.

Up-Front Costs

Every cost worth budgeting for before you get to the closing table.

It's wise to plan ahead to cover the many up-front costs of buying a home. Timing is important to help make sure things go smoothly.

Deposit
Part of your down payment, paid when you make an offer — cost varies by area and market.

Land Transfer Tax
A provincial or municipal charge on closing — a percentage of the purchase price.

Home Inspection Fee
May cost $450+ depending on complexity — larger, pricier or higher-risk homes cost more.

Water Quality Inspection
For homes with a well — confirms adequate, potable water supply.

Survey / Certificate of Location
$1,000–$2,000 if required and not already available — may be replaced by title insurance.

Prepaid Property Taxes / Utilities
You may need to reimburse the vendor for pre-paid costs like property taxes or a filled oil tank.

Down Payment
Minimum 5% for a high ratio mortgage; at least 20% for a conventional mortgage.

Legal Fees & Disbursements
Paid on closing; your lawyer/notary also bills to check the legal status of your property.

Appraisal Fee
Usually $350–$450, an estimate of the home's value required by the lender.

Title Insurance
Often suggested by your lender/lawyer to cover loss from defects of title.

PST on Mortgage Insurance
Applies to the mortgage loan insurance fee and premium, where applicable.

TIP

Budget a Cushion
These costs add up fast on closing day — ask your Broker for a full estimate early so nothing catches you off guard.

How Much Will It Really Cost?

A worksheet for tallying your purchase and closing costs in one place.

Once you know the price range you can afford, calculate all the associated costs of the transaction to make sure you're financially ready.

Costs at Time of Purchase

Deposit	$
Home Inspection Fee	$
Water Potability Test	$
Appraisal Fee	$
Total	**$**

Costs at Time of Closing

Down Payment (less deposit)	$
Land Transfer Tax	$
Legal Fees & Disbursements	$
Title Insurance (if required)	$
PST on Mortgage Ins. Premium	$
Prepaid Property Taxes (if applicable)	$
Total (bring to your lawyer)	**$**

Tip: calculate these numbers precisely on our mobile app.

What Are the Steps Involved?

A nine-step walkthrough of your home buying journey, start to finish.

1. **Complete an Application** — work with your Mortgage Brokers Ottawa Agent. A prequalification prepares you for the home buying experience.
2. **Home Search** — with your pre-approved amount in hand, work with a Real Estate Agent to find the best home within your price range.
3. **Make an Offer** — your Real Estate Agent guides you toward the right offer, usually including a financing condition and often a home inspection condition, plus a deposit.
4. **Get Approved for Your Mortgage** — provide the accepted offer and MLS listing for lender approval. An appraisal may be required; your Agent guides you through it.
5. **Waive Your Conditions** — once all conditions (including financing) are satisfied, work with your Agent to finalize the sale.
6. **Sign Your Mortgage Documents** — depending on your financing condition's timeline, this may happen before or after waiving conditions.
7. **Wait** — the hardest part! Your mortgage work is usually done; your Agent may follow up on documentation the lender still needs.
8. **Arrange Home Insurance** — your lender requires proof of home insurance, which your lawyer provides to the lender.
9. **Meet With Your Lawyer** — usually 2–3 days before closing, to review the trust cheque amount you'll need to bring. See the Up-Front Costs table for what to expect.

Moving Checklist

Everything to handle in the weeks, days and hours before you move in.

14+ Days Before

- Complete change of address forms.
- Set up mail-forwarding with Canada Post.
- Notify kids' schools and register at the new one.
- Get copies of medical/dental records.
- Arrange new car insurance and license plate.
- Arrange phone and utility connection at new place.

8–14 Days Before

- Get boxes and moving supplies.
- Return borrowed items; retrieve loaned ones.
- Arrange disconnection of utilities at old place.
- Arrange for major appliances to be moved.
- Prepare "installed items" you're bringing.
- Dispose of household chemicals properly.

2–7 Days Before

- Take unwanted items to charity or dump.
- Empty, defrost and clean the refrigerator/stove.
- Strip and dismantle beds.
- Update magazine subscriptions, memberships, bank accounts.
- Arrange return of any cable TV equipment.

The Day Before

- Pack a suitcase with what you'll need the first day.
- Take down curtains and curtain rods.
- Keep essential paperwork, licenses and health cards accessible.
- If using movers, confirm the new address and delivery time.

Moving Day

- Clean premises you're leaving; inspect with landlord.
- Collect all keys and keep them in a safe place.
- Do a final walk-through — closets, cabinets, etc.
- Sign inventory forms with your moving supervisor.

What Documents Are Required?

What your lender will ask for to finalize your mortgage approval.

Proof of Income — Salaried

A paystub dated within the last 30 days, plus a signed and dated employment letter on letterhead confirming full-time permanent status, salary, start date and probation completion (if new to the position).

Commission / Part-Time / Self-Employed

Your last 2 years' Notice of Assessment and T1 General Tax Returns with statement of business activities, plus your Master Business Licence, HST statement or Articles of Incorporation.

Proof of Down Payment

Three months of account history for your savings/investment/RRSP accounts, showing your name and all transactions without redactions. Gifted funds need a signed gift letter; sale of an existing property needs the firm purchase agreement, MLS listing and confirmation of deposited proceeds.

Rental Properties / Secondary Home

A current mortgage statement and tax bill for each rental, a current lease if applicable, and your previous T1 with statement of real estate rentals.

OTHER

Picture identification (driver's licence or passport); a void cheque from the account funds will come from; your lawyer's name (or let your Agent recommend one); and, if applicable, a CRA child tax benefit statement confirming amount received and ages of children.

TIP

Start Gathering Early

Pulling these documents together before you apply can shave real time off your approval — ask your Broker for the full checklist upfront.

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YOUR MORTGAGE BROKER

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Thank you for letting us be part of your home buying journey.