

1 Land transfer tax

When a home changes hands, many provinces and a few municipalities charge a property transfer tax or title transfer fee. The BC tax is charged at a rate of 1% for the first \$200,000 and 2% for the portion of the fair market value that is greater than \$200,000. First-time homebuyers can qualify for exemptions for properties that have a fair market value of \$475,000 or less. Partial exemptions are available up to a fair market value of \$500,000.

2 Appraisal fee

Your lender may ask you to have a home appraised to confirm its market value. Fees vary depending on a property's value and complexity, but are typically around \$250-\$400.

3 Legal fees

A lawyer or notary will help protect your interests by reviewing your purchase agreement, searching the property title, and ensuring that all documents are completed properly. Basic legal fees start between \$500 and \$800, plus disbursements, with added services as needed.

4 Home inspection

An inspection can help make you aware of issues related to a

house's structure and systems, such as plumbing and electrical, and recommended or necessary repairs. Fees range from about \$350 to \$500.

5 Home/fire insurance

Your lender will require proof that the property is insured in case of fire and other damage. Insurance costs vary, depending on the coverage needed, but budget for at least \$500 a year.

6 Costs for newly constructed homes

If you're buying a brand-new home, be prepared to settle any items not quoted in the original price, including upgrades or paving and landscaping fees. New homes are also subject to 5% GST or 13% HST, although this is often included in your purchase price. In BC new home buyers can apply for a rebate of the federal portion of the HST (the 5% GST) if the purchase price is less than \$350,000. The rebate is up to 36% of the GST to a maximum rebate of \$6,300. There is a proportional GST rebate for new homes costing between \$350,000 and \$450,000.

7 Prepaid costs

If the seller has paid property taxes, water bills, or utilities in advance, you'll need to reimburse

these at closing. This can add hundreds to your upfront costs, but means these bills will be paid for your first months in your new home.

8 Tax on mortgage insurance

If you have less than a 20% down payment, your lender will require that you obtain mortgage default insurance. These premiums are typically rolled into the cost into your mortgage payments. Premiums in Manitoba, Ontario and Quebec are subject to provincial sales tax. The provincial sales tax cannot be added to the loan amount.

9 Title insurance

Title insurance can safeguard you against fraud and problems with your property title or survey. Fees range from \$250 to \$350.

10 Moving costs

Before the big day, budget for all those last minute things: \$200 or more to rent a van or a few hundred/thousand for professional movers, \$50 to \$60 for a locksmith to re-key your locks, \$200 to \$400 for cleaners (old and new home) or \$50 for cleaning supplies and \$50 to \$200 for any fees to transfer accounts with utilities and service providers (phone, internet, cable,



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