

# FIRST TIME HOME BUYERS PRESENTATION 2025-2026



**CONTACT US!**



YOUR KEY TO BETTER LIVING

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# MEET YOUR REAL ESTATE TEAM



Our real estate team is dedicated to assisting clients in realizing their dream of home ownership. We offer guidance throughout the entire process, whether you are a first-time buyer or experienced homeowner. Our focus is on building long-term relationships with our clients, and we take pride in providing exceptional service.

## KEITH & FRANÇOISE

Keith and Françoise Pollard are a husband-and-wife real estate team with more than 25 years of combined experience serving the Greater Toronto Area, Hamilton, and Niagara Region. They're known for a hands-on approach, careful preparation, and clear communication that protects clients from offer to closing. Their results have earned multiple industry awards. In February 2023 they joined eXp Realty, adding advanced marketing tools, professional staging, and a collaborative agent network. With deep local knowledge and proven systems, they guide first-time buyers, relocators, investors, and downsizers through confident, well-planned moves.





# STEPS IN THE HOME BUYING PROCESS

1

## GET PRE-APPROVED



Speak with a mortgage professional to find out how much of a mortgage you can afford.

You decide who you want to use to get a mortgage. If you don't know anyone, we would be happy to provide you with three mortgage professionals' names.

2

## ESTIMATE YOUR UPFRONT COSTS



Some of the main upfront costs you should plan for include:

- The deposit
- Home inspection fees
- Appraisal fees

A real estate deposit is the amount you provide after an Agreement of Purchase and Sale is accepted. It is often due within 24 hours of acceptance unless otherwise stated. It is held in trust, forms part of the agreement, and is credited toward your down payment on closing.

3

## DETERMINE WHAT'S IMPORTANT TO YOU



Once you understand your finances and mortgage options, the next step is to think about the type of home that fits your needs and goals. The more detail you share with us, the easier it is for us to find the right properties in the right neighbourhoods.

Consider the following:

1. Is there a specific location or neighbourhood where you would prefer to live?
2. What type of home do you want (freehold detached, semi-detached, townhouse, or condo apartment/townhouse)?
3. Do you prefer a newer home or an older home with character or renovation potential?
4. What are your must-haves? For example, parking, finished or unfinished basement, layout, or outdoor space.
5. Will this be your primary home, a flip, or an investment property?
6. What are your long-term goals, and how does this purchase fit into them?



4

## BEGIN YOUR SEARCH



Once you give us the green light, we will start sending you listings that match your criteria as soon as they are available on the MLS.

**We have access to 23 real estate boards across Ontario, which allows us to monitor opportunities in multiple markets for you.**

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## MAKE AN OFFER



We are all so excited - you have found the property you want to make an offer on. So, what's next?

Together we will review and discuss the following:

- 1. Purchase Price:** Recent sales of similar homes so you understand value and avoid overpaying.
- 2. Deposit:** The amount you want to put down to secure the property.
- 3. Irrevocable Date:** The date and time the offer expires.
- 4. Inclusions/Exclusions:** What is included in the purchase price and what is excluded.
- 5. Conditions & Clauses:** Terms that protect you, such as financing, inspection, or review of the status certificate (for condos).

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## ARRANGE FOR A HOME INSPECTION



Wonderful news, your offer has been accepted. The next step is to arrange a home inspection.

A home inspection helps you understand the true condition of the property, identify potential issues, and assess any safety or repair concerns. It gives you financial protection, peace of mind, and the information you need to decide whether to move forward, renegotiate, or walk away.



# 7

## WHAT YOU NEED TO DO BEFORE CLOSING

- 1 Arrange home insurance.
- 2 Set-up utility accounts.
- 3 Meet with your lawyer. They will usually schedule this a few days to a week before closing.
- 4 Make sure all required funds are available in your bank account.
- 5 Do a final walk-through of the property.
- 6 Arrange your moving truck or movers.





# WHAT TO CONSIDER BEFORE MAKING AN OFFER

Before you submit an offer, you need more than a price suggestion. You need context. Together, we look at recent sales, current listings, and the pace of the market so you understand what a realistic offer looks like for that specific home. We walk you through every part of the Agreement of Purchase and Sale, including the conditions, timelines, and deposit, so there are no surprises after you sign. Our job is to slow the process down just enough that you feel clear, informed, and confident about the offer you are making.

## We will assist with the following:

1. Determine the offer price by providing and reviewing comparisons of similar homes recently sold, currently on the market and those that have terminated in your neighbourhood.
2. Explain the current market condition, e.g., is it a buyer's, balanced or seller's market.
3. Review the conditions and terms in the Agreement to Purchase and Sale and Schedule 'B' including the deposit, inclusions and exclusions, clauses and the closing date.
4. Assist with the negotiations and or counteroffer(s) to ensure that you get the possible outcome.





# THE DIFFERENCE BETWEEN THE DEPOSIT AND THE DOWN PAYMENT



## DEPOSIT

**The deposit is a sum of money that a buyer puts down to demonstrate their good faith and intention to complete a real estate transaction.**

In Ontario, a deposit is typically held in trust by the seller's real estate brokerage or lawyer until the completion of the sale. The amount of the deposit can vary, but it is usually a percentage of the purchase price, and it is negotiated between the buyer and the seller as part of the sale agreement.



## DOWN PAYMENT

**The down payment is a portion of the purchase price that a buyer pays upfront, usually through financing.**

In Ontario, a down payment is typically required by lenders to secure a mortgage loan. The amount of the down payment can vary, but it is usually a percentage of the purchase price, and it is negotiated between the buyer and the lender based on the buyer's financial circumstances.

### IN SUMMARY,

**a deposit is a sum of money that a buyer puts down to demonstrate their good faith and intention to complete a real estate transaction, while a down payment is a portion of the purchase price that a buyer pays upfront through financing.**



# HOW MUCH DOWN PAYMENT IS REQUIRED?

A down payment is the amount you can immediately contribute towards the cost of your home purchase. Since most people do not have enough savings to purchase a home outright, the gap between your down payment and the purchase price of your home is made up with a mortgage loan.

The minimum down payment to buy a home in Canada is 5% of the purchase price. For example, to buy a home that costs \$500,000, you will need a minimum of \$25,000 as your down payment.

If you have an under 20% down payment, you will need Mortgage Default Insurance.

If you have over 20% down payment, you qualify for a conventional mortgage which generally does not require Mortgage Default Insurance.

**If you have a down payment of 20%, you would be borrowing 80% of the home's value.**

## DOWN PAYMENT RULES FOR HOMES OVER \$500,000.00

For homes over \$500,000, you are required to have a 10% down payment for the portion of the purchase price that is over \$500,000. You only need a 5% down payment for a portion of up to \$500,000.

### Example:

Down payment required to purchase a \$700,000 home 5% on \$500,000 = \$25,000 + 10% on \$200,000 = \$20,000

## DOWN PAYMENT RULES FOR HOMES OVER \$1,000,000

For homes over \$1,000,000, you must have a down payment of at least 20% or \$200,000. These properties are not eligible for Mortgage Default Insurance because the down payment required is at least 20%.



## Money saving tip

Save as much as you can for your down payment. A larger down payment means you need a smaller mortgage, which will save you thousands of dollars in interest charges.



# CLOSING COSTS

Closing costs are fees paid at the closing of a real estate transaction and typically range from 2.5 – 5% of the purchase.



**YOUR  
LEGAL FEES**



**THE LAND  
TRANSFER TAXES**



**TITLE  
INSURANCE**



**PROPERTY TAX AND  
UTILITY ADJUSTMENTS**



**MOVING AND  
STORAGE COSTS**



**REAL ESTATE COSTS FOR  
SELLING YOUR HOME**  
(if applicable)



**REDIRECTING  
MAIL**



# FIRST-TIME HOME BUYER LAND TRANSFER TAX REBATE

In Ontario, there is a land transfer tax (LTT) rebate available for first-time homebuyers. The rebate is intended to provide financial relief by partially offsetting the amount of land transfer tax payable on the purchase of a home. The rebate is available for both the provincial land transfer tax (PLTT) and the municipal land transfer tax (MLTT) in municipalities where it applies, such as Toronto.

The maximum rebate amount and the eligibility criteria for the rebate vary depending on the type of property and the location of the property.

## To be eligible for the PLTT and MLTT rebate, you must meet the following criteria:

- 1 Be at least 18 years old.
- 2 Be a Canadian citizen or a permanent resident of Canada.
- 3 Must occupy the home as your principal residence within nine months of the transfer.
- 4 Cannot have previously owned a home or an interest in a home, anywhere in the world

### ONTARIO

Provincial Land Transfer Tax (PLTT) Rebate: The maximum PLTT rebate amount available for first-time homebuyers in Ontario is **\$4,000**.

### TORONTO

Municipal Land Transfer Tax (MLTT) Rebate is specific to Toronto: First-time homebuyers may also be eligible for an MLTT rebate. The maximum MLTT rebate amount available for first-time homebuyers in Toronto is **\$4,475**.



To claim the land transfer tax rebate, you typically need to apply for the rebate within 18 months after the transfer of the property. The application process involves completing the appropriate rebate form and providing supporting documentation to prove your eligibility.



# Let's compare...

... the land transfer tax for a home with a purchase price of \$750,000 in Toronto and another municipality in Ontario. This example assumes that the homebuyer does not qualify for any rebates.

## TORONTO

The land transfer tax in Toronto consists of two parts: **Municipal Land Transfer Tax (MLTT)** and **Provincial Land Transfer Tax (PLTT)**.

The total amount payable is **\$22,200**, which is the sum of \$10,725 for MLTT and \$11,475 for PLTT. For first-time home buyers, the total amount payable is \$13,725, which is calculated by subtracting \$8,475 from \$22,200.

### EXAMPLE:

#### For the MLTT:

- 0.5% on the first \$55,000: \$275
- 1% on the amount exceeding \$55,000 up to and including \$400,000: \$3,450
- 2% on the amount exceeding \$400,000: \$7,000

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**Total MLTT: \$10,725**

#### For the PLTT:

- 0.5% on the first \$55,000: \$275
- 1% on the amount exceeding \$55,000 up to and including \$250,000: \$1,950
- 1.5% on the amount exceeding \$250,000 up to and including \$400,000: \$2,250
- 2% on the amount exceeding \$400,000 up to and including \$750,000: \$7,000

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**Total PLTT: \$11,475**

## MUNICIPALITY OUTSIDE TORONTO

The land transfer tax in any municipality other than Toronto would be **\$11,475**.

For first-time home buyers, the maximum tax payable is \$7,475, which is calculated by subtracting \$4,000 from the total tax amount.

# THE DO'S AND DON'TS WHEN BUYING A HOME



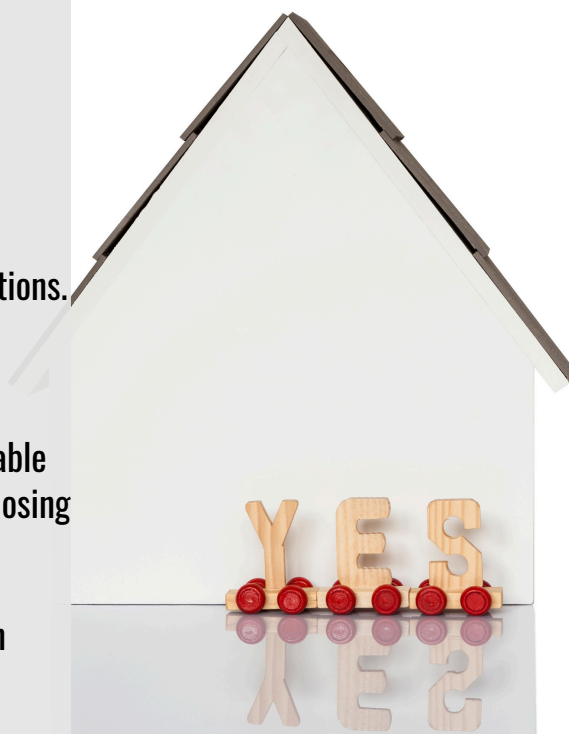
## Make certain that you DO NOT ...

- 01** Purchase anything of significance such as a car, furniture, appliances etc.
- 02** Change your profession or start a new business.
- 03** Change your bank account(s).
- 04** Get behind on your monthly bills.
- 05** Let anyone use your credit card or apply for any credit cards.



## What to avoid

- 01** Keep all of your bank accounts current, including mortgage statements, car loans, credit cards etc.
- 02** Contact your lender with any of your mortgage questions.
- 03** Pay all of your bills on or before the due date.
- 04** Have the funds needed to purchase your home available in your bank account at least one week before the closing date.
- 05** Have uploaded all mortgage documents into a file on your computer.





# OTHER FIRST-TIME HOMEBUYER PROGRAMS

## HOME BUYERS' PLAN

Under the Home Buyers' Plan, eligible participants can withdraw up to \$60,000 from their RRSPs to put toward the purchase or construction of a home. The withdrawn amount is tax-free if it is repaid to the RRSP within a specific period.



### ELIGIBILITY

**To be eligible, you must meet the following criteria:**

- Be a first-time homebuyer (you or your spouse/common-law partner must not have owned a home in the past four years).
- Have a written agreement to buy or build a qualifying home.
- Intend to occupy the home as your principal place of residence within one year of purchase or construction.

**You must be a resident of Canada when withdrawing and buying.**



### RRSP CONTRIBUTIONS

You need to have funds in your RRSP before you can participate in the HBP. If you haven't already contributed, you can make contributions up to your RRSP limit and then use those funds under the plan. You must have the funds in your RRSP for at least 90 days before withdrawal.



### WITHDRAWAL PROCESS

You can withdraw funds from your RRSP by completing and submitting Form T1036 to the financial institution that holds your RRSP. The funds can be withdrawn in a lump sum or multiple withdrawals as long as the total does not exceed \$60,000 per person (\$120,000 per couple).



### REPAYMENT

After withdrawing the funds, you have up to 15 years to repay the amount back into your RRSP without it being taxed. Each year, you'll be required to repay a portion of the withdrawn amount, with a minimum annual repayment amount. If you don't repay the required amount, the unpaid balance will be added to your taxable income for that year.

It's important to note that the Home Buyers' Plan is subject to specific rules and conditions, and it's advisable to consult with a financial advisor or tax professional for personalized advice and the most up-to-date information.



# OTHER FIRST-TIME HOMEBUYER PROGRAMS

## 30-YEAR AMORTIZATION FOR FIRST-TIME BUYERS (INSURED MORTGAGES)

A federal rule change that lets qualified first-time buyers of newly built homes stretch an insured mortgage over 30 years instead of 25. The longer amortization lowers the required monthly payment, can make it easier to qualify under the stress test, and gives buyers more room in their budget, while still allowing them to pay the mortgage off faster if they choose to make extra payments



### ELIGIBILITY

**To be eligible, you must meet the following criteria:**

- Must be a first-time home buyer
- Must purchase a newly constructed home
- Must qualify for an insured mortgage - (down payment under 20%)
- Insured mortgage price ceiling applies (currently up to \$1.5 million for first-time buyers and applies only to newly built homes)
- Must meet the lender's and insurer's stress-test requirements

**The 30-year option doesn't add a new citizenship requirement. Borrower must qualify under CMHC/Sagen/Canada Guaranty rules, which generally require legal status in Canada and residency (citizen, PR, or certain temporary residents, depending on insurer and lender).**



### BENEFITS

- Amortization can be extended up to 30 years
- Lower required monthly payments
- Can improve mortgage qualification
- Still allows additional prepayments



### HOW IT WORKS

- Only available on insured mortgages (down payment under 20 percent)
- Mortgage insurance premiums apply
- Lower payments mean higher long-term interest costs
- Buyers can shorten their actual repayment period by increasing payments or making lump-sum contributions



# OTHER FIRST-TIME HOMEBUYER PROGRAMS

## FIRST HOME SAVINGS ACCOUNT (FHSA)

A registered savings account designed specifically to help first-time buyers build a down payment. Your contributions reduce your taxable income, investments grow tax free, and when you use the funds to buy your first home, qualifying withdrawals are also tax free. In other words, the FHSA can give you a tax advantage when you deposit, while you save, and when you purchase.



### ELIGIBILITY

**To be eligible, you must meet the following criteria:**

- Must be a Canadian resident for tax purposes
- Must be at least 18 years old
- Must be a first-time home buyer
- You did not own and live in a home in the current year or previous four calendar years

**You do not have to be a citizen or permanent resident only a Canadian tax resident.**



### CONTRIBUTIONS

- Up to \$8,000 per year
- \$40,000 lifetime limit
- Can carry forward up to \$8,000 of unused room
- Investment income and growth are tax free
- Can be used together with the RRSP Home Buyers' Plan



### WITHDRAWAL PROCESS

- Withdrawals are tax free when used to buy a qualifying principal residence and must be within 15 years of opening the account.
- Must have a written agreement to buy or build the home
- Must intend to occupy the home within one year
- You must be a Canadian tax resident at the time of withdrawal
- FHSA must be closed by the end of the year following your first qualifying withdrawal

Your FHSA can be used together with the RRSP Home Buyers' Plan and your TFSA. Combining these accounts can help you save faster and reduce how much you need to borrow.



# OTHER FIRST-TIME HOMEBUYER PROGRAMS

## FIRST-TIME HOME BUYERS' TAX CREDIT (HBTC)

A federal tax credit that reduces the amount of income tax you owe in the year you buy your first home. The credit is designed to help first-time buyers manage upfront expenses like legal fees, title searches, and closing adjustments by providing up to \$1,500 in tax savings.



### ELIGIBILITY

To be eligible, you must meet the following criteria:

- You or your spouse/partner purchased a qualifying home
- Neither of you owned and lived in a home in the year of purchase or the previous four years
- Must be a Canadian resident for tax purposes at the time of purchase
- Applies to resale and new construction properties

**You Must be a Canadian citizen or permanent resident.**



### BENEFITS

- You can claim \$10,000 on your tax return
- Provides up to \$1,500 in actual tax savings
- Can be split between spouses or partners, but total cannot exceed \$10,000



### HOW IT WORKS

- Claim the credit in the tax year you take possession
- The home must be intended as your principal residence
- You report the claim on your personal tax return





# OTHER FIRST-TIME HOMEBUYER PROGRAMS

## GST REBATE FOR FIRST-TIME BUYERS OF NEW HOMES

A federal rebate that reduces the cost of buying a newly built home by refunding some or all of the 5 percent GST (or federal portion of HST) paid on the purchase. It is aimed at qualified first-time buyers of new construction, providing significant savings on the total price when the home meets the program's price and eligibility limits.



### ELIGIBILITY

To be eligible, you must meet the following criteria:

- At least one buyer must be a first-time home buyer
- Must be at least 18 years of age,
- Home must be your principal residence
- You must be the first occupant of the home
- Purchase agreement must be signed on or after May 27, 2025

**You must be a Canadian citizen or permanent resident.**



### BENEFITS

- Up to a 100 percent rebate of the 5 percent GST on new homes up to \$1,000,000
- Partial rebate for homes \$1,000,000 to \$1,500,000
- No rebate above \$1,500,000
- Maximum potential savings: up to \$50,000



### HOW IT WORKS

- Applies to new construction from a builder, owner-built homes, and eligible co-op units
- Does not apply to resale homes
- Rebate is claimed after closing
- Construction must be substantially completed before 2036

# CAPITALIZING ON THE IDEAL MARKET CONDITIONS

## Why 2025–2026 Can Be A Strategic Time For First-Time Buyers In Ontario

The Ontario housing market in 2025 and into 2026 looks very different from the peak years. After a period of sharp increases, the Bank of Canada has started to lower interest rates, and lenders are gradually passing those changes on to borrowers. Borrowing is becoming more affordable as rates trend downward, but it is still important to do your due diligence and rely on accurate, up-to-date information when comparing mortgage products, terms, and lenders.

Inventory has improved in many GTA and Ontario markets. More listings, longer days on market, and fewer multiple offer situations mean buyers now have more time to view properties, think through their options, and negotiate on price, conditions, and closing dates. This shift has made the process more manageable for first-time buyers who were previously discouraged by bidding wars and firm offers.

A key trend heading into 2026 is the increase in Power of Sale listings. Some homeowners are struggling with higher renewal payments and tighter debt servicing rules, which has led to more lenders taking action to sell properties that are in default. These homes are often priced competitively to encourage a faster sale, which can create opportunities for qualified buyers.

With the right guidance, Power of Sale properties can be a practical option for some first-time buyers. They are often priced more aggressively than comparable resale homes, which can mean lower purchase prices, less competition, and access to neighbourhoods that might otherwise be out of reach. For buyers who are prepared to invest in repairs or cosmetic updates, there may also be upside over time. The tradeoff is that these homes are typically sold in “as is” condition, with no guarantees or warranties from the lender and limited room to negotiate repairs or inclusions. That makes it essential to review title, property condition, and contract terms in detail and to lean on an experienced Realtor, mortgage professional, and real estate lawyer before you commit.

Long-term fundamentals still support ownership in Ontario. Population growth, ongoing immigration, and household formation continue to drive housing demand. Construction has increased, but most forecasts suggest that supply is still lagging behind what is needed for true balance. Over time, that persistent gap is expected to keep gentle upward pressure on prices.



**Bottom line:** 2025 and 2026 provide a window where rates are easing, inventory is healthier, and Power of Sale listings are adding options for buyers who are prepared. For first-time buyers who are financially ready and willing to do proper due diligence, this period can be a strategic time to enter the Ontario market and secure a home for the long term.