HOME BUYING 101:
YOUR ESSENTIAL GUIDE

Rob Freeman
REALTOR®

STONEHAUS REALTY

rob@vanisland.homes
250-327-2290

TABLE OF CONTENTS

CHOOSING THE RIGHT REALTOR® IS A HUGE DECISION, SO THANK YOU FOR CONSIDERING ME!

Buying your home is probably the most expensive purchase you will ever make, and you want someone working for you whom you like and trust. I firmly believe good fit is key. My goal is to make the buying process as fun and stress-free as possible, all while educating you and putting your best interests first.

I come from a lengthy service background, and I think that's truly what sets me apart from other agents. I spent many years working in high-end Vancouver restaurants and running my own copywriting business, MeWritesGooder. This means you'll get both amazing service and great communication. Bad service offends me and my goal is always to go beyond your real estate expecations!

I understand that every deal is different, and I want to make sure I fully understand your needs during the whole process. I'm pretty good at asking the right questions when we first meet to make sure I find out your "why" and learn what's important to you in the home you want to buy.

I've been doing this almost a decade, have helped hundreds of people, and most of my business comes from happy, repeat clients. Trusting me with their friends and family as referrals is the highest compliment they can give me as their REALTOR®. You can check out my numerous 5-Star Google reviews for examples of how I've helped my clients.

My wife and I moved here in 2014 from the Lower Mainland and it totally feels like home! We've since had two young boys and I believe it's important to give back to my community, so I volunteer coach their soccer, baseball, and flag football. I've also volunteered with the Serauxmen and was a founding member of 100 Men Who Care Nanaimo. In my spare time, I like poker, hiking, and sampling the Island's amazing local craft beer and wine.

WHAT MY CLIENTS SAY ABOUT ME

Great word of mouth is absolutely the best advertising I could ever hope for! After all, when was the last time you went on Amazon and bought something without checking out the reviews? My clients have been kind enough to say some very nice things about their experiences working with me, Here are just a few examples, you can find many more online at RobFreemanRealtor.com or by reading my Google Reviews.

Jenn Carter
1 month ago

★★★★★

Rob helped us buy our very first home 7 years ago, and when it came time to sell and buy again, there was no question we wanted him by our side. He has an incredible ability to build relationships and keep everything on track, which makes such a difference in the process.

He pays close attention, really listens, and uses that insight to guide you so you get what you truly want. He's always available, stays calm in the stressful decision-making moments, and makes you feel supported from start to finish.

We honestly can't say enough good things about Rob. He's the kind of realtor you want in your corner for both the exciting and the challenging parts of buying and selling a home

Jordan
4 months ago

★★★★★

We couldn't have asked for a better realtor than Rob. He guided us through the purchase of our first home four years ago, and we didn't hesitate to work with him again when it came time to sell. Rob was always easy to reach and incredibly responsive, patiently answering every question we had along the way.

His professionalism and knowledge made the entire selling process smooth and worry-free. Even under tough market conditions, Rob's calm approach and clear advice kept us confident and reassured. He kept us updated at every stage and ensured we felt supported from listing to closing. We truly appreciate his dedication and highly recommend Rob to anyone looking to buy or sell their home.

Gurpreet Kaur
9 months ago

★★★★★

We recently worked with Rob for buying our first home in Nanaimo while living in mainland. Rob's knowledge helped us making an informative decision based not only property but it's area and surroundings. He was very proactive and made whole process very easy, fun for us. His list of contacts also helped us in providing assurance about our purchase. I would definitely recommend Rob to anyone who wants to have not only a realtor but a very knowledgeable, trustworthy and genuine person. Rob would always be our go to person without thinking.

Bailey Hynes
8 months ago

★★★★★

Rob was an incredible help in the process of buying my first home. He made what should have been stressful easy. He kept me updated through everything and was always on top of the paperwork allowing for a seamless process.

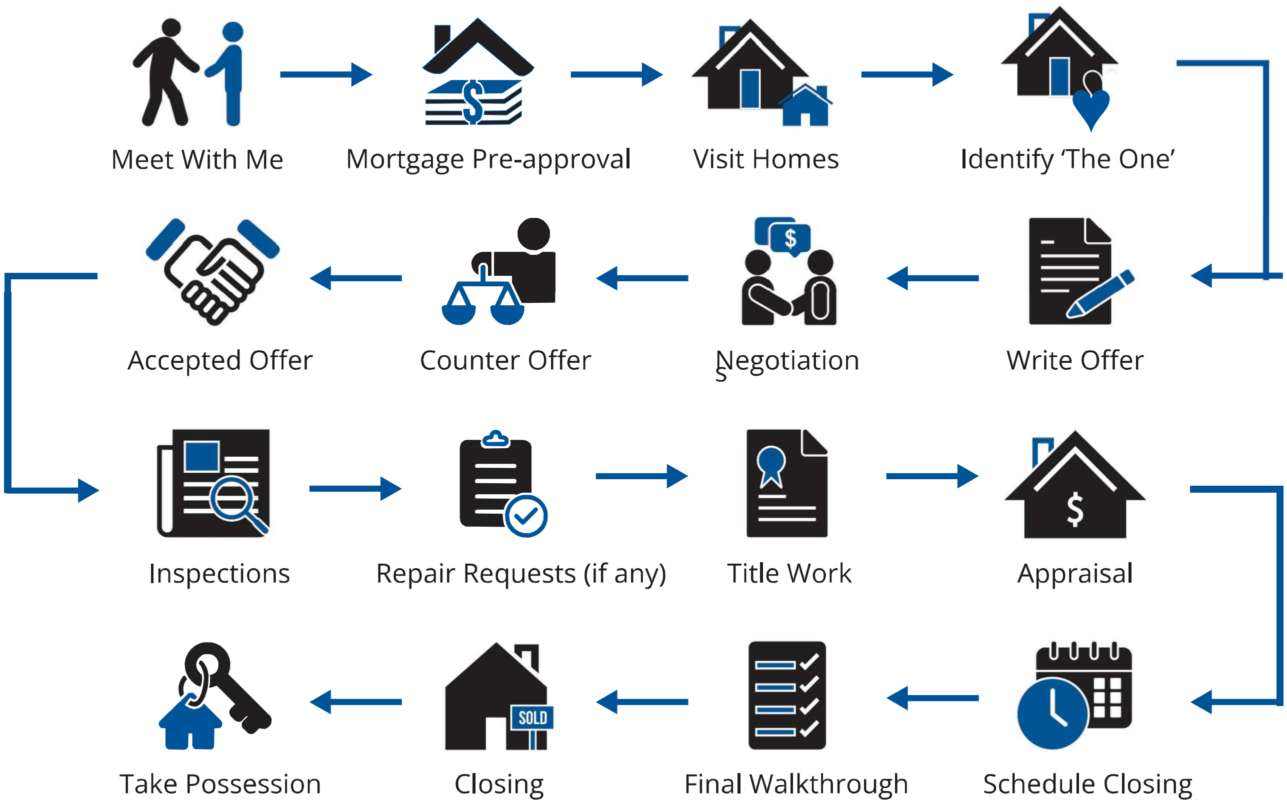
Rob was always efficient in getting me information and flexible when scheduling viewings. Overall great experience working with him!

R Fitch
1 year ago

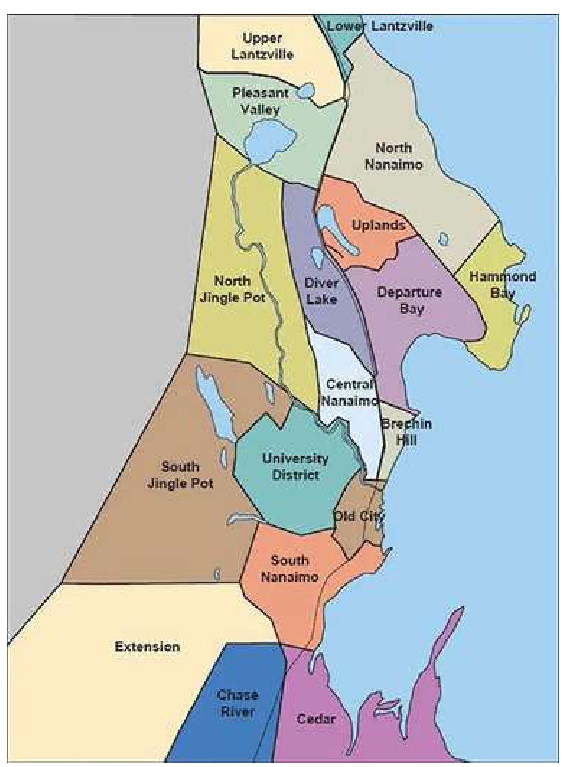
★★★★★

Really appreciated Rob's professionalism and patience with answering all our questions. He talked us through the process step by step and made us feel super comfortable in our home purchase. He is knowledgeable, easy to talk to, and makes sure that all your questions are answered. Rob helped us fix a bank glitch and smoothed the way for our first home purchase. Would highly recommend him to others.

EXPLAINING THE BUYING PROCESS



WHERE IN NANAIMO DO YOU WANT TO LIVE?



IMPORTANT QUESTIONS WHEN BUYING YOUR HOME

HERE ARE SOME KEY QUESTIONS TO CONSIDER BEFORE YOUR PURCHASE:

- ✓ Are you looking for a detached Single Family Home? Condo? Townhome? Duplex?
- ✓ What are the minimum number of bedrooms and bathrooms you need?
- ✓ Do you need a “move-in ready” home or are you handy and okay with some “sweat equity”?
- ✓ Do you have a preferred style or layout, such as Main Level Entry or Rancher?
- ✓ Are there any “must-have” features like walk-in closet, fireplace, open concept?
- ✓ What are your parking needs? Single or double garage? Carport okay? RV or boat?
- ✓ Are there any location factors to consider? Near a park? On a cul-de-sac? Near transit?
- ✓ Do you need a yard? Big or small? Does it need to be fenced? Acreage?
- ✓ Do you have pets? If looking at strata, are there size/breed/weight restrictions to consider?
- ✓ Do you have a particular area of the city that you definitely do or don’t want to live in?

Simply put, having a great mortgage broker in your corner is an absolute must and often makes the difference between you getting the home you want or not. Sometimes, and for certain purchases like mobile homes, your bank may be able to offer you a better rate, but, for many reasons, I prefer when my clients work with morgage brokers.
In my opinion, getting pre-approved is the single most important step of the whole buying process. More deals fall through because a buyer's financing collapses than for any other reason.

Fortunately, I am lucky enough to know several awesome brokers that I'm always happy to recommend! No, I don't get a kickback, I'm just happy knowing that your needs will be 100% looked after from start to finish by my trusted partners. They simply do great work every time!

WHAT DOES BEING PRE-APPROVED DO?

1. Saves you time. You will know exactly what you qualify for and you will only be looking at properties you can afford.

2. Saves you money. Pre-approval rates are locked in for 90 or 120 days, so even if mortgage rates go up in the time you're looking for a home, you still get the lower rate.

3. Helps you win! Sellers like to see prospective buyers already have financing secured and may be more likely to accept your offer instead of one with unknown financing. This can make or break your deal, especially in a multiple offer situation.

HOW DOES THE PRE-APPROVAL PROCESS WORK?

1. Have an initial conversation with a mortgage specialist.

2. Fill out and submit your application (often can be done online) along with whatever supporting financial documents they require, such as a job letter, recent pay stub, NOAs, T1s, so have those handy. They will check to make sure all is in order.

3. Begin neogtiations, since you have a pre-approval letter with your qualified amount!

DOWN PAYMENTS Legally, the minimum down payment required is 5% of the first $500,000 and 10% of any amount higher than that up to $1.5M. Over $1.5M, 20% down is required.

- First, we'll have a chat! If you're local, we can meet for a beverage or if you're moving here, we can set up a Zoom call. This is where I peel back the onion layers, hopefully ask the right questions, and find out what's truly important to you in your home purchase.

- Once I know more about what you're looking for, I'll set you up with a unique Private Client Services (PCS) Search. You'll start to receive home leads that only match your search parameters, which means you won't have to waste time scrolling through enless listings that don't meet your needs. These leads are updated in real time, so you'll be able to see, with up-to-the-minute accuracy, what homes are hitting the market.

- I also take a weekly REALTOR® tour, where I personally go into any homes which have been listed that week to see firsthand if they might be a good fit for you. Some of these are "sneak-peeks" which may not have even hit the market yet, so you could get the inside edge over the general buying public and scoop one they haven't even had the opportunity to see!

- At some point, we'll meet up and do a tour day where we'll go see some possibilities in person. It's a great way for me to learn your style and find out what's really important to you! If you don't live here, I can also do virtual tours where I go to the home and you come along by phone to see "in person"!

- Once we've found "the one", we write up your offer and the fun really begins!

- Sellers generally prefer up to 24 hours notice to prepare their home for viewing and to ensure tidiness. Some sellers specify certain days/times for viewing which must be strictly observed.
- If a property has tenants, the BC Residential Tenancy Act provides they must receive 24 hours written notice. Tenants may also specify certain days/times for showings which must be adhered to.
- It is respectful to remove footwear while inside a Seller's property, in all weather conditions.
- Comfortable footwear which is easy to put on and take off is recommended for our tour.
- Due to privacy issues, especially in a tenanted home, digital photography inside requires approval by the Seller or their agent. Some homes may have cameras inside or at the front door which record audio and/or video so we need to be mindful of our discussions.
- Please be prepared to follow whatever showing protocols that owners or tenants have requested. This may include wearing gloves, booties, not touching certain items, not opening certain doors, or a maximum number of people in the home at any one time.
- Especially if we are viewing multiple homes during our initial tour day, I will devise a ruthlessly efficient route to maximize our time together! Standard booking windows for showings are 1 hour long for single family homes or 30 min for condos, although an average home can be viewed in 15 minutes or less. The first time out is to get a feel for what you like, we can always book a second showing to go back to any home that really caught your eye!
- Sometimes people want to go see 10 homes and I don't often recommend that! Seeing too many homes in a day often causes them to blur, but seeing 4-5 will give you some good comparisons.

We've been on tour, seen a bunch of homes, and you've found "The One". Now what?

1. I do some research and find you information about comparable recent sales. I look at many factors like how long it's been on market, condition of the home, any upgrades done or repairs to consider, and determine the market value.

2. I write an offer that protects you. I make sure it has the appropriate subject conditions, like financing, inspection, approving Title, approving Property Disclosure Statement, Insurance, Due Dilligence, and reviewing strata documents, if applicable and that it's for the amount and dates you wish, with the inclusions you want. I try and write the best and cleanest offer we can to get accepted, especially if we're trying to win in a multiple offer situation.

3. I will explain the offer, the clauses, the terms, and the details so you know exactly what you are agreeing to, since it is a legally binding contract if accepted by the Seller.

4. I will present and negotiate the offer on your behalf and try to get you the best possible deal with the price and terms that are most agreeable to you.

WHAT HAPPENS ONCE THE OFFER IS MADE?

One of four outcomes:

1. **Best Case Scenario:** the Seller accepts your offer as is, congratulations!

2. **Worst Case Scenario:** the Seller flat out rejects your offer and does not want to negotiate any further. This is uncommon, especially if it is made in good faith and not an insulting "lowball offer". I'd try to find out why and see what I could do to get the deal back on track.

3. **Most Common Scenario:** the Seller will counter back on one or more of the terms of the offer (usually price, but it could be dates, subjects, or whatever they don't like from your offer) and we will negotiate back and forth until hopefully we reach a fair agreement for both sides and end up with an accepted offer.

4. **Unfortunate Scenario:** the Listing Agent informs us, either once we've written our offer or sometimes before we do, that they've received another offer and we are now in a multiple offer situation. I will walk you through the process and we may want to tighten up or revamp our offer to put our best foot forward right from the start. I have some helpful tricks that can help us win against other agents and we can talk about those if and when we get there!

I almost always suggest having a professional, unbiased building inspection done by a qualified inspector. Your inspector should be experienced, qualified, and knowledgeable about current building code. I have several great ones I can recommend. Spending a few hundred dollars up front is an excellent way to gain peace of mind on the largest purchase you are likely to ever make and potentially save yourself thousands of dollars worth of unexpected repairs down the line. Many defects are not visible to the naked eye or untrained professional, so it is money well spent!

You may always choose to waive your right to have an inspection done, but I usually strongly advise against this. Even if it's for a newly built home you would think couldn't possibly have issues, I've heard of homes where the builders have forgotten to put insulation in the attic! That's just one example of not-easily-visible things inspectors will discover.

Once you have an accepted offer on a property, I'll book your inspection, which usually takes around 3 hours, depending on the home and the property. Your inspector should check for visible issues with plumbing, electrical systems, insulation, roof, walls, ceilings, floors, windows, foundation, heating and cooling systems, and water function.

As your REALTOR®, I will attend at the end of the inspection, and always recommend you do, also, if possible. The inspector will walk us through the full report and you will have the chance to directly ask him any questions that come up or if you'd like something clarified.

He'll go through all the key features of the property and point out any areas of concern and will email you a copy of his detailed report with photos later that day for your records.

Lastly, it's not as common, but some sellers perform a "pre-listing inspection" so they can find out any potential issues that may arise. Rather than relying on their results, which may be old or done by an unknown inspector, I still always advise hiring your own inspector we trust!

WHY ISN'T POSSESSION DATE THE SAME AS COMPLETION DATE?

Possession date is traditionally noon on the day after Completion. Lawyers and the Land Title Office will not guarantee title transfer anytime prior to end of business day. Nearly every seller is relying on the funds from their sale to be able to buy and move into their next home, so until your purchase funds clear, and your new title is registered, you can't move in. On very rare occasions, such as when the home is vacant, it may be possible to negotiate possession on completion day. I highly advise against Friday completion dates, just in case the funds don't clear in time and you're stuck homeless with your belongings in a moving van until Monday!

HOW DO I GET THE KEYS TO MY NEW HOME?

Get them once the Seller has received your purchase funds. As your REALTOR®, I will organize the key transfer. I always suggest you re-key the locks for safety and peace of mind, as you never know how many keys are in circulation.

WHAT HAPPENS IF I AM A FIRST TIME HOME BUYER?

All of the very detailed information you need about the First Time Home Buyers' Program can be found online at: https://www2.gov.bc.ca/gov/content/taxes/property-taxes/ property-transfer-tax/exemptions/first-time-home-buyers. In short, it reduces or eliminates the amount of property transfer tax you pay when you purchase your first home. If you qualify for the program, you may be eligible for either a full or partial exemption from the tax.

WHAT IS PROPERTY TRANSFER TAX?

Your best source for a full explanation of all things transfer tax related is found online at:
https://www2.gov.bc.ca/gov/content/taxes/property-taxes/glossary-faq
Briefly, the property transfer tax rate is:
√ 1% on the first $200,000
√ 2% on the portion of the fair market value from $200,000 up to and including $2,000,000
√ 3% on the portion of the fair market value greater than $2,000,000, and, if the property is residential, a further 2% on the portion of the fair market value greater than $3,000,000

Besides your down payment, there are various “closing costs” which can add up. For the most part, they are all legally required payments in buying a property. These payments include:

Legal Fees: since a lawyer or notary is an essential part of your home buying team, their work involves legal fees for reviewing the property title, arranging a property survey if necessary, handling mortgage disbursements as required, and other related tasks.

Mortgage Insurance and Application Fee: for any high ratio mortgage, one which 80% or more of a home’s purchase price is covered by the mortgage, the lender requires mortgage insurance. This amount is generally factored into your mortgage payments.

Property Insurance: this covers the replacement value of your home and its contents. Most mortgage lenders will require proof you have insurance before funding a mortgage.

Home Inspection: I almost always recommend you get a home inspection. A small investment ahead of the biggest purchase of your life can find things out that will save you thousands of dollars later in unexpected repairs. Definitely worth the peace of mind!

Property Transfer Tax: this provincial tax is payable at the rate of 1% on the first $200,000 of the purchase price, 2% on the balance up to $2,000,000, and 3% on the portion of the fair market value greater than $2M. Some exemptions may apply, including for first-time buyers.

GST: 5% is payable to some degree on the purchase price of all new homes, although partial rebates are available, depending on the purchase price, and are calculated on a sliding scale.

Hookups: there may be charges for services such as cable, phone, hydro, and other utilities.

Moving Costs: professional moving companies can be expensive. Remember to budget for all these extra charges when planning to buy your home! They will add thousands of dollars to the price you were expecting to pay for your home, so you don’t want to be surprised or caught short financially.

CLOSING COST BREAKDOWN

ITEM	AMOUNT	TIMELINE
Deposit (becomes part of purchase price)	$10000+	Due upon Acceptance
Bank Appraisal (if required by lender)	$ 700 approx	Due upon Acceptance
Building Inspection	$700 approx	Due upon Acceptance
Legal Fees	$1500-2000 approx	Due at Completion
Site Survey (if applicable)	$	Due at Completion
Insurance	$	Due at Completion
Property Transfer Tax	$	Due at Completion
GST (New Construction Only) 5% of sale price minus rebate if applicable	$	Due at Completion
Real Estate Fees	**$ A BIG FAT ZERO**	Due at Completion

*With the exception of one unique scenario I'll explain,
it costs you absolutely nothing to have me work for you!

.

MOVING TIPS

- As soon as you know you're moving, start to pack anything you won't need in the short-term
- Donate, sell, or give away anything you don't want to bring with you.
- Pack your boxes tightly to avoid breakage
- Use color-coded paper taped to boxes to show what rooms things go in (make a master list!)
- Change your address: Canada Post, ICBC, MSP, Amazon, VISA, MC, online billling, voting
- Cancel/Move your services: Hydro, FORTIS, Shaw/TELUS, alarms, water/propane contracts
- Try not to move on 1st or 30th of month, movers are cheaper and more available other dates
- Give your new address to friends/family (assuming you want them to know!)

CONCLUSION

Thanks for reading all the way through my Buyer's Guide. I hope I've shown you I can add value to your real estate buying experience. I would absolutely love to give you some world-class service when you're ready to buy your home!

Whether you're ready now or thinking ahead to the future, it's never too early to start the ball rolling! Please give me a call directly to talk or we can book a Zoom call, I'm always happy to chat real estate. Looking forward to helping you buy your next home whenever the time is right!

Cheers,

Rob

Rob Freeman
REALTOR®

STONEHAUS
REALTY

ROB FREEMAN
REALTOR®

250-327-2290
Rob@VanIsland.homes
www.VanIsland.homes

In a word? Service.