



First Time Home buyer

COLLECTION



YOUR
GUIDE
TO CONDO COSTS

WHEN PURCHASING YOUR FIRST
EDMONTON HOME

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There's nothing more exciting than purchasing your very own condo! With Edmonton currently in a buyer's market, it's time to take your next big life step.

Carrington Communities is here to make sure you're prepared with your first-time home buyer's bundle. This section is going to specifically focus on all of the associated costs you may not expect when purchasing your first home, so you have an idea of how much you really should have put away.



Lender Application Fees

Lender application fees are one of the first expenses you will come across in your home buying journey. This is a one-time fee a bank or financial institution will charge you to process your mortgage application for approval, and also to fund your loan.

This can become quite costly if you are a first-time home buyer where every nickel counts. It's usually more strategic to reach out to a mortgage solutions specialist to process your mortgage application and compare it to each lender product out there. [Ownest Financial](#) is a great example of this, as they run your application against 124 lenders and over 22,000 mortgage products. This way, you can start to compare mortgage options and take a look at lender fees.



Click on the image above to watch the Ownest video.



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Condo Fees

Buying a condo is great if you're looking for a maintenance free lifestyle...no shoveling the sidewalk in the winter or keeping your thirteenth pet plant alive in the summer!

However, one of the most obvious homeowner costs is the condo fee. Each condominium complex has a condo association which oversees building maintenance, insurance and some utilities, paid for by buyer condo fees. Carrington condos have fees which can cost approximately \$0.35 per square foot in our [Elements condos](#).

Closing Costs

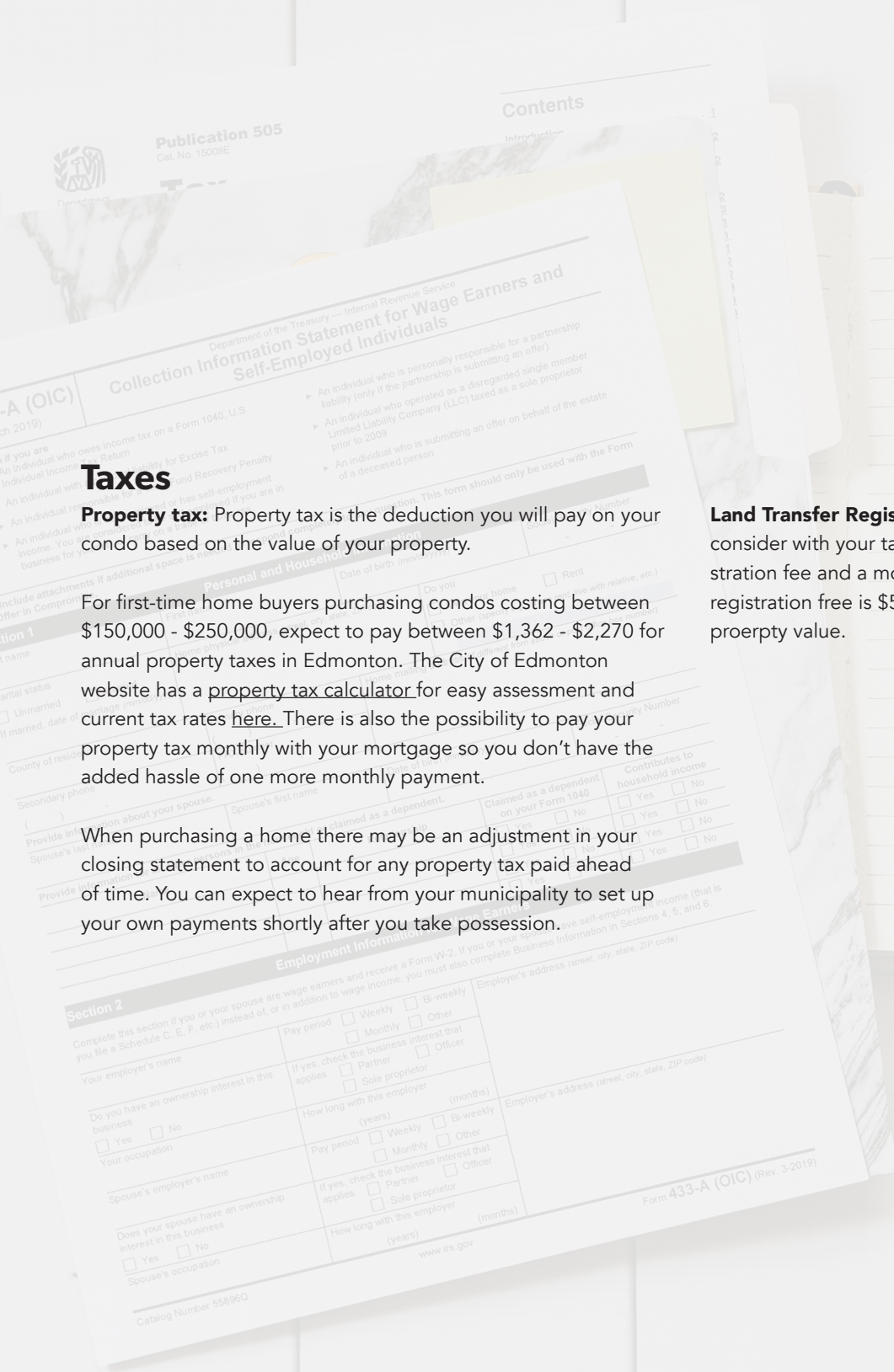
Where we really get into the nitty gritty is with closing costs. These are the one off fees that can make a big dent in your finances at the start. [Home buyers should set aside approximately between 1.5% - 4% of the purchase price of their new condo for closing costs in Edmonton.](#)

Realtor fees: You may think you have to pay realtor fees if you are having someone help you with your home buying journey. Luckily, you do not have to pay realtor fees as they come with the closing costs associated with the seller.

Attorney fees: Attorney fees can vary for Edmontonians depending on who you go with, but attorney fees include registering the mortgage, completing the tax certificate, and a title search on your property should you choose to get one. Carrington Communities can also refer you to attorney Jim Cambell for specialty rates.

Other out of pocket costs and closing costs could include moving expenses, property appraisals, and adjustment costs, among others. We suggest visiting one of our sales associates to walk you through closing costs if you are looking to purchase a Carrington Communities condo.

You can have piece of mind knowing that Carrington Communities condos include [aftercare](#), so you don't need to put money aside for any initial repairs.



Taxes

Property tax: Property tax is the deduction you will pay on your condo based on the value of your property.

For first-time home buyers purchasing condos costing between \$150,000 - \$250,000, expect to pay between \$1,362 - \$2,270 for annual property taxes in Edmonton. The City of Edmonton website has a [property tax calculator](#) for easy assessment and current tax rates [here](#). There is also the possibility to pay your property tax monthly with your mortgage so you don't have the added hassle of one more monthly payment.

When purchasing a home there may be an adjustment in your closing statement to account for any property tax paid ahead of time. You can expect to hear from your municipality to set up your own payments shortly after you take possession.

Land Transfer Registration Fee: There are [two fees](#) to consider with your taxes. This includes a land transfer registration fee and a mortgage registration fee. The property registration free is \$50.00 plus \$1.00 for every \$5,000 of proerty value.

Insurance

Your condo is your home, and it's important that it's protected. Building insurance is important as it covers the costs of damage to the building. Your condo fees contribute to the cost of building insurance, but you will still need to purchase a Condo Homeowner Policy. Basic insurance is limited in what it covers (and it varies from broker to broker) but most insurance policies can come with add-ons for personal property, living expenses, legal liability, and other perils.

Luckily, condo insurance is typically lower than other forms of [housing sitting on average of \\$26 per month](#). Comparing policies is important when finding the right coverage for you and your home. Start your [search online](#) and even look into bundling your policy with your car insurance if you drive.





Moving Costs

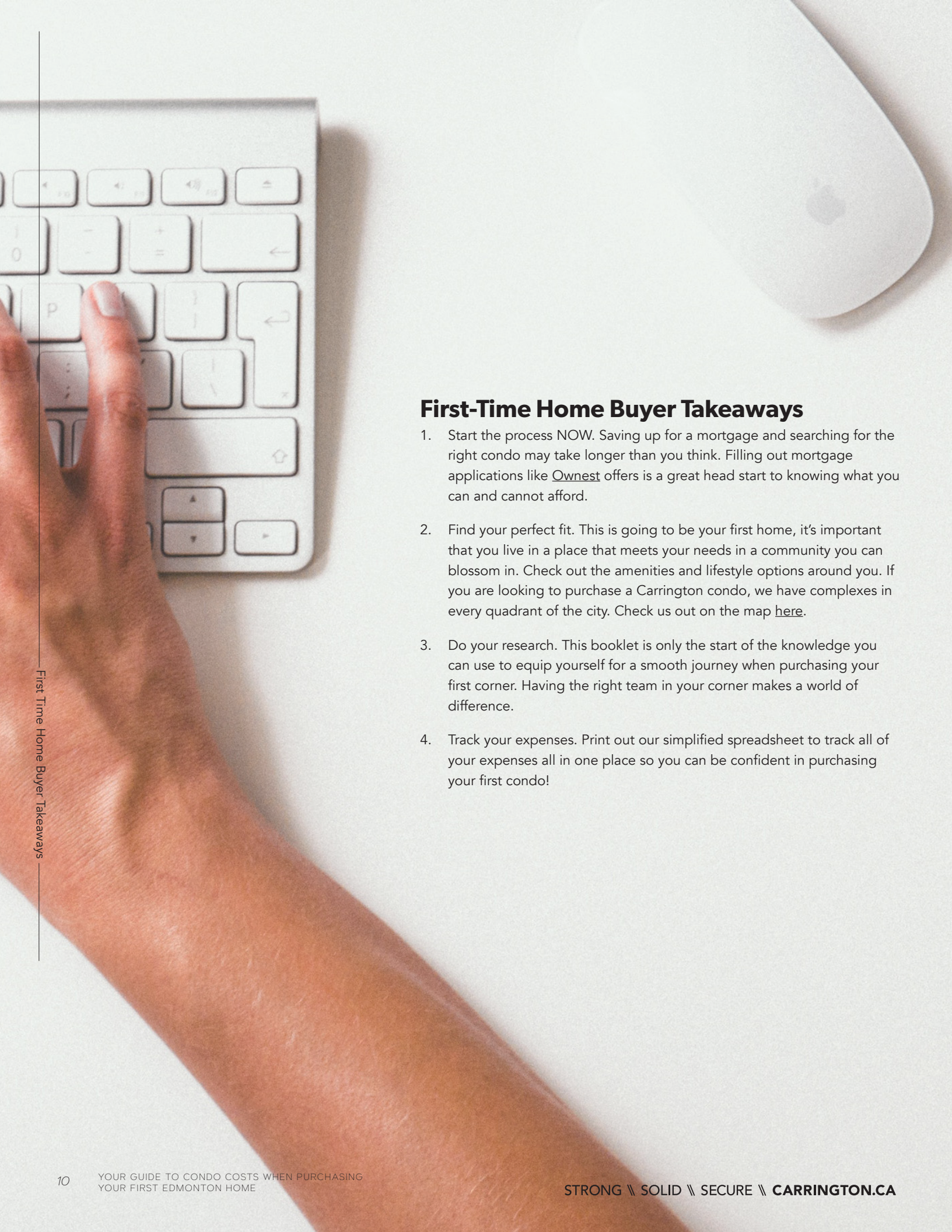
You're all ready to get out of your rental and into your first home, but the move can be pretty tough. If you are looking to truly make your first condo your home, you'll want to decorate and order new items to personalize your space. It's great to pre-order décor your missing so it comes as soon as you move in and schedule movers to make moving day stress free. Companies like [Move Coordinators](#) offer Edmonton services at competitive rates and even give helpful resources like a moving checklist, you can even use the cost of movers as a tax write-off (just make sure you keep your receipt).

Utilities

Although you've probably had to pay for your internet and cable, you may have not had other monthly costs while you were renting. To touch on utilities briefly, home owning comes with many more utility costs. This includes electric and gas, water and sewage, technology such as internet, trash and recycling, and even admin fees. Each condo association will incorporate some or all of these expenses into your condo fees, but it will all vary from association to association. Make sure to check with the condo association to get an idea of how much utility rates are and what utility companies the condo building is with.

*Receive free Telus phone, internet, and TV (with a 2-Year contract) at Carrington Communities condos.





First-Time Home Buyer Takeaways

1. Start the process NOW. Saving up for a mortgage and searching for the right condo may take longer than you think. Filling out mortgage applications like [Ownest](#) offers is a great head start to knowing what you can and cannot afford.
2. Find your perfect fit. This is going to be your first home, it's important that you live in a place that meets your needs in a community you can blossom in. Check out the amenities and lifestyle options around you. If you are looking to purchase a Carrington condo, we have complexes in every quadrant of the city. Check us out on the map [here](#).
3. Do your research. This booklet is only the start of the knowledge you can use to equip yourself for a smooth journey when purchasing your first corner. Having the right team in your corner makes a world of difference.
4. Track your expenses. Print out our simplified spreadsheet to track all of your expenses all in one place so you can be confident in purchasing your first condo!

Simplified Condo Home Buying Expense Sheet

EXPENSE	APPLICABLE	VENDOR CHOICE	ONE TIME COST	COST PER MONTH	ANNUAL COST	NOTES
Lender Application Fees						
Condo Fees						
Closing Costs						
Attorney Fees*						
Inspection						
Moving Costs						
Other						
Taxes						
Property Tax*						
CMHC Mortgage Tax						
Land Transfer Registration Fee*						
Insurance						
Electric						
Gas						
Water						
Sewage						
Technology						
Trash & Recycling						

These fees will be included in closing costs which is not an out of pocket expense.

Your First Time: Purchasing a Condo

Visit carrington.ca for more first-time home buyer tips.



Step 2: The Hunt

- Give yourself enough time to search for the right place. It could take up to six months - it takes time to find your dream home.
- Keep the hunt in your price range and in your desired community.
- Make sure your spare time can be dedicated to your search.



Step 3: Mortgage Applications Made Easy

- Budget beyond your mortgage for additional fees and interest.
- Map out your monthly payments and set up automatic deposits to stay on time.
- Easily compare mortgage options from local brokers with Ownest Financial.



Step 4: Closing Costs

- Put away some savings for one-time fees such as your closing costs.
- Establish whether you will be paying for home owner's insurance, CMHC mortgage tax, and property tax annually or monthly.



Step 6: Keep the Keys with Aftercare

- Register all of your major appliances and home components that have warranties and be aware of aftercare instructions in case something goes wrong. Carrington condo owners can log in to their Conasys Portal for all aftercare and community info.
- Read over all of the condo documents thoroughly so you are aware of any annual or quarterly maintenance to the building and your suite.
- Say hello to your neighbors so you know you have someone to look out for your condo.
- Make your new condo your home with a bit of a budget for decoration and time to settle in.



Step 5: The Moving Process

- Coordinate manpower for your move over a weekend to take your time or hire professionals for a stress-free process.
- Make sure you schedule time for final inspection, walkthroughs, and the actual move.
- Notify ahead of time your utility, internet and phone, and other providers to make the switch on your address so there are no mix-ups.

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YOUR FIRST TIME

The 4 most important mortgage FAQs

Answered with Ownest Financial and Carrington Communities



How much should I put down?



If you are looking to purchase a condo with Carrington Communities, we only require you to put five per cent of your mortgage down. Although that's the minimum, it doesn't mean that it is always the best option. Putting down more up front means spending less during your month-to-month payments, and lower premiums and interest rates.

For example, putting down less than 20% means you not only pay your established monthly interest rates, but it also means you pay a bank mandatory CMHC insurance fee. CMHC fee estimates can be calculated [here](#).

You also get better rates if you put down more than five per cent. Should you not have a full five per cent down payment at this time, but you'd still like to purchase, there are other alternatives. [Ownest](#) offers two programs that enables you to purchase without a down payment.

What are the current interest rates?



There is not a universal answer when it comes to current interest rates for first-time home buyers. Your interest rate will depend on what type of mortgage product most suits your lifestyle needs and what you can be pre-approved for.

Interest rates are determined largely by your down payment and your credit score. That means, the larger your down payment and the higher your credit score is, the better the interest rate you will qualify for. Interest rates also vary depending on your choice of a fixed or variable rate mortgage, and what term you sign for. Common interest rate terms include two, three, or five years.

To find your best interest rate, simply contact [Ownest](#).

What is best way to get pre-approved for my mortgage?



Our partnership makes pre-approvals a breeze for you. Get pre-approved for a mortgage in minutes by answering a few questions online or through the [Ownest app](#). The application is available 24/7, so there's no need to worry about taking time off of work or driving across the city to your bank or a mortgage broker.

Another benefit to using Ownest is that it will run your application against over 124 lenders and over 22,000 mortgage products, making them compete for your mortgage. This ensures you get the best rate possible.

How much will my monthly payment be?



Your monthly payments will depend on the purchase price of your home, down payment, interest rate, and your mortgage term. There is no “one size fits all” payment plans.

If you have an idea of how much your mortgage will be or how much you want to spend on your new condo, you’ll want to know how much your monthly payments will be. You can use our [Mortgage Calculator](#) to determine this.

Once you have been pre-approved for your mortgage through Ownest or your broker, you’ll want to know exactly how much monthly payments will be. It’s a good idea to not only look at how much your monthly mortgage payments will cost, but how much your overall monthly expenses will be. Use the table below to lay out your monthly expenses so you can check against your monthly mortgage payments to see if they are affordable.

Monthly Service or Product	Monthly Cost
Condo Fees	
Utilities	
Property Tax	
Internet, Cable and Phone	
Other: _____	
Total	

Add up all of these costs and feel secure knowing where you stand with your finances and your new home.

Have any more questions about your first time?

Get in touch with the Carrington Communities sales team through email [here](#) or through our [Facebook page](#). Visit Ownest Financial for a [comprehensive look](#) at your first time.

CONDO BUYER EDITION

YOUR FIRST TIME
5 Tips

FOR HAVING THE RIGHT
TOOLS AND TEAM
IN YOUR CORNER



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Introduction

We have covered everything from the condo costs and the mortgage process to an overview infographic of the buyer's journey you will go on, but there are pieces of information that will always slip through the cracks. As condo builders, we make sure to fill in all of those cracks and provide you with a complete and quality product, whether that's the condo of your dreams or the right information you need to succeed in purchasing it. Here are our five top tips to keep in mind on your home buying journey.




Put a pause on your credit purchases.

Purchasing your new home requires you to first become pre-approved for a mortgage. A large part of this process involves a credit check. Not only will it help you get the best interest rate, it will also affect most other variables of your loan.

The best way to optimize your credit score is by ensuring there are no disputes you are currently dealing with, and paying off a large chunk of what your current debt (or better yet all of it) before you apply for your mortgage.

Prioritizing your new home over that new vehicle or that new laptop and phone could mean a huge difference in your mortgage payments.

Check your credit here by requesting a free credit report from Equifax through [Borrowell](#) or [Credit Karma](#).



Find the right incentives for you.

As a first-time home buyer, you need all the help you can get when it comes to the best mortgage rates and minimizing purchasing costs. This can come in the form of provincial, federal, and institutional incentives geared towards first-time home buyers. All you have to do is look.

First-time home buyers may qualify for a [tax credit](#) that helps you to recover closing costs up to \$5,000 and for a [GST New Housing Rebate](#) if you qualify. An advantage to purchasing a Carrington condo is taking the work out of accessing this incentive as we include it in your purchase for you.

The Federal Government of Canada and the National Housing Strategy have rolled out a first-time home buyer incentive in September of 2019. [This incentive](#) is used to lower your monthly mortgage payments without increasing your down payment if you qualify. Find out if this incentive is right for you.

You can also look into taking advantage of an [RRSP program](#) for your first home.



Choosing the right Community for your condo

It's quite easy to get swept up in the cost and aesthetic of your new home. But there's so much more to your life right now – your new job, rediscovering hobbies, and connecting with friends and family. Your condo is your home only if it facilitates a sense of community and connectedness.

To make sure you're in the right community, it's important to ask yourself the following:

- Is the commute close to your work? Does your route get backed up with infamous Edmonton traffic before and after work? Is transit fairly accessible and close during your winter mornings?
- What is the status of your community? Are there accessible amenities such as schools, hospitals, cafes, grocery stores, gyms, and recreational centres? Is it an up-and-coming neighborhood with an increasing value? Is it a relatively safe community or somewhere you're comfortable living?

You can check out current [safety statistics](#) of different communities provided by the Edmonton Police Service and use Google Maps (input specific departure and arrival times with your desired transportation type) to plan your commutes.



Managing timelines and expectations

First-time home buyers have the convenience of instant accessibility the internet provides. While having instant access to the condo listings cuts down search time, the entire journey from your loan process and from contract to closing will take some time. Realize that you will be dedicating your lunch hours, evenings, and weekends to this process.

- Set aside a reasonable amount of time for the loan process (during this time you can also search for condos and visit listings).
- Expect to see anywhere from three to ten condos to compare options and making sure it fits your checklist priorities
- The contract timeline can take anywhere from one month to forty-five days as you have to negotiate your offer, sign off on all contract documents, submit to your lawyer and the bank, acquire your loan, and complete the final home inspection. You can cut down on this lengthy timeline with Carrington Condos as we provide the best prices so there's no need for back and forth negotiations, and we take a walk through with you, so there's no need to hire outside help.

There will almost always be a hiccup in you expected timeline and complications with the terms or negotiations that are out of your hands. Manage your expectations accordingly to minimize stress and keep your home-buying journey an exciting one!



Is the future of your condo bright?

You're buying your condo for right now, but your future circumstances are likely to change. It probably won't be your forever home, so don't pretend like it will be. Purchase your condo and prioritize it as an investment piece.

- Keep it in good shape. Cleanliness will mean less overhaul and replacements when you are trying to sell it.
- Look at the potential of your community and make sure property values are likely to rise in that community.
- Be ready to make small renovation changes closer to your selling date that keep up with the modern desired trends. This could be simple changes such as light fixtures, hardware, and investing in a commercial grade cleaning beforehand.

Take these tips with you on your home buying journey to avoid slipping through foundational knowledge cracks. You should feel as strong, solid, and secure in your home buying journey as you will purchasing your Carrington condo. Visit our [communities](#) page today.