

Purchase Process

Presenter: Jim Gillis

Wardell Gillis

THE MONEY

3 Pools of Money:

- Financing – borrowed from a Bank of Credit Union – “mortgage money”
- Equity – “Down Payment” – raised by or comes through the Buyer
- Transaction Costs – raised by the Buyer

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FINANCING:

- Usually the biggest chunk – typically at least 75% - often over 85%
- Must be paid back – requires security

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EQUITY:

- “The hardest part” – usual sources:
 - Personal savings
 - Borrowing from family
- “the Big Advantage” of the Camponi Home Down Payment Assistance Program

CAMPONI PROVIDES THE EQUITY!

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TRANSACTION COSTS:

- Legal Costs (assume \$350,000 purchase price)
 - Fees - \$1,354.69 (regular tariff) for Title Transfer
 - Land Registration Costs – \$1,202.18 for Title Transfer and Mortgage
 - Survey or Title Insurance - \$200
 - Other – GST, PST, Miscellaneous - \$150
- Total: \$2,900
- Home Insurance
- Real Estate Commissions (the Buyer ends up paying!)

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- “the Big Advantage” of the Camponi Home Down Payment Assistance Program
 - Reduced Legal Costs – down to approximately \$2,300
 - No Real Estate Commissions
 - More to come....(we hope)

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THE PAPERWORK

3 Agreements

- Purchase and Sale Agreement
- “Equity Agreement”
- Mortgage

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WHY DO WE NEED A LAWYER?

- Conveyancing
- Trust

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