The Ontario & Alberta Home Buyer's Guide

Programs, numbers, and the mistakes that cost people their approval.

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How the process really works

1. Get pre-approved first

Before you tour a single home, get a real pre-approval. It tells you what you qualify for, holds a rate for you (usually 90–120 days), and makes your offer far stronger when you find the one.

2. Know your true budget

Your maximum mortgage and your comfortable monthly payment are two different numbers. We look at both, plus closing costs, so there are no surprises.

3. Shop, offer, and close

Once you're under contract, your file goes to final approval, then to your lawyer for closing. Keep your finances steady through this whole stretch.

Broker tip: A pre-approval is not final approval. It's conditional on your income, credit, and down payment staying consistent until closing.

The programs that save you money

5% down is enough

You don't need 20%. The minimum is 5% on a purchase up to $500,000, and 5% on the first $500,000 plus 10% above (up to $1.5M). With less than 20% down, your mortgage is insured — which is what makes low down payments possible.

First Home Savings Account (FHSA)

Contribute up to $8,000/year (to a $40,000 lifetime max). Tax-deductible going in like an RRSP, tax-free coming out like a TFSA.

Home Buyers' Plan (RRSP)

Withdraw up to $60,000 per person from your RRSP toward your first home, tax-free, repaid over 15 years. For a couple, up to $120,000.

Land transfer tax rebates

Ontario first-time buyers can claim up to $4,000 back on provincial land transfer tax — plus up to $4,475 more in Toronto.

The cash you’ll actually need

Your down payment isn’t the only cash to close. Budget for:

- **Down payment** — from 5% of the purchase price.
- **Land transfer tax** — varies by price and province (rebates help first-time buyers).
- **Legal fees** — typically $1,500–$2,500.
- **Inspection & appraisal** — a few hundred dollars each, when required.
- **Title insurance** — usually a few hundred dollars.
- **Moving & set-up** — movers, utilities, first month in the new place.

> **Rule of thumb:** Plan for roughly 1.5%–4% of the purchase price in closing costs, on top of your down payment.

Mistakes that cost people their approval

Between pre-approval and closing, the lender re-checks everything. Avoid these:

- **Don’t** finance a car, furniture, or big purchase on credit before closing.
- **Don’t** apply for new credit or let anyone run a hard credit check.
- **Don’t** change or quit your job — lenders re-confirm employment before closing.
- **Don’t** move large sums around or make big unexplained deposits.
- **Don’t** co-sign or take on new debt for anyone else.
- **Do** pay every bill on time and keep your down payment where it is.
- **Do** tell your broker before any big financial change — not after.

Your pre-offer checklist

- A real pre-approval with a rate hold in place
- Your down payment confirmed and seasoned in your account
- Recent pay stubs, T4s or notices of assessment
- 90 days of account statements showing your down payment
- A clear picture of your closing-cost budget
- FHSA / RRSP contributions made if you’re using them
- A broker in your corner who answers the phone

Let’s get you approved

Every situation is different. Book a free 30-minute call and I’ll give you a straight answer based on your actual numbers — no pressure, no obligation.

Book a free call: calendly.com/tylersalmon/30min
Start your application: mortgageswithtylersalmon.ca/apply-now

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