

CLOSING COSTS

Types of closing costs

CLOSING COSTS ARE EXPENSES YOU INCUR, ON TOP OF YOUR MORTGAGE, TYPICALLY DUE UPON YOUR CLOSING DATE. MAKE SURE TO PUT ASIDE FUNDS TO COVER THESE COSTS THAT TYPICALLY RUN BETWEEN 1.5% - 4% OF THE PURCHASE PRICE OF YOUR HOME.

HOME LOAN INSURANCE

To purchase a home you must have a minimum 5% down payment. If your down payment is under 20% it is considered a high ratio mortgage and you must account for home loan insurance, provided by the Canadian Mortgage and Housing Company (CMHC) or Genworth Financial.

Insurance fees typically range from 1–3.25% of the mortgage principal and depend on the borrowing amount and percentage of down payment. Insurance fees can be added to the principal of your mortgage and paid monthly or paid upon closing.

LAND TRANSFER TAX

All provinces in Canada levy a one-time property tax when you purchase a home. Tax levies vary by Province and municipality but all are based on the purchase price of the property.

LEGAL FEES

Closing on your property will require the use of a solicitor. Generally closing costs can be approximately \$1500 plus disbursements and adjustments, but may vary depending on your situation. In addition to closing costs, you should also prepare for extra monthly costs of homeownership.

ONGOING COSTS

When estimating your monthly housing costs, consider more than just your mortgage payment. Home ownership involves added costs such as:

- Property Tax
- Condo Maintenance Fees
- Utility Fees (Hydro, Gas & Electricity)
- Home Insurance



CLOSING COSTS WORK SHEET

SELLING PRICE

\$ _____

LESS COSTS

Real Estate Commission assuming _____ % \$ _____

HST/GST on Real Estate Commission _____ % \$ _____

Legal Fee (plus HST/GST) \$ _____

Disbursements on Sale \$ _____

Payout 1st Mortgage \$ _____

Penalty to Discharge 1st Mortgage if applicable \$ _____

Discharge Administration fee \$ _____

Payout of 2nd Mortgage \$ _____

Penalty to Discharge 2nd Mortgage if applicable \$ _____

Discharge Administration fee \$ _____

Property Taxes (paid up to date) \$ _____

Other Debts to be paid out from Sale \$ _____

TOTAL COSTS \$ _____

NET CASH AVAILABLE FROM SALE (A-B)

\$ _____

Purchase price of new property less deposit made with offer
(add HST or GST for newly built homes, less applicable rebates) \$ _____

Additional downpayment (if any) \$ _____

CLOSING COSTS

Land Transfer Tax \$ _____

Legal Fee (plus HST/GST) \$ _____

Registration Costs/Disbursements on Purchase \$ _____

Title Insurance \$ _____

Adjustments/Incidentals \$ _____

Mortgage Application Fee/Appraisal Fee \$ _____

Insurance Premiums or Lender Fee \$ _____

HST/PST on Insurance Premiums (if applicable) \$ _____

Lenders Application Fee/Commitment Fee \$ _____

Interest Adjustment (lender to confirm) \$ _____

Property Tax Holdback (lender to confirm) \$ _____

Total Closing Costs \$ _____

YOUR MORTGAGE PLANNER WILL WORK WITH YOU TO ENSURE YOUR MORTGAGE COVERS ALL OF YOUR COSTS.